TRIM 104B.030 & .020

NTS 104 B/1 E

LAT. 56 13' N

LONG. 130 05' W

GEOPHYSICAL AND GEOCHEMICAL REPORT ON THE SUMMIT 5 (MINERAL TENURE), SUMMIT LAKE, STEWART, B.C.

Skeena Mining Division

by

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1.0 INTRODUCTION

This report describes and evaluates the economic mineral potential on the Summit 5 claim. Fieldwork consisted of geophysical and geochemical surveys. Field work was carried out by A. Kikauka between May 30-June 2, 2004. There were a total of 5 stream sediment samples and 3 rock chip samples taken as well as 2.0 km of VLF-EM geophysics in the area located approximately 800-1,900 m east and northeast of Summit Mountain (there are several other local names for this peak). This prominent peak is located 3 km southwest of Scottie Gold, due west of Summit Lake and is a dominant feature of the west portion of the Summit 5 claim.

2.0 LOCATION, ACCESS, TOPOGRAPHY

The property is located on the west side of Summit Lake about 27 kilometres northwest of Stewart, B.C. Elevations on the claims range from 2,600-6,900 feet (790-2,123 metres).

The Summit 5 claim can be accessed by the Granduc road to the lower portal at Scottie Gold. During periods of low water (Aug.-Dec.), the gravel flats along the base of Summit Lake can be crossed to access the north portion of the claims. In the near future (possibly 10-20 years), the Salmon Glacier will have receded enough to eliminate Summit Lake entirely. At present, Summit Lake never reaches its previous high water marks due to the rapid ablation rate of the Salmon Glacier.

There are moderate to steep slopes on the west portion of the claims which is contrasted by a glacial scoured, U-shaped valley bottom along Summit Lake.

3.0 PROPERTY STATUS (FIGURE 2)

The Summit 5 claim consist of a contiguous 20 unit claim block that covers 500 hectares. The property is registered to Dr. William E. Pfaffenberger, a director of Fundamental Resources Corp.

The Summit claim group is comprised of the following staked 4 post mineral titles:

CLAIM NAME	UNITS	RECORD NO.	RECORD DATE	EXPIRY DATE
Summit 5	20	377632	June 3, 00	June 3, 05*

*A statement of work filed on June 3, 2004 has extended the anniversary year on these claim..

4.0 AREA HISTORY

The well mineralized Stewart Complex extends from Alice Arm to the Iskut River. Exploration and development of major mines in the Stewart area, including Silbak-Premier, Snip, Johnny Mountain, Anyox, Alice Arm, Granduc, Scottie, Big Missourri, Porter-Idaho, Tenajon SB, and Maple Bay, and new reserves outlined at Eskay Creek, Red Mountain, Willoughby, and Sulpherets are the main reason why this area is one of Canada's most active mining camps.

The Stewart area has been exploited for minerals since 1900 when the Red Cliff deposit on Lydden Creek was mined. Since then, approximately 100 base and precious metal deposits within the Stewart Mining District have been developed. Total recorded production from the Stewart area is 1,900,000 ounces gold, 40,000,000 ounces silver, and 100,000,000 pounds copper-lead-zinc. Most of this production comes from the famous Silbak-Premier mine which operated from 1918 to 1968. This mine was reactivated in 1987 by Westmin Resources to recover near surface bulk tonnage, low-grade gold and silver. Presently the surface reserves are exhausted and Westmin is extracting ore from various underground levels. Additional ore has been produced from Big Missourri & SB deposits.

The Eskay Creek deposit contains an estimated 4,000,000 ounces gold, 45,000,000 ounces silver, and 120,000,000 pounds copper-lead-zinc. This deposit is buried and eluded discovery for some 50 years of exploration on the claims. The unique high-grade, stratiform 2-60 metre wide massive sulphide is outstanding in terms of predictability of its geology and tenor, and its relatively well defined, contact controlled assay boundary.

Scottie Gold Mine is located immediately north of the Summit 5 claim and produced 96,544 ounces of gold from 182,185 tons of ore (from Oct. 1, 1981 until Feb. 18, 1985). Ore zones are hosted in andesitic volcanic rocks near the eastern edge of a large hornblende granodiorite stock (Early Jurassic age). Ore zones on the Scottie Gold property are vein networks locallized within four complex, sub-parallel shear or fracture zones. The vein networks are major structures trending about 130 degrees and dipping 75-80 degrees NE. The 'L', 'M', and 'N' Zones have a horizontal separation of 50 meters, the 'O' Zone is roughly 110 meters farther to the NE. The mineralization consists of fine-grained pyrrhotite, pyrite, arsenopyrite, chalcopyrite, sphalerite, galena, tetrahedrite, and electrum within silicified zones that are controlled by composite shear planes (i.e. en echelon spaced ore lenses). They have been called shear veins, sigmoidal veins, extension veins, tension gashes and ladder veins (Alldrick, 1993). Scottie Gold has reserves listed @120,000 tons of 0.561 oz/t Au.

Other prospects in the Summit Lake area include Shough, Josephine, Hollywood, Troy, Outland Silver Bar, and East Gold. These base and precious metal occurrences have been periodically explored and developed over the past fifty years. East Gold produced a shipment of 44 tons of 35.244 oz/t Au, 96.74 oz/t Ag.

In the 1950's, Silbak-Premier mapped the main sulphide showings known as the Sunrise Group

of crown granted claims located near the southwest end of Summit Lake, and described 4 sub-parallel mineral zones trending NW and dipping moderately SW. Of these 4 mineral zones, the one closest to Summit Lake exhibited widths in excess of 50 feet. In addition, geological mapping outlined quartz-sulphide zones with significant base and precious metal mineralization in the area of the short adit as well as the showings on the St. Eugene and Grey Copper crown grants (5-20' widths of qtz-sulphide mineralization trending WNW and dipping steeply SSW).

Directly adjacent to the August Mountain Glacier immediately south of the Summit 5 claim, at 4,600 foot elevation, is a 500 metre wide gossan zone consisting of quartz-sericite-pyrite alteration. This zone was scanned by airborne EM and mag geophysics flown in 1984 by Apex Airborne Surveys Ltd. and gave a significant total field magnetometer anomaly as well as identifying numerous EM conductors in the vicinity of the gossan. In 1993 Navarre Res Corp carried out a fieldwork program consisting of geological mapping and soil, stream sediment, and rock sampling were carried out by the author and are summarized as follows:
Quartz vein mineralization occurs within a major quartz-sericite-pyrite alteration zone. Sample AK-6 assayed 1.3% Cu, 2.3% Pb, 9.5% Zn, 6.8 oz/t Ag, and 0.017 oz/t Au across a width of 40 cm. This sample is located at an elevation of 1,050 metres (3,500 feet) where there is a natural bench in the slope with old workings present.

Quartz-carbonate veins with sphalerite, galena, and tetrahedrite mineralization were located near the northeast portion of the Grey Copper crown grant at an elevation of 1,000 metres (3,280 feet). Sample AK-12 assayed 1.1% Cu, 2.2% Pb, 8.6% Zn, 8.23 oz/t Ag, 0.119 oz/t Au across a width of 10 cm. This quartz vein varies in width from 0.5-1.1 metres, is traced for over 100 metres, and trends northwest with a 60 degree northeast dip.

5.0 PROPERTY HISTORY

Geological mapping and geochemical sampling (rock chip and stream sediment) advanced several new raw prospects on the Summit 5 claim with Fundamental Res Corp work done in August, 2001. The most significant areas of economic mineral potential are as follows:

Claim Name	Sample Number	Width	% Cu	% Pb	% Zn	g/t Ag	g/t Au
Summit 5	S-254	1.0 m	0.24	2.11	5.07	270.3	15.8
Summit 5	S-255	1.0 m	0.84	2.45	2.3	397.9	13.5
Summit 5	S-279	0.8 m	0.1	2.08	2.03	197.7	1.35
Summit 5	S-257	1.0 m	0.02	0.01	0.02	1.3	1.28
Summit 5	S-278	0.3 m	0.05	0.28	9.05	46.7	1.31

Summit 5	S-280	1.0 m	0.01	0.01	0.04	1.7	4.25

These newly discovered quartz-sulphide fissure veins contain economic concentrations of base and precious metals, e.g. samples S-254 and S-255 are both 1 m wide chip samples of the same quartz vein, and were taken at 1,400 m elevation on the north side of the large east-west trending creek immediately east of "Summit Mountain". This vein appears to have a 100 meter long strike, but also appears to head southwest into a cliff area where significant tonnage may be present. S-254 & S-255 are located at NAD 83 UTM co-ordinates 6229650 N, 432450 E. Another area of polymetallic mineralization related to a major NW trending fault zone occurs at the north end of Summit 5 (e.g. samples S-278 and S-279), co-ordinates 6230450 N, 431850 E.
Reddish brown to yellow coloured stain on cliffs located on the shore of Summit Lake (about 800 meters north of August Jack glacier) were investigated by detailed soil and rock chip sampling. Observed mineralization includes 1-10% disseminated and fracture filling pyrite, pyrrhotite, and traces amounts of chalcopyrite. Mineralization in this cliff area trends north and dips steeply west. Ubiquitous quartz-sericite surrounds the mineral zone.

Geological mapping and geochemical sampling was again carried out on the Summit 5 claim by Fundamental Res Corp in August, 2002. Significant areas of economic mineral potential are as follows. In the northwest portion of the Summit 5 claim, there is considerable volume of mineralized quartz monzonite float boulders. The source of these boulders is likely from the cliff area approximately 1 km north of Summit Mountain, but the elusive source has not been located, largely because of ice and rugged topography. Approximately 98% of the bedrock mapped on the east portion of the Summit claims consists of Unuk River Formation dacitic volcanics (tuffs/flows and/or breccia) with minor intercalations and screens of clastic sediments and limestone. Alkaline early middle Jurasic K-spar porphyry intrusive rocks cut the Unuk River Fm. and appear as two distinct 600-1,200 metre wide stocks (unit 2), situated 500 meters north of the Summit 5 claim.

