

Diamond Drilling Report

on the

CR Mineral Property

Omineca Mining Division, British Columbia

NTS 093L/07W

Latitude 54° 17' N, Longitude 126° 50' W

for

John Wesley Moll
PO Box 1182, Houston, BC, V0J 1Z0

by

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June 9, 2004

27,449
VANCOUVER BRANCH

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1.0 Summary

This report documents a diamond drilling program that was conducted on the CR mineral property between September 19 and September 29, 2003. The work was completed under approval number SMI-2003-0200225-11. Total expenditures for the project were \$7,075 (see Table 3).

Three X-Ray holes were drilled a total of 27.7 metres to follow up previous work. Holes CR03-01 and CR03-02 were drilled from the same location and both were lost at 3.05 metres due to heavily broken core. The interval from 6.0 to 16.6 metres in hole CR03-03 contains pyrite and chalcopyrite mineralization as blebs in breccia matrix. The estimated grade of this interval is 1% copper. Nine samples were laid out for splitting and assaying at a later date.

2.0 Location, Access and Physiography

The CR mineral property is located on the western flank of Morice Mountain, 15 km south of the town of Houston in central British Columbia (NTS map sheet 093L/07, Latitude 54° 17' N, Longitude 126° 50' W). Elevations on the property range from 700 metres near the bottom of the Morice River Valley to over 1600 metres in the southeast corner of the CR 4 mineral claim. The property location is shown in Figure 1.

Access to the western part of the property is by the Morice Forest Service Road - a well maintained, two lane, gravel road from Houston. Two dirt trails provide 4x4 access to the eastern parts of the claim block.

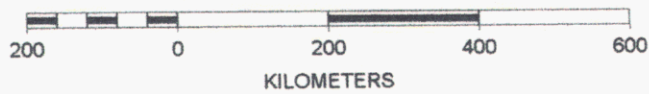
The property lies near the north western boundary of the Interior Plateau physiographic region just east of the Telkwa Range of the Coast Mountain region. Bedrock exposure is poor below the 885 metre contour but increases with elevation to the east.

CR Physiographic Map



FIGURE 1

SCALE 1 : 10,000,000



3.0 Claim Ownership

The CR property consists of four modified grid claims totalling 38 units (Figure 3). The claims are owned by John Wesley Moll of Houston, BC. The current status of the claims is shown in Table 1.

Table 1 – Claim Status

Claim	Tenure No.	Units	Expiry Date*
CR 1	324929	06	April 28, 2005
CR 2	324930	12	April 28, 2005
CR 3	324931	08	April 28, 2005
CR 4	324932	12	April 28, 2005

* pending acceptance of this report

4.0 Exploration History

The CR mineral claims contain the 093L 007, 093L202, 093L 268 and 093L 269 showings in the Minfile Database.

The area of the CR mineral property has been intermittently explored since the early 1930's when the original claims were staked by R. J. Douglas of Houston. A chronology of the more recent programs is as follows:

- In 1966, Axax Exploration did an induced polarization survey (Ass. Rpt. 0797).
- In 1977, Cities Services Min. did geophysical work on the Rain mineral claim (Ass. Rpt. 6311).
- In 1982, Churchill Energy Inc. did geological mapping (Ass. Rpt. 10563).
- In 1990, Equity Silver Mines Ltd. did a soil geochemical survey of the Raven mineral claims (Ass. Rpt. 19568).
- In 1994, Cominco Ltd. did 13 km of induced polarization on the CR mineral claims and 700 ha. of geological mapping on the Raven and Crow claims (Ass. Rpts. 23465 and 23698).
- In 1998, John Wesley Moll drilled two X-Ray holes totalling 48.2 metres (Ass. Rpt. 25950).
- In 1999 John Wesley Moll drilled two X-Ray holes totalling 55.5 metres (Ass. Rpt. 26294).
- In 2000 John Wesley Moll drilled two X-Ray holes totalling 50.9 metres (Ass. Rpt. 26578).
- In 2002 John Wesley Moll drilled one X-Ray hole 38.1 metres.

