Gus Claim Group

Nelson M. D., B. C.

2005 Assessment Report

July 8, 2005

By M. A. Kaufman

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Appendix 1

In Pockets:

Introduction

The Gus Claim Group is located in the west Kootenays, approximately 7.5 km NE of the Canada-USA Nelway border crossing. The west margin of the claims is along the west shore of Rosebud Lake. On Jan. 25, 2005 the old claim group comprised of mineral claims Gus 1 - 16 was converted to Mineral Claim Tenure # 504800. At this time a new claim, Gus 1 (Tenure # 504804) contiguous with 504800 on its west margin, was acquired.

Access is by the Rosebud Lake Road, and then by a rough logging road starting just north of Rosebud Lake and going SE to the Lone Silver Mine, and then ENE to the Davne Mine. Beyond the Davne Mine area the road is overgrown with brush, so that the Lucky Strike Mine can only by reached by walking. One must have a key to access the logging road beyond a locked gate at the north end of Rosebud Lake. Otherwise access is by walking only, or by the very rough BC Hydro power line trail south of Rosebud Lake.

I have been actively exploring this area since the late 1980s, when as a contractor I induced Lacana (later Corona) to acquire the ground. Lacana (Corona) carried out extensive soils and rock geochemical surveys. This work discovered two main anomalous areas which I have designated as the East Gold Anomaly and the West Geochemical Anomaly, which is mainly anomalous in lead and silver. In 1992 Orvana Minerals Corp. optioned the claims from Corona, and drilled one hole to test one locality on the East Gold Anomaly. This hole cut widely scattered anomalous gold intercepts found in altered silty limestone of the Nelway formation. Orvana relinquished its option as the hole did not come up with economic mineralization. After Corona merged with Homestake, Homestake dropped the claims sight unseen. In 1994 I acquired some of the ground by staking, and subsequently expanded the holdings over several years. My work since 1994 has involved following up and extending the previous exploration by geological, geochemical and geophysical work, testing of deep overburden by Pionjar core drilling, and excavator digging, and core drilling. Assessment reports covering the Gus Claims are as follows; #27526, 27249, 26981, 26674, 26408, 25704, 25090, 24748, 24199, 23711 and 23438.

Summary Geology

Physiographically, much of the Gus Claim Group is traversed by a broad ENE trending shallow valley which appears to follow the trend of the thrust faults which have been mapped in this area. A narrow NNE trending swampy depression occupies a portion of the East Gold Anomaly, within which parallel? EM conductors were found by Lloyd Geophysics in 1996. This low area is thought to be influenced by "transverse" faulting. Both of these valleys probably contain relatively deep glacial overburden (say 10 metres or more). In the central part of the claim block there is an extensive overburden covered topographic saddle designated as "Saddle Area", situated between two ENE trending ridges. GSC Map 1145A suggests that the Styx Creek transverse fault projects through this saddle. Small areas of shallow overburden cover and bedrock are found in upland areas south of the main valley, east, west and north of the swampy depression, and east and west of the saddle area.

The area is chiefly underlain by Lower Cambrian Laib Formation phyllites, Middle Cambrian Nelway Formation silty limestones, and Middle Ordovician Active Formation argillites, limestones and phyllites. Approximately .8 km SE from the Saddle area the GSC has mapped a small Tertiary "Coryell" monzonite plug. Very small exposures of what may be monzonitic rock are found on the hill west of the swamp area, and intermediate composition dikes and sills(?) are found in drill cores. The property is

traversed by the NE trending SE dipping Black Bluff Thrust Fault, which has caused the section to be overturned. A package consisting of older Laib sediments underlain by younger Nelway sediments overlies still younger Active Formation sediments. The contact between the Nelway limey sediments and the underlying Active Formation argillite-phyllite probably marks the trace of the thrust, but the thrust zone appears to be imbricate and complex. The local structure appears to be further complicated by overturned folding related to the thrusting.

Minor production of very high grade gold-silver ores has been taken from three old mines situated on the property, the Lone Silver, Davne and Lucky Strike. Production figures given below include only recorded smelter shipments. The Lone Silver production (about 174 tonnes of 15.3 gms/T Au and 3,977 gms/T Ag) was from irregular replacement shoots in brecciated Nelway Formation dolomitized limestone and from underlying silicified Active Formation argillite. The mineralized zones occur right on the Black Bluff Thrust, and are probably controlled by it. Dump sampling indicates some metals dispersion away from the productive shoots. Above the productive area old trenches expose a few steep dipping, narrow vein-like mineralized zones probably following bedding plane fracture zones, as well as small areas of disseminated mineralization in dolomitic breccia. Both the Davne (production of 3.6 tonnes of 94.3 gms/T Au and 1,474 gms/T Ag) and Lucky Strike Mines (production of 55 tonnes averaging 44.2 gms/T Au and 1,166 gms/T Ag are on WNW striking, steep dipping narrow fissure vein zones cutting "upper plate" formations, respectively Nelway silty lime and Laib phyllite. There appears to be some possible metals dispersion away from the Lucky Strike mined shoot as indicated by a bulbous shaped soils anomaly in the area. Within this anomalous area there is abundant float of bull quartz and calcite thought to be an alteration feature. Though the two mines are .5 km apart, they appear to be controlled by the same general structure. Between the two mines is the NE trending swampy depression described above. Outcrops within the East Gold Anomaly, north and west of the swampy depression, show steep E dipping NNE striking bedding intersecting steep dipping WNW fracturing. Small mineralized showings and anomalous metal values have been found along the WNW fracture zones, and there appears to be widespread carbonate thought to be caused by decalcification.