Northeast and northwest trending quartz veins contain 1-20% pyrite and quartz along and near their contacts with the country rock. The quartz veins generally follow fissures and/or fractures with roughly vertical to steep westerly dips. Trace to 1% chalcopyrite and tetrahedrite occur in the quartz-pyrite zones. Sulphides associated with these quartz veins include pyrrhotite-pyrite-chalcopyrite- arsenopyrite-sphalerite-galena- and related chlorite-carbonate-sericite alteration. Outcrop exposures of quartz-sulphide veins in the west portion of the survey area (between 1,220-1,440 m elevation) yielded 5 samples which gave the following results:

Sample	Minerals	Width	Strike/dip	ppm Cu	ppm Pb	ppm Zn	ppm Ag	ppb Au
AR-1	Pyo., py., cpy.	0.5 m	070/20 N	381	16	42	1.2	125
AR-2	Pyo., py., cpy.	0.9 m	050/80 NW	566	22	23	3.4	135
AR-3	Pyo., py., cpy., sp.,	0.8 m	050/80	1558	1873	8998	26	50400

	ga., tetrahedrite		NW					
AR-4	Pyo., py., cpy.	1.0 m	135/75 SW	1407	162	489	5.3	1050
AR-5	Pyo., py., cpy.	1.0 m	135/80 SW	189	69	687	3	145

Sample AR-3 has coarse-grained base metals and trace amounts of tetrahedrite (and tennantite). The quartz vein that hosts sulphide mineralization (in sample AR-3), is enveloped by typical mesothermal alteration, i.e. carbonate (ankeritic), K-spar, sericite and chlorite. The structures present (i.e. faults, shears, fabric, fractures, etc.), within the west portion of the grid area (between 1,220 and 1,440 meters elevation above sea level), are complex cross-structures trending northeast and northwest, with steep dips, and probably represent normal, reverse and/or strike-slip faults. This cross-fault zone also has some late (cross-cuts all structures), shallow dipping quartz-pyrite veins with minor chalcopyrite-galena-sphalerite, but these glassy quartz veins contain cubic pyrite and do not contain pyrrhotite mineralization and carbonate alteration. The following table summarizes geochemical analysis of soil samples taken along the east-west trending baseline at 50 m spacing along the baseline length of 550 m, as well as a 250 m long north-south trending grid line located at the west end of the baseline, 1,420 m elevation.

Sample	ppm Mo	ppm Cu	ppm Pb	ppm Zn	ppm Ag	ppm As	ppm Sb	ppb Au
0+00 W	5	325	40	129	0.6	112	8	80
0+50 W	7	152	39	183	0.9	157	10	60
1+00 W	6	217	43	439	1.5	340	21	80
1+50 W	4	104	53	176	1	699	5	160
2+00 W	9	113	73	226	3.3	1066	6	210
2+50 W	5	112	69	209	4.1	1792	4	180
3+00 W	18	232	30	122	1.4	81	13	485
3+50 W	5	310	265	220	3.6	222	23	225
4+00 W	5	112	138	91	2.1	592	3	105
4+50 W	4	293	68	100	1.5	318	8	205
5+00 W	4	283	115	264	3.2	214	5	245
5+50 W	6	456	324	546	2.6	430	10	250
5+50 W 0+50 N	3	308	134	323	2.4	431	6	185

5+50 W 1+00 N	4	215	74	151	1.1	176	5	140
5+50 W 0+50 S	6	440	137	277	2.3	402	12	205
5+50 W 1+00 S	3	220	48	149	1.7	124	5	120

A comparison of soil geochemistry shows elevated As and Sb values do not correlate very well with elevated gold. There is an apparent correlation between elevated Cu and Au. The highest gold value (485 ppb Au at station 3+00 W), does not have anomalous base metal values except copper which is above average (232 ppm Cu). It is likely there are at least 2 types of gold bearing mineralization present, i.e. low sulphide (quartz) and high sulphide (polymetallic).

Of the 17 samples taken, the following results are considered highest priority for follow up:

Sample #	ppm Cu	ppm Pb	ppm Zn	ppm Ag	ppb Au
BL 3+00 W	232	30	122	1.4	485
BL 3+50 W	310	265	220	3.6	225
BL 4+00 W	112	138	91	2.1	105
BL 4+50 W	293	68	100	1.5	205
BL 5+00 W	283	115	264	3.2	245
BL 5+50 W	456	324	546	2.6	250
BL 5+50 W stn 0+50 N	308	134	323	2.4	185
BL 5+50 W stn 0+50 S	440	137	277	2.3	205
BL 5+50 W stn 1+50 S	293	82	311	1.4	135

Although most elevated gold values contain above average base metal and silver values there is no direct correlation between gold and base metals. Gold is associated with base metal rich as well as base metal poor zones of mineralization.

The elevated values of Cu-Pb-Zn-Ag-Au in soil samples taken from BL 3+00 W to BL 5+50 W include the high grade showing AR-3 (50,400 ppb Au, 26.0 ppm Ag, 1,558 ppm Cu, 1,873 ppm Pb, and 8,998 ppm Zn) which occurs at 1,420 meters a.s.l. and is located 200 meters north of the major avalanche chute that originates from Summit Mountain (2,123 meters a.s.l.) .

In 2002, Fundamental Resources Corp mapped and rock/soil sampled a 1.2 km.X 0.5 km. area on the north central portion of Summit 5. This field work outlined several northeast and northwest trending quartz veins with 1-20% pyrite and quartz along and near their contacts with the country rock. The quartz veins generally follow fissures and/or fractures with roughly vertical to steep westerly dips. Trace to 1% chalcopyrite and tetrahedrite occur in the quartz-pyrite zones. Sulphides associated with these quartz veins include pyrrhotite-pyrite-chalcopyrite- arsenopyrite-sphalerite-galena- and related chlorite-carbonate-sericite. Outcrop exposures of quartz-sulphide veins in the west portion of the survey area (between 1,220-1,440 m elevation) yielded 5 samples which gave the following results:

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The elevated values of Cu-Pb-Zn-Ag-Au in soil samples taken from BL 3+00 W to BL 5+50 W include the high grade showing AR-3 (50,400 ppb Au, 26.0 ppm Ag, 1,558 ppm Cu, 1,873 ppm Pb, and 8,998 ppm Zn) which is located close to the BL 5+50 W station.

6.0 GENERAL GEOLOGY (FIG. 3)

The Stewart Complex includes a thick sequence of Late Triassic to Middle Jurassic volcanic, sedimentary, and metamorphic rocks. These have been intruded and cut by a mainly granitic to syenitic suite of Lower Jurassic through Tertiary plutons which together form part of the Coast Plutonic Complex. Deformation, in part related to intrusive activity, has produced complex fold structures along the main intrusive contacts with simple open folds and warps dominant along the east side of the complex. Cataclasis, marked by strong north-south structures, are prominent features that cut this sequence. Country rocks in the Stewart area comprise mainly Hazleton Group strata which includes the Lower Jurassic Unuk River Formation, and the Middle Jurassic Betty Creek (and Mt.Dillworth) Formations. This sequence is unconformably overlain by Salmon River Formation, and the Nass River Formation (Grove, 1971,1986). Unuk River strata includes mainly fragmental andesitic volcanics, epiclastic volcanics, and minor volcanic flows. Widespread Aalenian uplift and erosion was followed by deposition of the partly marine

volcaniclastic Betty Creek Formation, the mixed Salmon River Formation, and the dominantly shallow marine Nass River Formation.

Intrusive activity in the Stewart area has been marked by the Lower and Middle Jurassic Texas Creek granodiorite with which the Big Missourri, Silbak Premier, SB, and many other mineral deposits in the district are associated. Younger intrusions include the Hyder Quartz Monzonite and many Tertiary stocks, dykes, and sills which form a large part of the Coast Range Plutonic Complex. Mineral deposits such as B.C. Molybdenum at Alice Arm, Porter-Idaho near Stewart, and a host of other deposits are related to 48 to 52 Ma (Eocene) plutons. These intrusive rocks also form the regionally extensive Portland Canal Dyke Swarm. More than 700 mineral deposits and showings have been discovered in a large variety of rocks and structures in the Stewart Complex. The Silbak-Premier represents a telescoped (transitional), epithermal gold-silver base metal deposit localized along complex, steep fracture systems, in Lower Jurassic volcaniclastics unconformably overlain by shallow dipping Middle Jurassic Salmon River Formation sedimentary rocks. In this example, the overlying sedimentary units form a barrier or dam, trapping bonanza type gold-silver mineralization at a relatively shallow depth. Metallogeny of the Silbak-Premier, Big Missourri, SB, and a number of other deposits in the Stewart area are related to early Middle Jurassic plutonic-volcanic events. Overall, at least four major episodes of mineralization involving gold-silver, base metals, molybdenum, and tungsten dating from early Lower Middle Jurassic through to Tertiary have been recorded throughout the Stewart Complex.

7.0 2004 FIELD PROGRAM
7.1 METHODS AND PROCEDURES

A 0.9 km.X 1.2 km. area on the central and northeast portion of Summit 5 was sampled for rocks and stream sediments (Figure 8). A Garmin e-trex portable receiver was used to take GPS readings and recorded to locate sample sites. All GPS data was recorded in metric UTM NAD 83 datum, Zone 9 (Figure 8 & Appendix D). A 0.8 km.X 0.3 km. area on the northeast portion of Summit 5 was surveyed using a Geonics EM-16 portable receiver (Figure 7). Hip chains and compasses (using 26 degrees east for declination from magnetic north to true north) were used to survey the VLF-EM grid area. Slope correction was accounted for by using a Suunto clinometer to determine true horizontal distance.

A total of 5 stream sediment samples were taken on Summit 5 claim from the active channel on small creeks with a shovel to a depth of 10-15 cm., wet sieved through -20 mesh screen and then placed into marked kraft envelopes and dried. Samples were shipped to Pioneer Labs, Richmond, B.C. for 30 element ICP & Au geochemical analysis (Appendix A).

A total of 3 rock chip samples (from Summit 5) were collected with hammers and chisels across widths of 0.5 to 0.7 metre. Samples were shipped to Pioneer Labs, Richmond, B.C. for 30 element ICP & Au geochemical analysis (Appendix A).

A total of 2.2 km line kilometres (2.0 km of N-S lines and a 0.2 km E-W baseline) of the VLF-

EM survey grid was surveyed using hip chains and compasses. Stations are marked at 25 metre intervals with orange flagging (Figure 7). VLF-EM in-phase dip angle data was Fraser Filtered and positive peaks (conductive zones) were identified (Appendix C and Figure 7).