5.0 Geology

5.1 Regional Geology

According to the B.C. Ministry of Energy and Mines MapPlace Website, the CR mineral property is underlain by lower Jurassic volcanic rocks belonging to the Telkwa Formation of the Hazelton Group that have been intruded by a late Cretaceous granitic pluton (see Figure 2).

The CR property is located in the east-west trending, mineral rich Skeena Arch crustal structure. In the Skeena Arch, Eocene or late Cretaceous intrusions into the Hazelton Group volcanics are the locus of several porphyry copper +/- molybdenum and copper-gold deposits and occurrences.

According to Jackisch (1994), the property lies in a NE trending graben which extends from the Berg deposit (70 km to the SW) to the Bell-Granisle deposits (85 km to the NE).

5.2 Property Geology

According to Wagner (1994), the lower Jurassic rocks of the Telkwa Formation of the Hazelton Group as exposed on the CR property are predominantly basaltic to andesitic tuffs, breccias and flows that have been intruded by Eocene Nanika plugs of quartz-monzonite composition. The volcanic rocks are locally "bleached" and mineralized with pyrite, chalcopyrite, hematite and molybdenite. The quartz-monzonite is weakly altered and mineralized with pyrite, chalcopyrite and molybdenite.

6.0 2003 Diamond Drilling Program

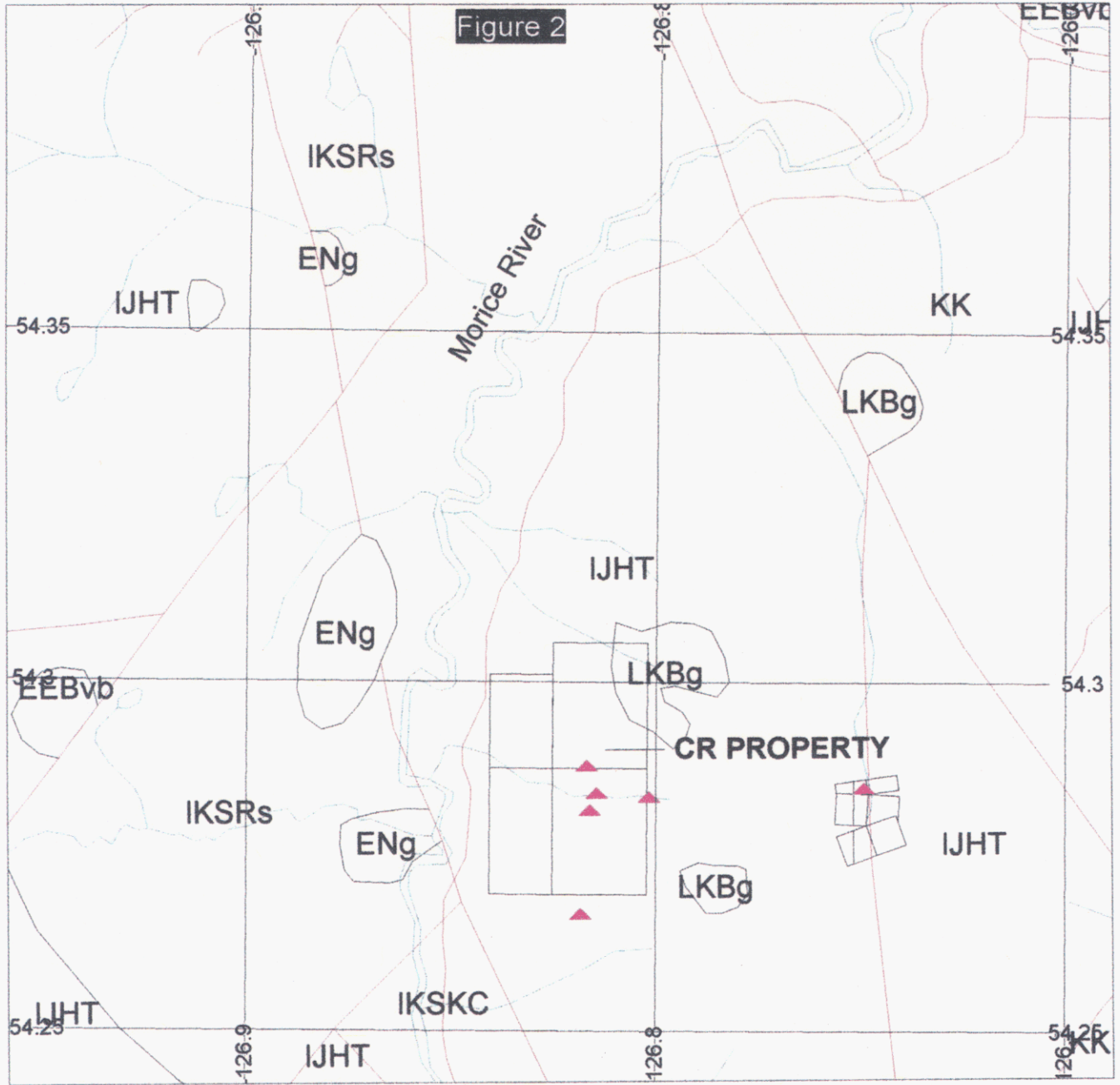
Three X-ray diamond drill holes were collared by John Wesley Moll to follow up on the results of previous exploration. The drill holes are summarized in Table 2 and the collar locations are plotted on Figure 3. All collar information was provided by Mr. Moll and was not verified by the author.