7.2 GEOLOGY AND MINERALIZATION (FIGURE 3, APPENDIX D)

Property bedrock geology consists mainly of three distinct rock units summarized as follows:

INTRUSIVE ROCKS
Tertiary and Older
3 Quartz monzonite dykes
Early Middle Jurassic (Texas Creek granodiorite suite)
2 Orthoclase porphyry, granodiorite groundmass, 1-8 mm euhedral K-spar phenocrysts

VOLCANIC AND SEDIMENTARY ROCKS
Lower Jurassic (Unuk River Formation)
1 Lithic & crystal tuff, dacitic composition, conglomerate, sandstone, siltstone, tuff breccia

Units 1 and 3 have been mapped in the east portion of Summit 5 claim. Although there are some well documented outcrops of Early Jurassic, coarse-grained K-spar megacryst hornblende granodiorite (Summit Lake Stock age equivalent to the Texas Creek Pluton), they occur immediately north and northwest of the Scottie Gold ore zones.

In the northwest portion of the Summit 5 claim, there is considerable volume of mineralized quartz monzonite float boulders. The source of these boulders is likely from the cliff area approximately 1 km north of Summit Mountain, but the elusive source has not been located, largely because of ice and rugged topography.

Approximately 98% of the bedrock mapped on the east portion of the Summit claims consists of Unuk River Formation dacitic volcanics (tuffs/flows and/or breccia) with minor inercalations and screens of clastic sediments and limestone. Alkaline early middle Jurasic K-spar porphyry intrusive rocks cut the Unuk River Fm. and appear as two distinct 600-1,200 metre wide stocks (unit 2), situated 500 meters north of the Summit 5 claim.

Rock chip sampling carried out in 2004 outlined a 0.7 m wide pyrite-sphalerite quartz vein that returned a geochemical analysis of 7,850 ppb Au, 49.5 ppm Ag, (Appendix D). This same quartz-carbonate-sulphide vein was sampled in 2002 and returned 50,400 ppb Au, 26.0 ppm Ag, 1,558 ppm Cu, 1,873 ppm Pb, and 8,998 ppm Zn. The 1,400 m elevation quartz-carbonate vein has an exposed strike of approximately 40 m, strikes northeast and dips steeply northwest. This base-metal & gold-bearing quartz-carbonate sulphide vein has a twin vein (located higher up in elevation by about 60 m), but has received less attention because of steep terrain (requiring mountaineering equipment for access). The apparent strike for both of these quartz-carbonate-sulphide veins is northeast and the

dominant fracture direction of country rock is northwest. Due to complex cross-structure fault patterns located in the central portion of the claim, it is likely that detailed mapping of the vein system may reveal sigmoidal (en echelon) patterns of quartz-sulphide vein distribution. This style of quartz-sulphide vein systems is common for mesothermal brittle-ductile splays of major or regional faults with associated tension/gash infill veining.

7.3 STREAM SEDIMENT SAMPLING (APPENDIX D)

A comparison of stream sediment geochemical analysis shows elevated As and Sb values weakly correlate to elevated gold (Appendix A). The rock chip samples show a well defined correlation between Cu and Au, but stream sediment samples show a poorly defined correlation between elevated Cu and Au. This may be in part due to the less mobile and inert nature of gold versus copper in creek bed gravels.

The highest gold value was obtained from stream sediment sample SU-04-ST-05 which also had the highest As, Sb and Ba values. This stream sediment sample was obtained 200 m below the rock chip sample SU-04-AR-03 which returned geochemical analysis of 7850 ppb Au.

7.4 VLF-EM GEOPHYSICS

Methods, procedures, results and remarks for the VLF-EM survey are presented in Appendix B. A total of 83 in-phase dip angles and out of phase quadrature values were obtained using a Geonics EM-16 portable receiver and Cutler, Maine 24.0 kHz as a transmitter, from 3 north-south bearing grid lines (600-700 m in length) located in the northeast portion of Summit 5 mineral tenure. Raw data was Fraser Filtered (Appendix C), and positive peaks of the filtered data were evaluated as conductive (Figure 7). The relative strength of the peak value gave a reference as to the intensity of the conductor. Interpretation of the quadrature and in-phase indicates a total of 8 very weak to moderate strength conductor axes were located (Appendix B).
Numerous weak-moderate strength conductive zones are present on the grid located in the northeast portion of Summit 5, but it is difficult say with any confidence that these conductive zones are caused by sulphide-bearing veins, because their may be argillic altered fault structures and/or water saturated faults that could also produce EM conductors. There are also a number of strong EM conductors that are located in the area north of Salmon Glacier and west of Scottie Gold Mine that are caused by massive and semi-massive pyrite/pyrrhotite.

The dominant feature of the geophysical survey is a moderate strength VLF-EM conductor axis that trends east-west and is located roughly at the 6230280 UTM Northing running through all 3

north-south grid lines. Another less defined zone of conductive bedrock is located in the north portion of the grid area and roughly trends northwest and follows a prominent creek gully (Figure 7).

8.0 DISCUSSION OF RESULTS

The geochemical signature for polymetallic quartz-sulphide veins located on the Summit 5 claim suggest a mesothermal (moderate depth) environment of deposition. Generally speaking, epithermal (shallow depth) systems contain geochemically elevated mercury, tellurium and selenium and dominant sulphides are pyrite and rare marcasite. Mesothermal systems are typically elevated in molybdenum and Ca-Fe-Mg carbonate minerals and the dominant sulphides are pyrite and pyrrhotite. The structural setting for mesothermal veins is brittle-ductile secondary faults and splays off major faults resulting in ribbon texture, spider-veining, local stockworks with anastomosing gashes and dilations. This crustal scale high strain tectonic setting is characteristic of deep circulating fluids which are found at depth of about 10 km. At this depth fluids are generally uniform with some variation in pyrite/pyrrhotite, carbonate composition (dominantly Ca-Fe-Mg enriched), and indicator elements such as antimony and arsenic.

Higher grade gold values are mostly from polymetallic quartz-carbonate-sulphide veins and from pyrite/pyrrhotite veins which contain minor quartz-calcite-chlorite and chalcopyrite
Increased gold values within and adjacent to these veins correlates with increased copper and to a lesser extent zinc and lead (as well as elevated arsenic, antimony and bismuth).

There are several polymetallic quartz-sulphide veins and/or vein swarms on the Summit 5 claim. Stream sediment and soil geochemical values indicate there is a widespread distribution of polymetallic mineralization. Since the property is a raw prospect (no drill holes), it would be advantageous to trench and expose surface mineralization prior to core drilling. One of the main considerations for developing this prospect is to outline lateral continuity of quartz-sulphide fissure vein structures in order to define tonnage potential. The general area on the west side of Summit Lake has numerous quartz-sulphide vein occurrences, but only a small portion of them have considerable volume of higher grade gold (e.g. in the 15-50 g/t Au range). At Scottie Gold the best ore zones are developed along brittle-ductile fault zones that generate tension/gash veins (also called sigmoidal veins), thus when exploring for similar style veins on the Summit 5, care must be taken to evaluate repetition, margins of shear envelopes that show horsetail splays or en echelon stacking. These Riedel extension fractures (conjugate shear fractures) are within a larger scale shear zone.

9.0 CONCLUSIONS AND RECOMMENDATIONS

The main targets that have been outlined by fieldwork programs are as follows:

1) "Summit Mountain" polymetallic vein, Summit 5 (e.g. sample SU-04-AR-03, see Fig. 8)

Located: UTM NAD 83 (Zone 9) 6229752 N, 431773 E, elevation 1419 m.

2) Westerly and easterly extensions of the "Summit Mountain polymetallic vein system. A large portion of the Summit 5 remains untested because of terrain considerations. There appears to be a most prospective shear zone west-southwest of sample SU-04-AR-03.

3) Polymetallic mineralization related to a major NW trending fault zone at the north end of Summit 5 (e.g. samples S-278 and S-279 from 2001 field work). UTM co-ordinates 6230450 N, 431850 E

A program of detailed geological mapping, trenching and core drilling (approximately 5,000 ft) is recommended. The fieldwork would have to be carried out in July, August or September and would require helicopter support. This would require a budget of at least $200,000 to complete a comprehensive testing of the targets.

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Can. Dept.of Mines

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Apex Airborne Surveys Ltd., Assessment Report # 12,345, B.C. Govt. File.

CERTIFICATE AND DATE

I, Andris Kikauka, of 4901 East Sooke Rd., Sooke B.C. V0S 1NO am a self employed professional geoscientist. I hereby certify that;

1. I am a graduate of Brock University, St. Catharines, Ont., with an Honours Bachelor of Science Degree in Geological Sciences, 1980.

2. I am a Fellow in good standing with the Geological Association of Canada.

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

4. I have practiced my profession for twenty years in precious and base metal exploration in the Cordillera of Western Canada, U.S.A., South America, and for three years in uranium exploration in the Canadian Shield.

5. The information, opinions, and recommendations in this report are based on fieldwork carried out in my presence from May and June, 2004.

6. This report is filed to fulfill the requirements of an assessment report and is not intended for use in a Prospectus or Statement of Material Facts for the purpose of public or private financing.

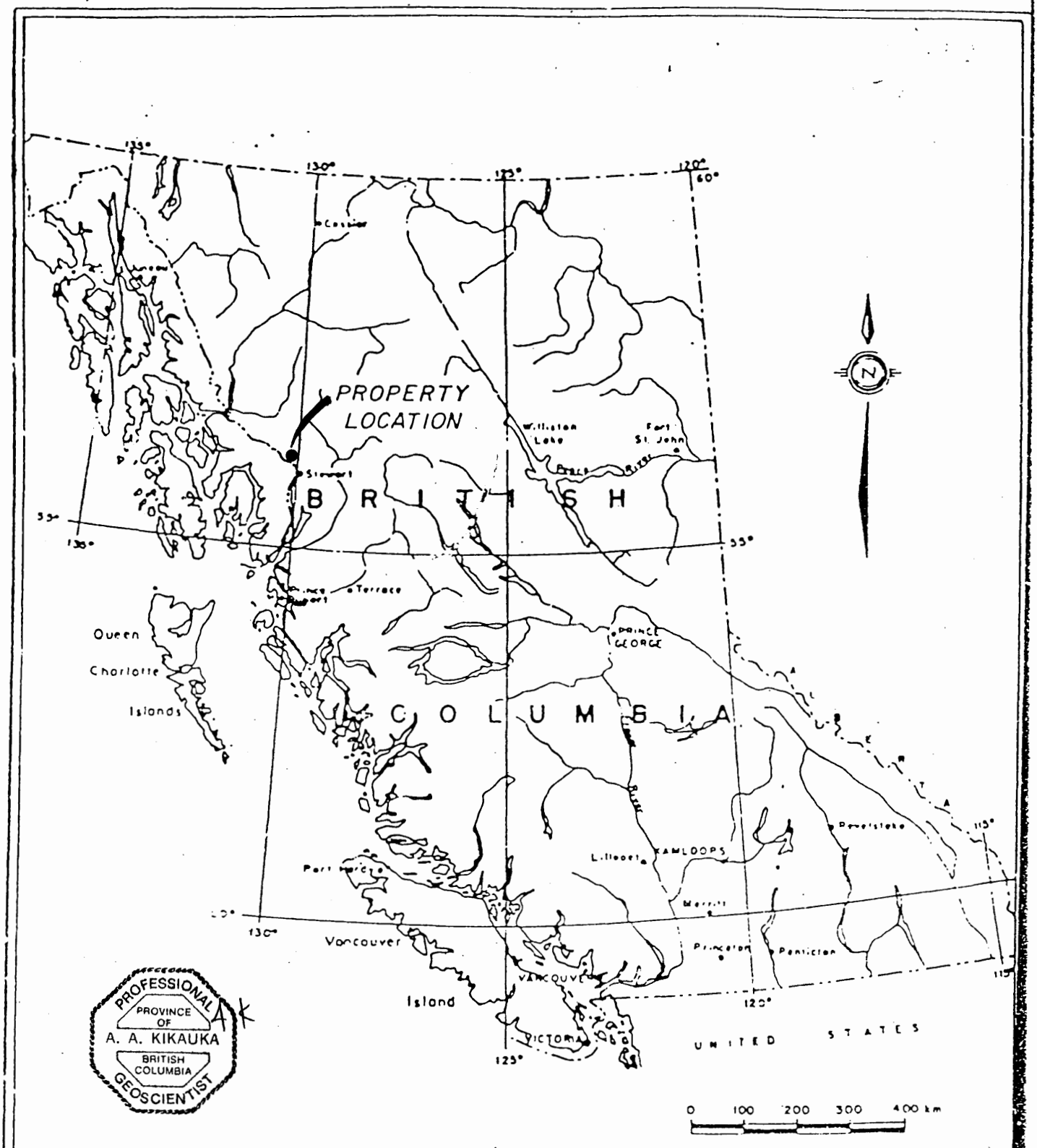
7. The contents of this report are the result of my own work and research and the conclusions and recommendations therein are my own.

Andris Kikauka, P. Geo.,

June 18, 2004

ITEMIZED COST STATEMENT- Summit 5 claim, May 30-June 2, 2004

FIELD CREW:		
Andris Kikauka (Geologist) 4 days		$ 1,100.00
FIELD COSTS:		
Mob/demob		480.00
VLF-EM Geonics EM-16 rental		165.00
Snowmobile Rental		400.00
Assays 5 silt, 3 rocks, 30 element ICP & Au		185.00
Truck rental (3,800 km)		510.00
Report		500.00
	Total =	$ 3,340.00

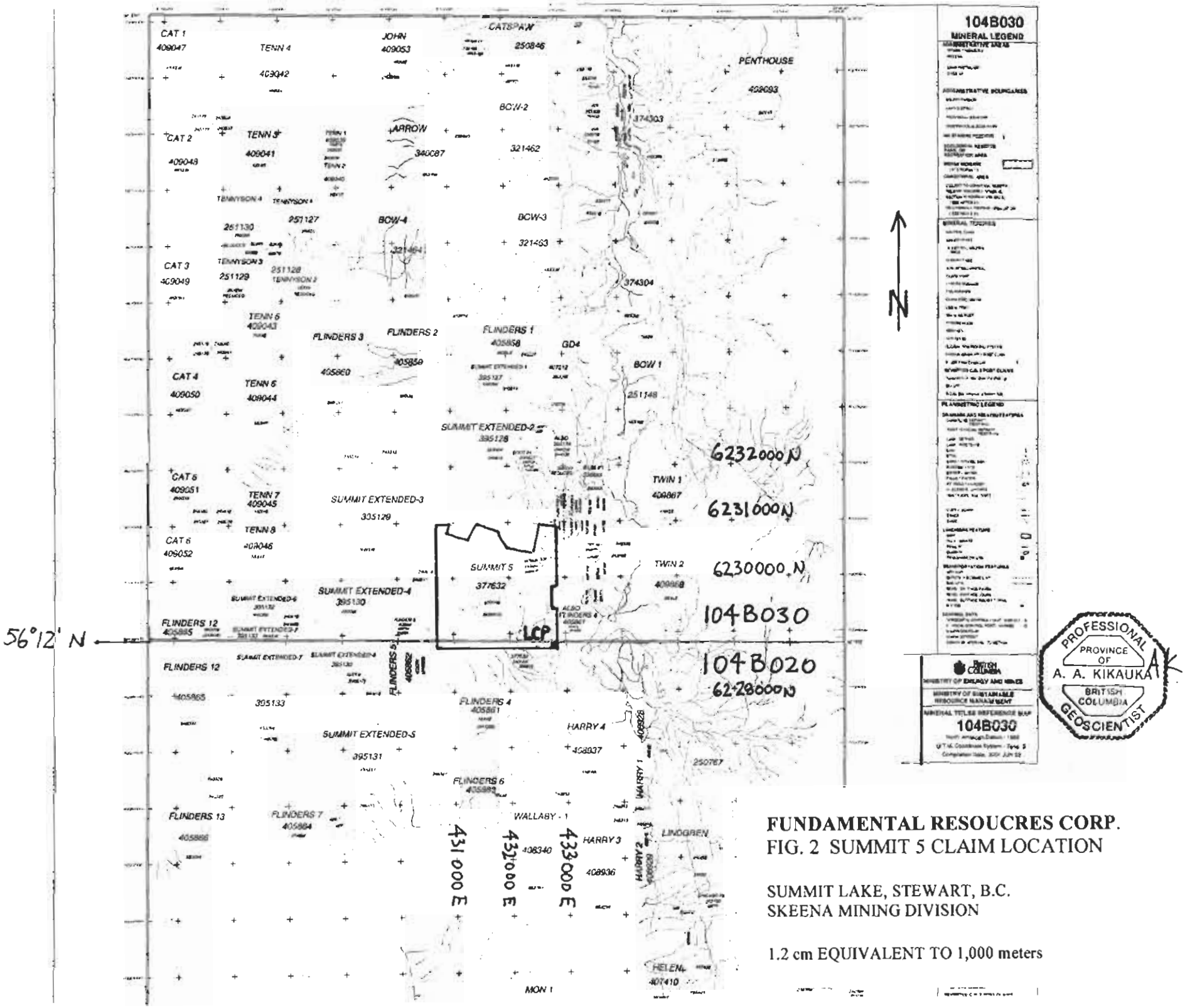


PROFESSIONAL ENGINEER
PROVINCE OF
A. A. KIKAUKA
BRITISH COLUMBIA
GEOSCIENTIST

FUNDAMENTAL RESOURCES CORP.
SUMMIT 5 CLAIM GENERAL LOCATION
SCALE AS SHOWN

LOCATION MAP

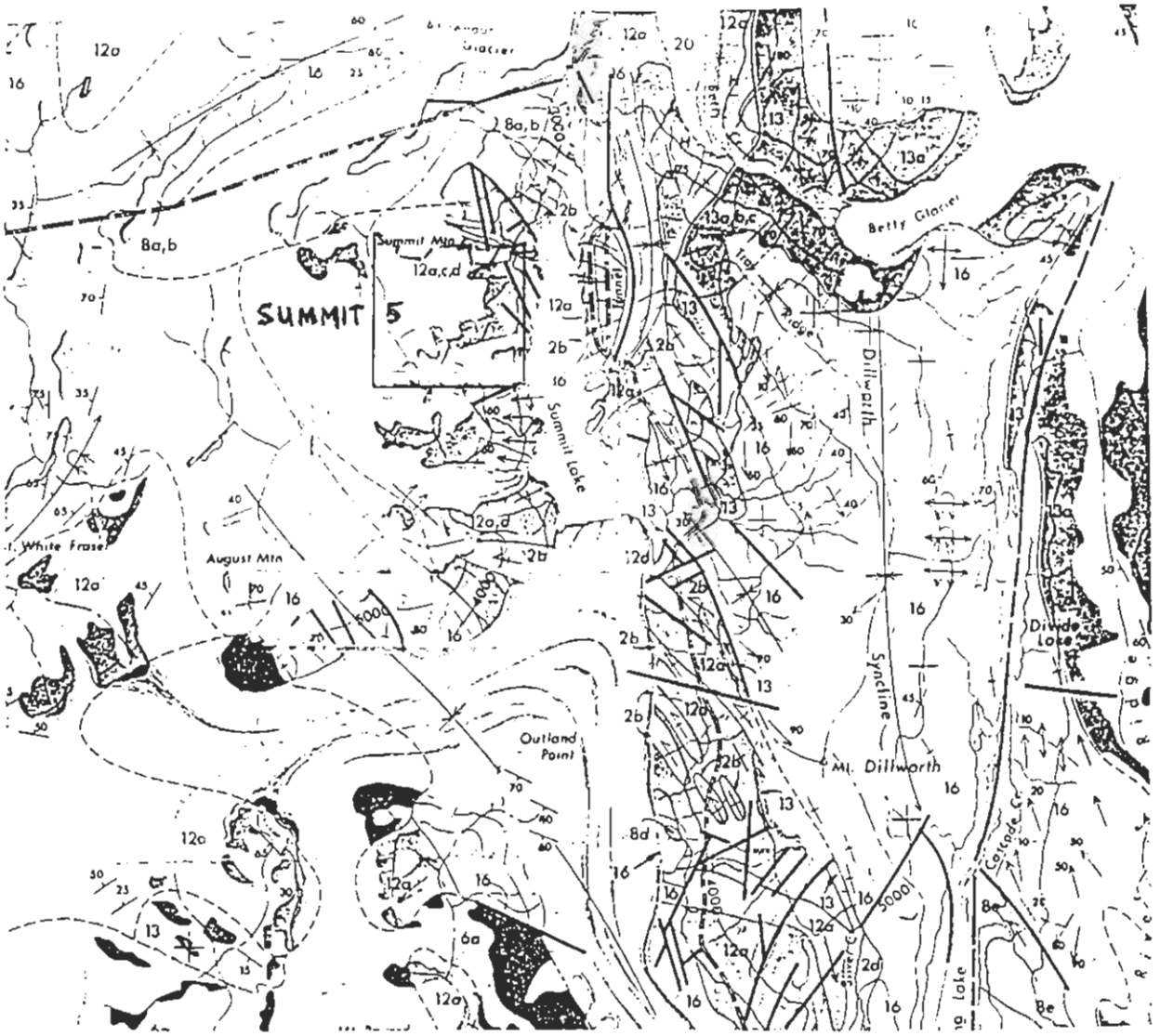
FIGURE 1



FUNDAMENTAL RESOUCRES CORP.
FIG. 2 SUMMIT 5 CLAIM LOCATION

SUMMIT LAKE, STEWART, B.C.
SKEENA MINING DIVISION

1.2 cm EQUIVALENT TO 1,000 meters



FUNDAMENTAL RESOURCES CORP.
SUMMIT 5 CLAIM GENERAL GEOLOGY

NTS 104 B/1 E, SKEENA MINING DIVISION

INTRUSIVE ROCKS (TERTIARY AND OLDER)