Table 2 – Diamond Drill Hole Summary

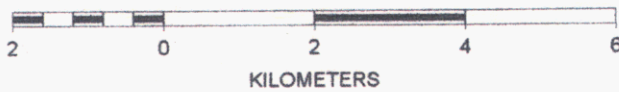
Hole #	UTM N*	UTM E*	Dip	Az.	Depth	Elev.*	Claim
CR03-01	6,018,316	641,662	-45	315°	3.05m	884m	324930
CR03-02	6,018,316	641,662	-90	N/A	3.05m	884m	324930
CR03-03	6,018,223	641,686	-90	N/A	21.6m	896m	324930
TOTAL					27.7m		

* NAD 83 GPS data

CR Regional Geology



SCALE 1 : 100,000



CR Property-Geology Legend

EOCENE

NANIKA PLUTONIC SUITE

ENg intrusive rocks, undivided

CRETACEOUS

KASALKA GROUP

KK andesitic volcanic rocks

LATE CRETACEOUS

BULKLEY PLUTONIC SUITE

LKBg intrusive rocks, undivided

LOWER CRETACEOUS

SKEENA GROUP

IKSKC KITSUNS CREEK FORMATION coarse clastic sedimentary rocks

IKSRs RED ROSE FORMATION coarse clastic sedimentary rocks

LOWER JURASSIC

HAZELTON GROUP

LJHT TELKWA FORMATION calc-alkaline volcanic rocks

Source: Open File 1994-14 Geological Compilation Skeena-Nass Area west central BC

Author(s): D. McIntyre, C. Ash and J. Britton

This Database Last Updated: January 1998.

British Columbia Ministry of Energy and Mines
Geological Survey Branch

Holes CR03-01 and CR03-02 were collared at the same location and both holes were abandoned at 3.05 metres due to adverse drilling conditions. Hole CR03-03 was abandoned at 21.6 metres due to adverse drilling conditions.

The core was placed in boxes and logged by the author for lithology, structure, mineralization and alteration. The logs are included as Appendix I of this report.

Nine intervals from hole CR03-03 were laid out for sampling at a later date. The sample interval was 3.0 metres but was adjusted locally to conform to changes in mineralization.

The core is stored permanently at the residence of John Wesley Moll in Houston.

7.0 Results

7.1 Lithology

The drill holes intersected a sequence of intercalated ash tuff and volcanic breccia units belonging to the lower Jurassic Telkwa Formation of the Hazelton Group. Hole CR03-03 encountered 16.0 metres of a very distinctive light grey-green and pale pinkish grey heterolithic volcanic breccia with 20% quartz-carbonate-pyrite-chalcopyrite matrix. The ash tuffs are dacitic to andesitic in composition.