8a, b Hyder quartz monzonite and equivalent (EARLY MIDDLE JURASSIC)

6a Texas Creek granodiorite

VOLCANIC AND SEDIMENTARY ROCKS

16 SALMON RIVER FM. (MIDDLE JURASSIC) Siltstone, greywacke, argillite, chert pebble conglomerate, limestone

13abc BETTY CREEK FM. (MIDDLE JURASSIC) Sandstone, siltstone, chert, crystal & lihtic tuff, rhyolite, volcanic breccia

12ad UNUK RIVER FM. (LOWER JURASSIC) Crystal & lithic tuff, sandstone, siltstone volcanic breccia, conglomerate

12b Cataclasite, metamorphic equivalent of **12ad**

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GEOSCIENTIST

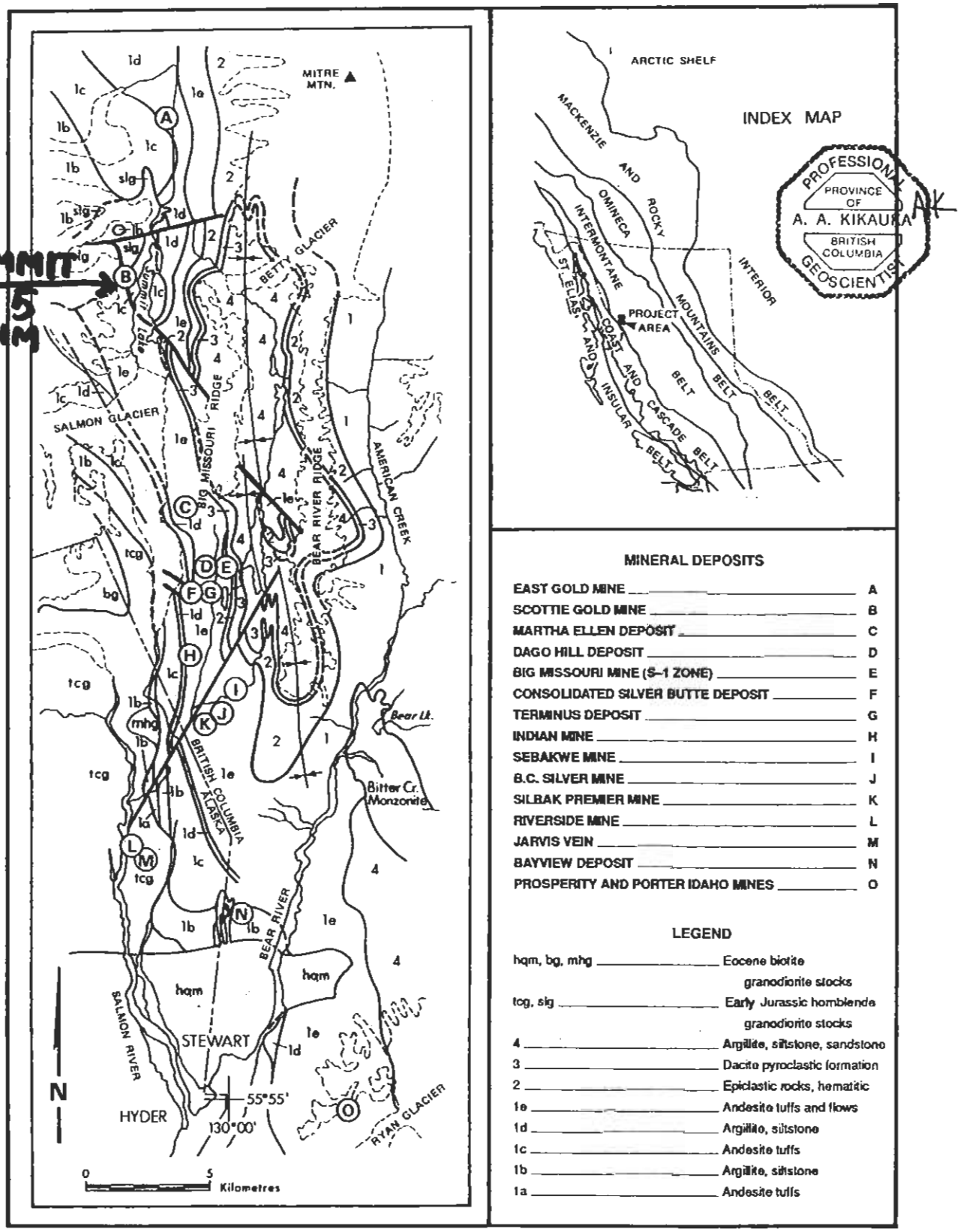
SYMBOLS

- Bedding
- Schistosity
- Joint System
- Fault
- Lineament
- Anticline
- Syncline
- Fold Axes

SCALE 1:100,000

(After Grove, 19

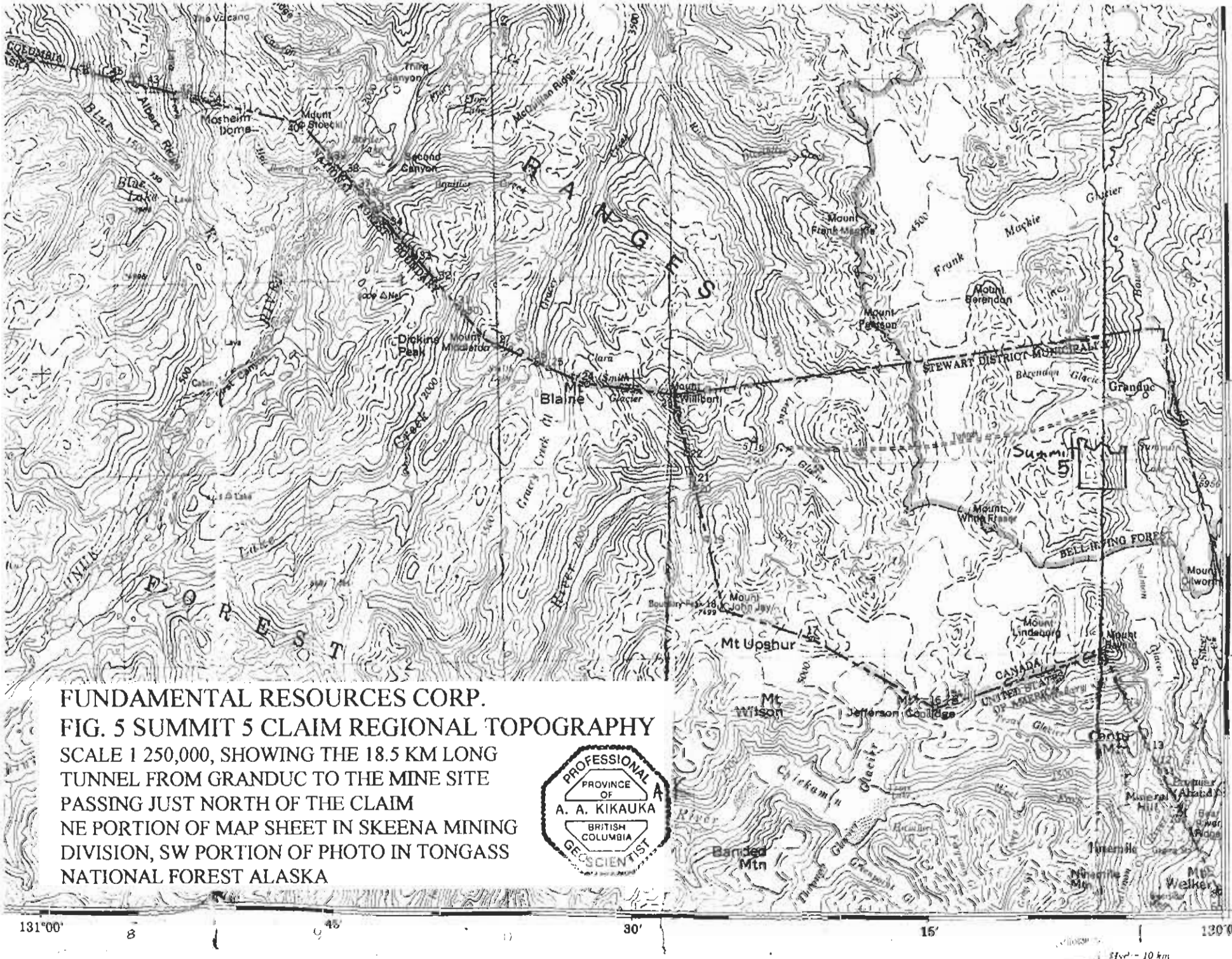
FIG. 3



FUNDAMENTAL RESOURCES CORP.

FIG. 4 SUMMIT 5 CLAIM GENERAL GEOLOGY

SCALE 1 250,000, SKEENA MINING DIVISION



FUNDAMENTAL RESOURCES CORP.

FIG. 5 SUMMIT 5 CLAIM REGIONAL TOPOGRAPHY

SCALE 1 250,000, SHOWING THE 18.5 KM LONG TUNNEL FROM GRANDUC TO THE MINE SITE PASSING JUST NORTH OF THE CLAIM

NE PORTION OF MAP SHEET IN SKEENA MINING DIVISION, SW PORTION OF PHOTO IN TONGASS NATIONAL FOREST ALASKA

PROFESSIONAL GEOSCIENTIST
PROVINCE OF BRITISH COLUMBIA
A. A. KIKAUKA

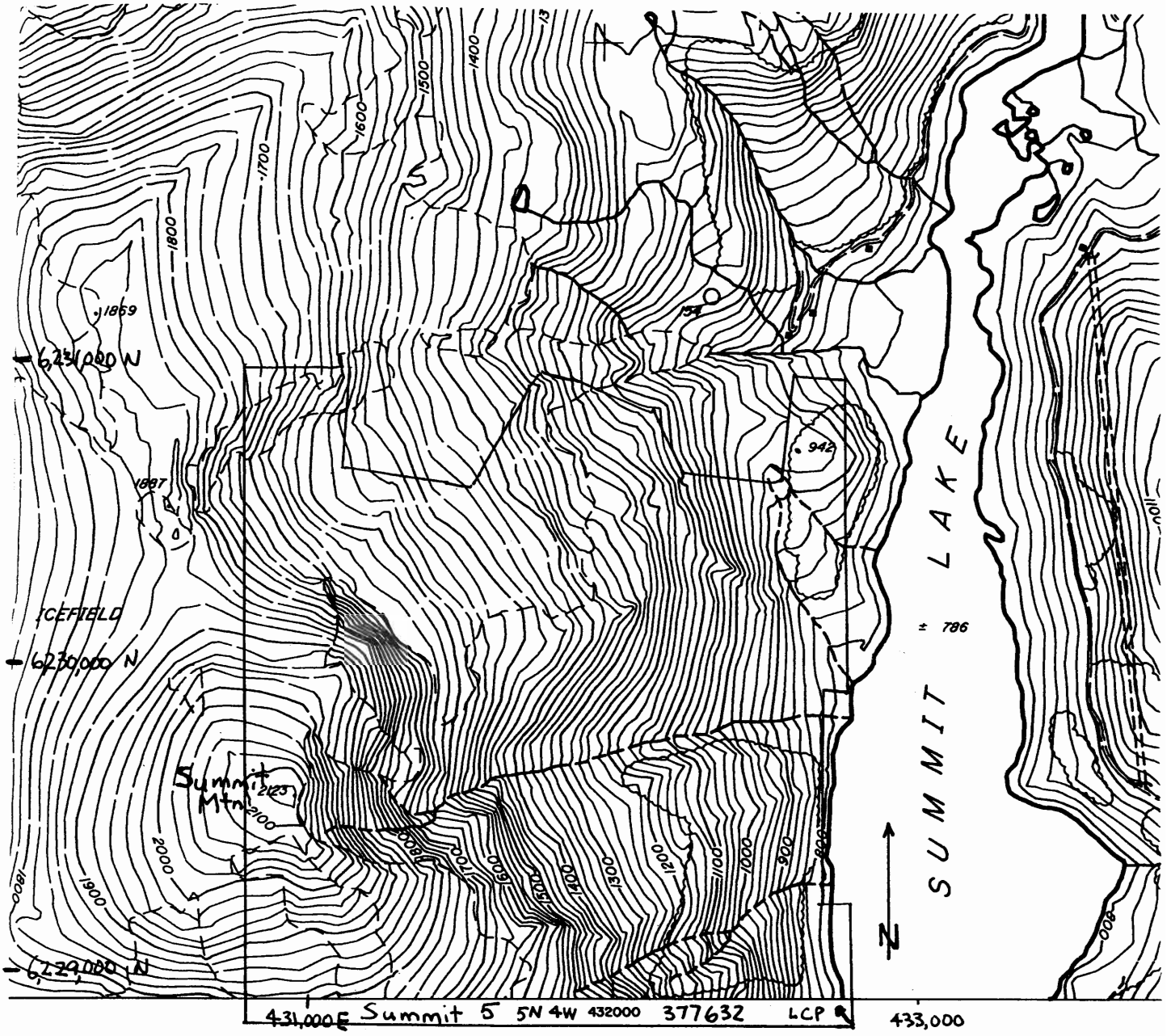


FIG. 6

FUNDAMENTAL RESOURCES CORP.
SUMMIT 5 CLAIM DETAILED TOPOGRAPHY
SCALE 1 20,000, SHOWING THE WEST-CENTRAL
& SOUTHEAST PORTION OF SUMMIT 5 ARE
NEARLY INACCESSIBLE DUE TO CLIFFS

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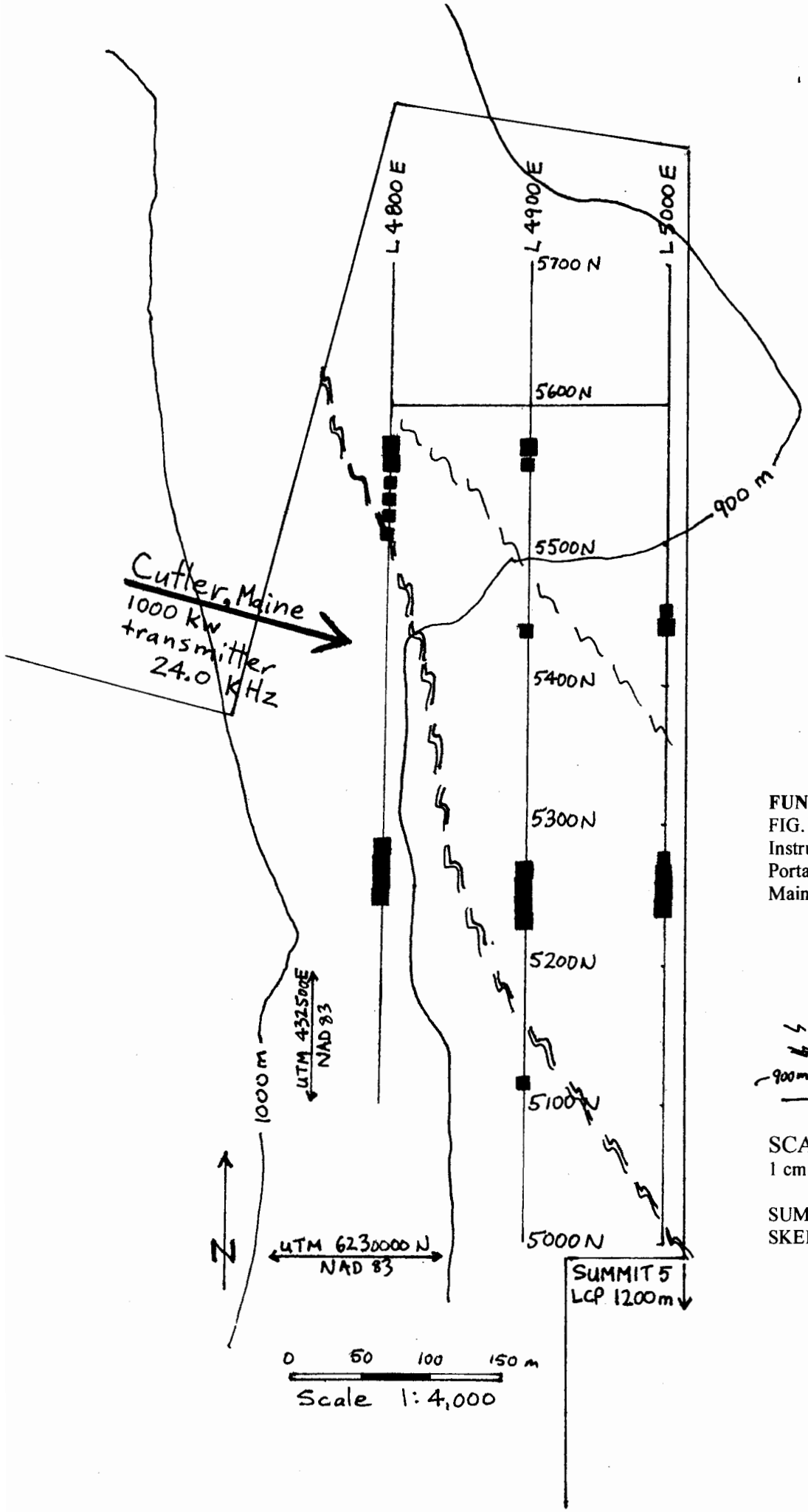
A. A. KIKAUKA
GEOSCIENTIST



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GEOSCIENTIST

FUNDAMENTAL RESOUCRES CORP.
FIG. 7 SUMMIT 5 VLF-EM SURVEY
Instrument Used: Geonics EM-16
Portable Receiver, Transmitter: Cutler, Maine 1,000 kw signal @ 24.0 kHz

Fraser Filter peaks indicating :
- Weak Conductor
- Moderate Conductor

- Minor Fault
- Major Fault
- 900m — Contour of topography
- Claim line

SCALE 1:4,000
1 cm EQUIVALENT TO 40 meters

SUMMIT LAKE, STEWART, B.C.
SKEENA MINING DIVISION

FUNDAMENTAL RESOUCRES CORP. FIG.8: ROCK CHIP & STREAM SEDIMENT SAMPLING ON SUMMIT 5 CLAIM
Samples taken by: A. Kikauka, May 30-June 2, 2004

■ Rock chip sample
▲ Stream sediment sample
—— Claim line
Minor fault zone
Major fault zone
900m Contour of topography

SCALE 1:5,000 1 cm EQUIVALENT TO 50 meters
SUMMIT LAKE, STEWART, B.C. SKEENA MINING DIVISION

sample geochemical analysis on next page
sample descriptions See Appendix D

2004 VLF-EM GRID

PROFESSIONAL ENGINEER PROVINCE OF BRITISH COLUMBIA A. A. KIKAUKA GEOSCIENTIST

1500 m
1400 m
UTM 432000E NAD 83
1300 m
UTM 6230000N NAD 83
1200 m
1100 m
1000 m
900 m
800 m
1500 m
1400 m

SU-04 AR-03
SU-04 AR-02
SU-04 ST-04
SU-04 ST-05
SU-04 ST-01
SU-04 ST-02
SU-04 AR-01
SU-04 ST-03
SUMMIT 5 LCP 1200 m SOUTH
SUMMIT LAKE

800 m to Summit Mtn 2,123 m

FIG. 8 (CONT.) SUMMIT 5 CLAIM (377632) STREAM SEDIMENT & ROCK CHIP SAMPLE LOCATION AND GEOCHEMICAL ANALYSIS TABLE
TAKEN BY ANDRIS KIKAUKA, MAY 30-JUNE 2, 2004

Sample No.	Elevation	UTM Northing (NAD 83)	UTM Easting (NAD 83)	Cu (ppm)	Pb (ppm)	Zn (ppm)	Ag (ppm)	Au (ppb)
STREAM SED								
SU-04-ST-01	862 m	6230407	432662	226	42	165	4.6	150
SU-04-ST-02	863 m	6230202	432582	203	50	174	2.7	145
SU-04-ST-03	870 m	6229948	432579	182	49	168	2.7	240
SU-04-ST-04	1162 m	6229707	432066	121	95	140	2.7	85
SU-04-ST-05	1264 m	6229691	431930	31	152	91	2.7	260
ROCK CHIP								
SU-04-AR-01	872 m	6229920	432569	22	9	34	0.4	50
SU-04-AR-02	1422 m	6229761	431784	6	117	91	0.3	5
SU-04-AR-03	1419 m	6229752	431773	1909	616	>10000	49.5	7850
LEGAL CORNER POST								
LCP	811 m	6228798	432706					

IONEER LABORATORIES INC. #103-2691 VISCOUNT WAY RICHMOND, BC CANADA V6V 2R5 TELEPHONE (604)231-8165

GEOCHEMICAL ANALYSIS CERTIFICATE

R. ANDRIS KIKAUKA
oject: Summit 5
mple Type: Stream Seds/Rocks

Multi-element ICP Analysis - .500 gram sample is digested with 3 ml of aqua regia, diluted to 10 ml with Water. This leach is partial for Mn, Fe, Ca, P, La, Cr, Mg, Ba, Ti, B, W and limited for Na, K and Al. Detection Limit for Au is 3 ppm.
*Au Analysis - 10 gram sample is digested with aqua regia, MIBK extracted, and is finished by AA or graphite furnace AA.