7.2 Structure

All lithologies are massive and all contacts are obscured in broken and/or missing core. A strong shear zone with heavily broken and lost core was observed at the end of CR03-03 from 21.0 to 21.6 metres.

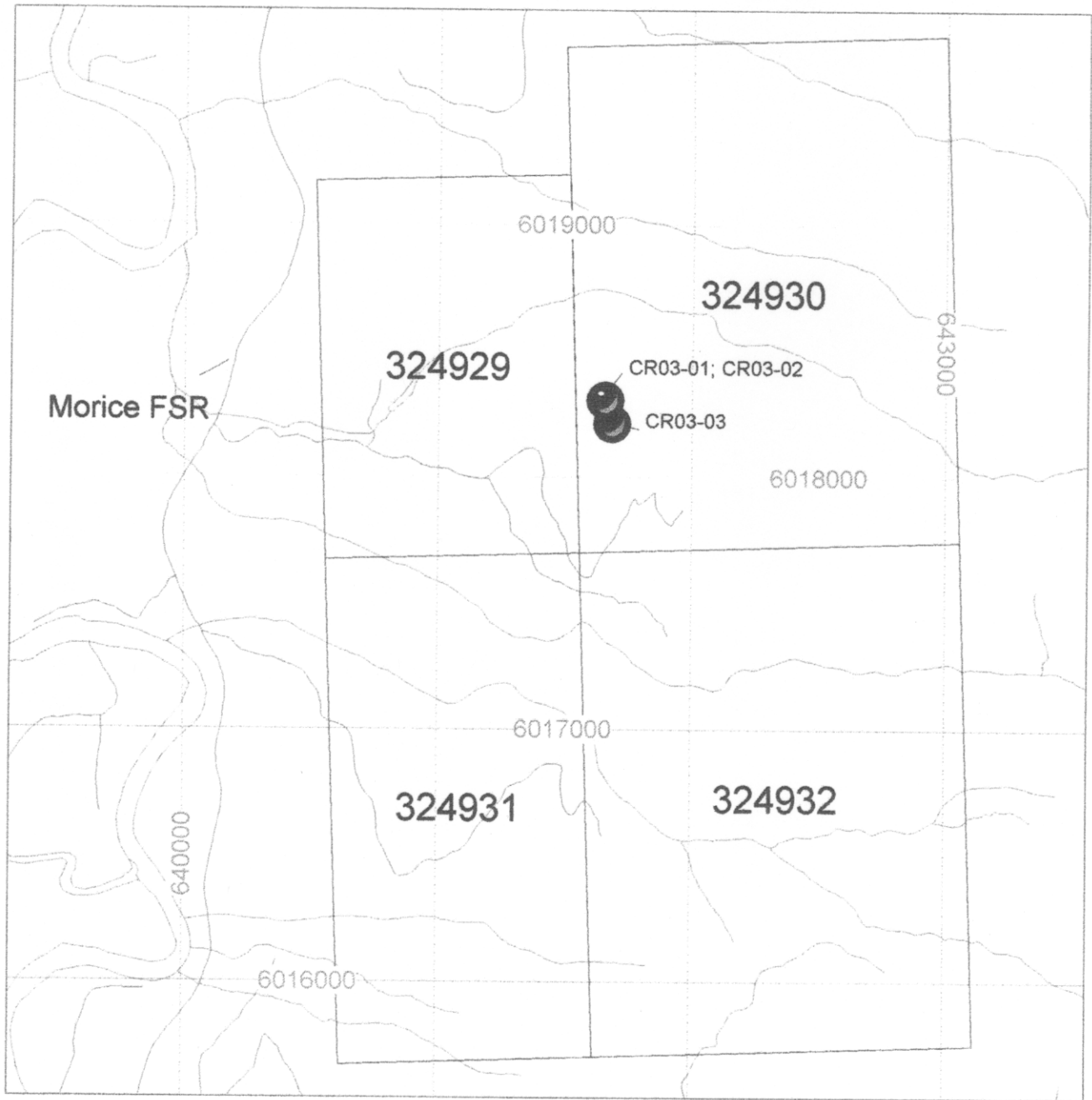
7.3 Mineralization

CR03-03 encountered up to 6% pyrite and 1% chalcopyrite mineralization as blebs to 10 mm diameter in the heterolithic volcanic breccia matrix. Pyrite - chalcopyrite mineralization also occurs in rare veinlets to 3 mm wide within the same unit. Minor limonite and malachite stain occur as surface oxidation products of pyrite and chalcopyrite respectively.

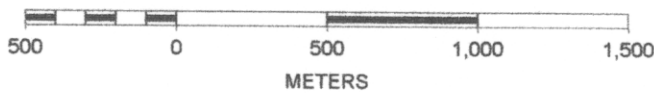
7.4 Alteration

Very weak hydrothermal alteration is developed sporadically throughout the ash tuffs and in the fragments of the volcanic breccia. The dacitic tuffs display weak pervasive sericite alteration while the andesitic tuffs are either unaltered or display weak pervasive chlorite alteration. Moderate to strong pervasive epidote is developed locally in all lithologic units.

CR Property 2003 Drillhole Location Map - Figure 3



SCALE 1 : 25,000



8.0 Interpretation and Recommendations

Drill hole CR03-03 intersected a strongly mineralized and weakly altered interval of volcanic breccia from 0.5 (bedrock) to 16.6 metres. This interval represents a new, higher grade style of mineralization on the CR property and highlights the exploration potential of the claims.

Based on this and previous work, the CR property has good potential for the discovery of a bulk tonnage copper-gold(?) porphyry deposit with associated higher grade skarn mineralization.

The intervals laid out for sampling should be split and submitted for 34 element ICP analysis and for gold fire assay with AA finish. Depending on the results of the sampling, a program of diamond drilling is recommended to follow-up on the intersection in hole CR03-03. A larger drill capable of drilling NQ core is recommended to improve core recovery, to increase sample size, and to enhance the ability to drill through sheared and altered rock.