Analyst RSpan
Report No. 2046140
Date: June 12, 2004

EMENT / MPLE	Mo ppm	Cu ppm	Pb ppm	Zn ppm	Ag ppm	Ni ppm	Co ppm	Mn ppm	Fe %	As ppm	U ppm	Au ppm	Th ppm	Sr ppm	Cd ppm	Sb ppm	Bi ppm	V ppm	Ca %	P %	La ppm	Cr ppm	Mg %	Ba ppm	Ti %	B ppm	Al %	Na %	K %	W ppm	Au* ppb
SU-04-ST-01	3	226	42	165	4.6	20	35	1718	7.52	114	8	ND	3	24	.5	7	3	164	.73	.109	6	41	2.03	35	.13	6	2.31	.01	.04	2	150
SU-04-ST-02	3	203	50	174	2.7	21	44	2468	7.99	140	8	ND	3	24	.7	7	3	165	.76	.121	8	43	1.98	47	.11	4	2.32	.01	.04	2	145
SU-04-ST-03	3	182	49	168	2.7	22	41	2120	7.83	132	8	ND	2	21	.5	7	3	169	.66	.123	7	44	2.11	41	.12	4	2.38	.01	.05	2	240
SU-04-ST-04	3	121	95	140	2.7	15	30	1749	7.81	234	8	ND	3	18	.6	18	3	108	.39	.155	7	27	1.23	110	.07	3	1.57	.01	.07	2	85
SU-04-ST-05	4	31	152	91	2.7	1	12	1298	7.60	357	8	ND	3	16	.5	33	3	18	.03	.190	8	3	.12	158	.01	3	.38	.01	.12	2	260
SU-04-AR-01	2	22	9	34	.4	4	5	2158	1.65	37	8	ND	2	493	.5	3	3	19	23.18	.019	2	42	.37	11	.01	3	.34	.01	.03	2	50
SU-04-AR-02	8	6	117	91	.3	4	6	1095	1.06	23	8	ND	2	36	.5	3	3	4	.58	.027	2	185	.04	18	.01	3	.09	.01	.02	2	5
SU-04-AR-03	6	1909	616>10000		49.5	4	10	755	5.02	212	8	8	2	19	1063.6	16	3	4	.64	.027	2	110	.03	12	.01	3	.09	.01	.09	2	7850

For Zn greater than 10,000 ppm, assay digestion is required for correct data.

For Ag greater than 35 ppm, assay digestion is required for correct data.

APPENDIX A

APPENDIX B

SUMMIT 5 GOLD PROJECT- SUMMIT 5 CLAIM, SKEENA M.D.

SUMMARY REPORT OF FRASER FILTERED VLF-EM DATA FROM QUADRATURE DATA & IN PHASE DIP ANGLE MEASUREMENTS

TAKEN BY ANDRIS KIKAUKA, MAY/JUNE, 2004 USING TRANSMITTER CUTLER, MAINE 24.0 kHz FREQUENCY,1000 kw POWER
INSTRUMENT USED: GEONICS EM-16 PORTABLE VLF-EM RECEIVER

INTRODUCTION: A VLF-EM geophysical survey was carried out over 2.0 km over 3 north trending grid lines on the Summit 5 claim located on the west side of Summit Lake, about 30 km northwest of Stewart, B.C. The VLF-EM survey was carried out on the northeast portion of Summit 5 claim. The purpose of the VLF-EM survey is to test for conductive bedrock in order to identify bedrock structure and mineralization.

The following north-south tie lines were surveyed with a Geonics EM-16 receiver that used the US Military submarine base in Cutler, Maine as a transmitter:

Line	Station (from)	Station (to)	Total meters
L 50+00 E	50+00 N	57+00 N	700
L 49+00 E	50+00 N	57+00 N	700
L 48+00 E	51+00 N	57+00 N	600
			Total= 2,000 m

DISCUSSION OF RESULTS:
A total of 83 in-phase dip angle and quadrature readings were taken along 3 north-south lines at 25 meter spacing over a total distance of 2.0 km. The US Military submarine base in Cutler, Maine was used as a transmitter station and is roughly oriented east-southeast of the property. The direction to Cutler is roughly 105 degrees and this is best suited for defining west-northwest trending conductors and their associated structures.

Quadrature data and in-phase dip angles were recorded and listed from north to south. By convention, all in phase dip angles designate south as negative. Filtered output consists of the sum of the observations at 2 consecutive data stations subtracted from the sum at the next 2 consecutive data stations (i.e. Fraser filtered).

The Fraser filtered peaks are shown as weak, moderate or strong conductors and are listed in the data tables.

The following conductors were identified on the Summit 5 claims:

Line (*UTM Easting)	Station (*UTM Northing)	Strength	Remarks
L 50+00E (432725)	54+50 N (6230462)	moderate	Poorly defined fault and/or fracture zone. May be a splay of the moderate strength conductor and coincident gulley on L 48+00 E stn 55+50 N
L 50+00E (432725)	52+75 N (6230258)	moderate	NW trending gulley is probably a SW dipping tabular shaped conductive zone
L 49+00E (432625)	55+25 N (6230580)	weak	Located immediately south of ridge crest. May be topographic effect anomaly, but also may be continuity of L 50+00 E stn 54+50 N moderate strength conductor
L 49+00E (432625)	54+37 N (6230450)	weak	Tabular steeply dipping conductive zone
L 49+00E (432625)	52+75 N (6230258)	moderate	Possible shallow dipping conductor south of gulley
L 49+00E (432625)	51+12 N (6230118)	very weak	Main gulley, may be conductive fault zone
L 48+00E (432525)	55+62 N (6230548)	moderate	NW trending gulley exhibiting wide zone of conductivity
L 48+00E (432525)	52+75 N (6230283)	moderate	NW trending gulley adjacent to steep cliffs in south portion of L 48+00 E

* NOTE: UTM CO-ORDINATES ARE NAD 83 (Surveyed with Garmin e-trex GPS)

APPENDIX C

SUMMIT 5 GOLD PROJECT- SUMMIT 5 CLAIM, SKEENA M.D.
FRASER FILTERED VLF-EM DATA FROM QUADRATURE DATA & IN PHASE DIP ANGLE MEASUREMENTS TAKEN BY ANDRIS KIKAUKA, MAY/JUNE, 2004 USING U.S. TRANSMITTER in CUTLER, MAINE
(24.0 kHz FREQUENCY, 1,000 kw POWER) INSTRUMENT USED: GEONICS EM-16 PORTABLE VLF-EM RECEIVER

L 50+00 E * weak conductor ** moderate conductor

Station	Quadrature	In-phase Dip	Fraser Filter step 1	Fraser Filter	Remarks
57+00 N	+6	+16			
			+31		
	+3	+15			
			+27	-7	
56+50 N	+3	+12			
			+24	-5	
	-1	+12			
			+22	-5	Ridge crest
56+00 N	-2	+10			
			+19	-6	
	+2	+9			
			+16	-6	
55+50 N	+1	+7			
			+13	-1	
	-3	+6			
			+15	-1	
55+00 N	-3	+9			
			+12	-9	
	0	+3			
			+6	+2 *	
54+50 N	-5	+3			
			+14	+16 **	
	-1	+11			
			+22	-2	
54+00 N	-6	+11			
			+16	-16	
	-9	+5			
			+6	-19	
53+50 N	-10	+1			
			-3	-11	
	-5	-4			
			-5	+6 *	Gulley
53+00 N	-7	-1			
			+3	+15 **	
	-3	+4			
			+10	+17**	
52+50 N	-4	+6			
			+20	+16 **	
	+4	+14			
			+26	0	
52+00 N	+2	+12			
			+20	-13	
	+3	+9			
			+13	-19	
51+50 N	+4	+4			
			+1	-22	
	+8	-3			
			-9	-15	
51+00 N	+3	-6			
			-14	-7	
	+1	-8			
			-18	-7	
50+50 N	+4	-10			
			-21	0	
	-2	-11			
			-18		
50+00 N	-1	-8			Gulley

SUMMIT 5 GOLD PROJECT- SUMMIT 5 CLAIM, SKEENA M.D.
FRASER FILTERED VLF-EM DATA FROM QUADRATURE DATA & IN PHASE DIP ANGLE MEASUREMENTS TAKEN BY ANDRIS KIKAUKA, MAY/JUNE, 2004 USING U.S. TRANSMITTER in CUTLER, MAINE
(24.0 kHz FREQUENCY, 1,000 kw POWER) INSTRUMENT USED: GEONICS EM-16 PORTABLE VLF-EM RECEIVER