Detailed geologic mapping and trenching are also recommended to assess the potential for skarn and replacement type deposits.

Table 3

Statement of Expenditures

1.	Diamond drilling	
	mobe/demobe - 96 hrs. @ \$20/hr	\$1,920
	27.7 metres @ \$84.45/metre	\$2,340
2.	Waterline - 20 hrs. @ \$20/hr	\$400
3.	Powersaw - 8 days @ \$25/day	\$200
4.	Copco Drill – 3days @ \$75/day	\$225
5.	Clearing old access trail - 16 hrs. @ \$20/hr	\$320
6.	Transportation	
	4X4 pickup truck – 10 days @ \$50/day	\$500
	4X4 pickup truck – 2 days @ \$50/day	\$100
7.	Board - 19 mandays @ \$30/day	\$570
8.	Core logging and report - 1.25 days @ \$400/day	\$500
		<hr/>
	TOTAL	\$7,075

REFERENCES

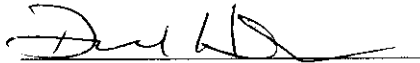
1. **Hanson, D.J.**, 2003. Diamond Drilling Report on the CR Mineral Property
2. **Bulmer, W.R.**, 2001. Assessment Report 26578; Diamond Drilling Report on the CR Property
3. **Bulmer, W.R.**, 2000. Assessment Report 26294; Assessment Report for the 1999 Diamond Drilling Program on the CR Mineral Property
4. **Bulmer, W.R.**, 1999. Assessment Report 25950; Drilling Report on the CR Property
5. **Jackisch, Ingo**, 1994. Assessment Report 23465; I.P./Resistivity Survey on the Crow Raven Property
6. **Wagner, D.B.**, 1994. Assessment Report 23698; Geological Report on the Raven and Crow Claims

AUTHOR'S STATEMENT

I, Daryl J. Hanson, of 16575 Quick East Rd., Telkwa, B.C. do hereby certify that:

1. I am a graduate of the University of British Columbia (1971) and hold a B.A.Sc. degree in Geological Engineering.
2. I am registered as a Professional Engineer with the Association of Professional Engineers and Geoscientists of British Columbia, Canada.
3. I have practiced my profession as a geologist for 32 years in British Columbia and the Yukon.
4. This report is based is based upon examination of the drill core from this project and upon work on the CR property for Equity Silver Mines Ltd. in 1990.
5. I have no financial interest, either direct or indirect, in the CR mineral claims or any adjacent properties.