L 49+00 E * weak conductor ** moderate conductor

Station	Quadrature	In-phase Dip	Fraser Filter step 1	Fraser Filter	Remarks
57+00 N	-1	+16			
			+31		
	-2	+15			
			+27	-12	
56+50 N	0	+12			
			+19	-11	
	-2	+7			
			+16	-8	
56+00 N	+1	+9			Ridge crest
			+11	-11	
	0	+2			
			+5	-2	
55+50 N	-2	+3			
			+9	+10 *	
	+2	+6			
			+15	+5 *	
55+00 N	-2	+9			
			+14	0	
	+2	+5			
			+15	0	
54+50 N	-2	+10			
			+14	+10 *	
	+2	+14			
			+25	-3	
54+00 N	+4	+11			
			+11	-28	Gulley
	-2	-0			
			-3	-20	
53+50 N	-7	-3			
			-9	0	
	-11	-6			
			-3	+17 **	
53+00 N	-19	+3			
			+8	+19 **	
	-12	+5			
			+16	+18 **	
52+50 N	-8	+11			
			+26	+16 **	
	-8	+15			
			+32	+3	
52+00 N	+3	+17			
			+29	-12	
	+7	+11			
			+20	-18	
51+50 N	-2	+9			
			+11	-20	
	-7	+2			
			0	+2 *	Gulley
51+00 N	-6	-2			
			-13	-15	
	-2	-11			
			-15	-12	
50+50 N	-5	-14			
			-25	-3	
	-2	-12			
			-18		
50+00 N	-1	-6			

SUMMIT 5 GOLD PROJECT- SUMMIT 5 CLAIM, SKEENA M.D.
FRASER FILTERED VLF-EM DATA FROM QUADRATURE DATA & IN PHASE DIP ANGLE MEASUREMENTS TAKEN BY ANDRIS KIKAUKA, MAY/JUNE, 2004 USING U.S. TRANSMITTER in CUTLER, MAINE
(24.0 kHz FREQUENCY, 1,000 kw POWER) INSTRUMENT USED: GEONICS EM-16 PORTABLE VLF-EM RECEIVER

L 48+00 E * weak conductor ** moderate conductor

Station	Quadrature	In-phase Dip	Fraser Filter step 1	Fraser Filter	Remarks
57+00 N	+11	+22			Near ridge top
			+42		
	+9	+20			
			+38	-31	
56+50 N	+1	+18			
			+11	-49	
	-5	-7			
			-11	-14	
56+00 N	-3	-4			
			-3	+19 **	
	+4	+1			
			+8	+21 **	
55+50 N	+8	+7			Gulley
			+18	+13 *	
	+9	+11			
			+21	+7 *	
55+00 N	+11	+10			
			+24	+4 *	
	+14	+14			
			+25	+7 *	
54+50 N	+9	+11			
			+31	-6	
	+7	+20			
			+19	-37	
54+00 N	-9	-1			
			-6	-27	
	-11	-5			
			-8	-3	
53+50 N	-17	-3			
			-9	+5 *	
	-11	-6			
			-3	+17 **	
53+00 N	-12	+3			
			+8	+18 **	
	-13	+5			
			+15	+16 **	
52+50 N	-14	+10			
			+26	+18 **	
	-11	+18			
			+33	0	Steep cliff
52+00 N	-6	+15			"
			+26	-14	"
	-3	+11			"
			+19	-11	"
51+50 N	-1	+9			"
			+15	-7	"
	-4	+7			"
			+12		"
51+00 N	-6	+5			"

APPENDIX D- ROCK CHIP SAMPLE DESCRIPTIONS, MAY/JUNE, 2004
SUMMIT 5 CLAIM, SKEENA MINING DIVISION

Rock chip Sample	NAD 83 UTM * data	Description	Cu ppm	Pb ppm	Zn ppm	Ag ppm	Au ppb
SU-04-AR-03	6229752 N 431773 E	Rock chip sample 0.7 m wide with 5% pyrite., 45% qtz., 10% calcite, 1% chalcopyrite., 8% chl.orite, 038 trending quartz-carbonate vein, banded texture, follows fault trace northeast, dips 82 degrees NW. Elevation 1419 meters.	1909	616	>10000	49.5	7850
SU-04-AR-02	6229761 N 431784 E	Rock chip sample 0.7 m wide tracing the same vein as above (SU-04-AR-01) following the northeast continuation of the fissure vein structure, but this portion of vein has less primary sulphides and more iron-oxides (i.e. leached), 3-5% limonite and trace-1% hematite as fracture coatings within the white-clear quartz-carbonate. Elevation 1422 meters.	6	117	91	0.3	5
SU-04-AR-01	6229858 N 432560 E	Rock chip sample 0.5 m wide with Quartz-carbonate vein with trace chalcopyrite and 1% pyrite, trace pyrrhotite, vein trends NE and dips steeply NW. There is a shear zone or fault zone along the trace of this quartz-carbonate vein. Elevation 872 meters	22	9	34	0.4	50

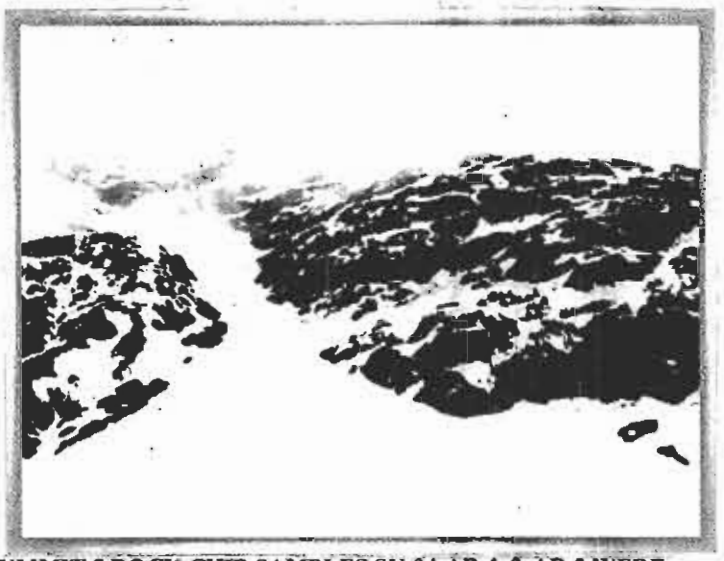
*GPS data taken from Garmin e-trex portable receiver (all data in NAD 83)

STREAM SEDIMENT SAMPLE DESCRIPTIONS, MAY/JUNE, 2004

Rock chip Sample	NAD 83 UTM * data	Description	Cu ppm	Pb ppm	Zn ppm	Ag ppm	Au ppb
SU-04-ST-01	6230407 N 432662 E	Small creek, minor rusty coloured float cobbles and boulders. Elevation 862 meters.	226	42	165	4.6	150
SU-04-ST-02	6230202 N 432582 E	Major 330 degree trending fault gulley, minor rusty coloured float in creekbed. Elevation 863 meters.	203	50	174	2.7	145
SU-04-ST-03	6229948 N 432579 E	Base of cliff, quartz-carbonate veining in outcrop with minor pyrite-pyrrhotite, trace chalcopyrite. Elevation 870 meters.	182	49	168	2.7	240
SU-04-ST-04	6229707 N 432066 E	Very small creek gulley, 3% rusty float. Elevation 1,162 meters.	121	95	140	2.7	85
SU-04-ST-05	6229691 N 431930 E	Very small creek gulley, 4% rusty float. Elevation 1,264 meters.	31	152	91	2.7	260

*GPS data taken from Garmin e-trex portable receiver (all data in NAD 83)

APPENDIX E

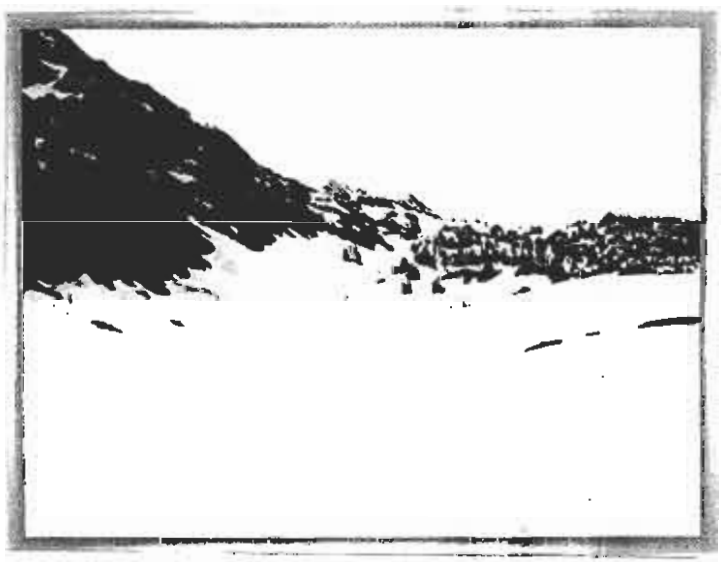


SUMMIT 5 ROCK CHIP SAMPLES SU-04-AR-1 & AR-2 WERE TAKEN FROM RIGHT SIDE OF SNOW GULLEY (ABOUT 200 METERS FROM THE SNOW SLIDE) AT 1,415 METER ELEV., (4,642 FEET). QUARTZ-SULPHIDE VEIN IS 70 CM WIDE, TRENDS 038 AND DIPS 82 NW.

CREEK DRAINING INTO SUMMIT LAKE, (LOOKING SOUTH TOWARDS SALMON GLACIER). DUE TO ABLATION OF THE SALMON GLACIER, SUMMIT LAKE RECEEDED >75% OF ITS ORIGINAL SIZE.

SUMMIT 5 LOOKING WEST-NORTHWEST. VLF-EM SURVEY CARRIED OUT OVER THE RIGHT-CENTRAL PORTION OF THE PHOTO ON N-S TIE LINES SURVEYED PARALLEL TO CREEK WHICH DRAINS INTO THE NORTH END OF SUMMIT LAKE.

SUMMIT 5 ROCK CHIP SAMPLE AU-04-AR-3 TAKEN FROM 0.5 METER WIDE QUARTZ-CARBONATE VEIN ON LEFT SIDE OF WATERFALL. APPARENT STRIKE OF VEIN IS NORTHEAST. MAY BE A TENSIONAL GASH VEIN TO COMPLIMENTARY NW TRENDING SHEAR ZONE.



GULLEY IN NE PORTION OF SUMMIT 5 CLAIM IS WHERE FRASER FILTERED VLF-EM DATA OUTLINED MODERATE STRENGTH CONDUCTIVE BEDROCK ADJACENT TO STEEP CLIFFS IN THE SOUTH PORTION OF L 48+00 E.

STEEP CLIFFS IN SOUTHWEST PORTION OF VLF-EM GRID AREA. STREAM SEDIMENT SU-04-ST-3 WAS TAKEN FROM THE CREEK LOCATED AT THE BASE OF THE WATERFALL.