Dated at Quick, British Columbia, this 18th day of June, 2004.


Daryl J. Hanson, P.Eng.

APPENDIX I

2003 Diamond Drill Hole Logs

DIAMOND DRILL LOG

HOLE: CR03-03

Operator: John Wesley Moll	
Project: CR	
Core logged by: Daryl J. Hanson	
Start Date:	Finish Date:

GPS Northing*	6,018,223
GPS Easting*	641,686
GPS Elevation (m)	896

	Azimuth	Inclin.	Notes
Collar	n/a	-90	
EOH	21.6		

* UTM NAD 83

Depth (m)		Description	ROCK CODE	STRUCT.						MINERALIZATION					ANALYSES								
from	to			S ₁	S ₀	2 ^S <small>sericite</small>	2 ^K <small>w-f</small>	2 ^M <small>mag.</small>	Sil <small>quartz</small>	Chl <small>chlorite</small>	% Py	% Cp	% Sp	% Po	% Ga	Recov. m	Sample Number	Interval (m)		Cu ppm	Pb ppm	Zn ppm	Ag ppm
0.0	0.5	triconed - no core	OB																				
0.5	16.6	pale grey-green and pale pinkish grey, heteroithic volcanic breccia	JVBx			1			tr	5	-				2.1		0.5	3.0					
		- w/ 80% angular, matrix supported, ash tuff frags. to 10 cm long								5	-				2.7		3.0	6.0					
		- matrix is qtz, carb, +/- pyrite, chalcopyrite								5	5				3.0		6.0	9.0					
		- Py and Cp occur as blebs to 10mm dia in breccia matrix								5	1				2.9		9.0	12.0					
		- Py and Cp also occur in veinlets to 3mm wide								5	1				2.6		12.0	15.0					
		- weak, pervasive sericite alt'n of felsic frags throughout int.								5	1				1.6		15.0	16.6					
		- mod. pervasive chlorite alt'n of intermediate frags throughout int.								2	5				1.7		16.6	18.5					
		- patches of strong epidote alt'n from 9.7m								1	1				1.9		18.5	20.8					
		- limonite surface oxidation to 4.4m								5	-				3		20.8	21.6					
		- tr. malachite stain @ 10.7m																					
		13.7-14.2: dark grey, magetic, ash tuff w/ rare lapilli																					
		- contacts obscured in broken core																					
		- tr. pyrite in microveins (fracture fillings)																					
		- no alteration visible																					
		- lower contact not observed																					
16.6	18.5	med. to light grey-green, massive ash tuff	JDat			1			tr														
		- local breccia and veins with qtz, carb. infilling																					
		- minor pyrite-chalcopyrite-malachite in veinlets w/ qtz. or as blebs																					
		- v. wk. pervasive sericite throughout int.																					
		- contact not observed																					
18.5	19.9	dark grey, variably magnetic, massive ash tuff w/ rare lapilli	JAat			-			-														
		- as above 13.7-14.2																					
		- no alteration visible																					
		- 0.5% pyrite as microveins (fracture fillings) w/o alt'n envs.																					
		19.2-19.5: heavily broken core (shear zone)																					
		- contact not observed																					
19.9	20.8	med.-lt. grey-green, massive ash tuff	JDat			1			tr														
		- as above 16.6-18.5m																					
		- v. wk. sericite alt'n																					
		- minor breccia w/ qtz-carb+/-pyrite matrix																					
		- rare pinkish frags																					