The West Geochemical Anomaly shows anomalous Pb, Ag and Zn with some sporadic Au. It was found on a steep hillside WSW of the Lone Silver Mine, in an area of shallow soils covering "upper plate" Nelway limestone in places marbleized. Its probable cause are mineralized fractures closely following bedding, and probably related to the thrust fault.

Exploration to date has been predicated on the following concepts.

Because of similarities of the geology in this area to the Carlin - type geological environment, particularly the widespread decalcification seen in the East Gold Anomaly area, the early work here by Corona and Orvana emphasized a bulk tonnage deposit possibly containing "noseeum" gold. When the early work was carried out, the nature and thickness of the extensive overburden cover in this area was not known. Subsequent soils drilling and excavator digging indicates that the cover is deep glacial clay, rendering much of the Corona geochemical soils work invalid. Although no evidence of micron sized gold is evident from work to date, there is certainly the possibility of bulk tonnage type mineralization as well as high grade related to structural intersections.

As the Black Bluff thrust appears to be imbricate, it is possible that surface showings on or above it might indicate more significant mineralization associated with subjacent fracture zones. Moreover, as much of the main thrust trend is covered by deep overburden, there

is potential for undiscovered mineralization along the main thrust.

Significant high grade vein-type mineralization might be found at depth along WNW fracture zones, particularly along the zone hosting both the Davne and Lucky Strike mines. More extensive replacement-type mineralization might be expected where these WNW fracture zones intersect postulated NE trending "transverse" faults, particularly in the swamp area where conductors were detected. The whole Swamp-East Gold Anomaly area occurs in upper plate sediments, so there is a possibility of replacement-type mineralization at depth along the underlying Black Bluff thrust or along related imbricate fracture/fault zones.

Sultan Minerals, in its work in the Wilson Creek area situated ENE of the Gus Claims, has found widespread highly anomalous zinc along with lesser silver and lead in soils overlying Active Formation argillites. They detected a gravity anomaly coincident with the geochem. anomaly, but have never drill tested the area. Soils zinc anomalies have also been detected over Active Formation sediments west of Rosebud Lake on the SW trend of the valley. The same stratigraphy containing the anomalies should underlie the extensive, overburden covered ENE trending flat valley occupied by the northern portion of the Gus Claim Group. It is not known whether these anomalous areas are caused by formational or structurally controlled mineralization, but it does point to possible covered targets along the trend of the Active Formation.

Discussion of the 2005 Work

The 2005 work has consisted of core drilling two targets delineated by a horizontal loup electromagnetic survey (HLEM) carried out during 2004. A detailed description of the HLEM results and interpretation is provided in the 2004 Assessment Report # 27526. A total of 305 metres in two 152.5 metre holes was planned, but the second hole was lost at 37 metres. Because of budget limitations we did not attempt to redrill the lost hole, so the total amount drilled was limited to 189 metres. The drill results are shown in detail on the logs in the appendix of this report.

Hole G-1

(Location: Nad 83; 0482240, 5432962 ,accuracy within 4 metres) was drilled at - 45 degrees at azimuth 245 degrees to depth of 152.4 metres. The hole was designed to test a broad, weak HLEM anomaly found along 2004 line 3, and to test under a line of old open cuts exposing a narrow, NW-SE striking, vertical quartz-carbonate vein zone on trend with the Davne Mine. The HLEM anomaly was interpreted to be caused either by a flat conductive zone or something close and parallel to the survey line. It was also hoped that the hole might intersect other mineralized zones parallel to the one exposed by the trenches. The lithology intersected from the top to the bottom of the hole was predominantly dark gray, in some places almost black, silty to carbonaceous limestone. In the upper part of the hole frequent discrete, very thin carbonaceous bands are evident in the limestone, while in the lower part of the hole such banding is not so obvious. From the upper part of the hole to about 200 metres depth frequent, narrow intrusive sills(?) are seen. They generally contain fine biotite in a fine gray siliceous groundless. In places they give the appearance of a fine, impure pebble quartzite, but frequent thin zones of this type of sedimentation in a basin producing a thick section of organic limestone would seem to be most unusual.

The limestone appears to be altered to various degrees, mainly by remobilized carbonate in the form of irregular bands and pods. Possibly, the pronounced carbonaceous bands

seen in the upper part of the hole might be an alteration-shearing phenomenon. Throughout the hole fine micaceous minerals are seen along fracture planes along with carbonaceous material. Both the limestone and the sills(?) throughout the hole are generally highly sheared, and contain ubiquitous pyrite, disseminated and on fractures. In the lower part of the hole there are sporadic thin (<1 cm) bands of massive pyrite following fractures and sometimes found with carbonate zones. The limestone in the upper part of the hole can be classified as phyllitic. The limestone encountered most likely is Nelway Formation.

Assays were non-anomalous with two exceptions. At 87.8 to 88.4 metres there is weakly anomalous Au and elevated As, respectively 45 ppb and 34 ppm. And at 119.8 to 120,4 metres there is weakly anomalous Cu (194 ppm). The 87.8 to 88.4 interval is comprised of dark gray, carbonaceous limestone with pods of carbonate and minor obvious disseminated pyrite. The anomalous copper in the 119.8 to 120.4 metre interval came from an intrusive section containing disseminated and fracture controlled pyrite.

Hole G-2

Location: (NAD 83); 0481654, 5432810 (accuracy within 10 metres). Drilled at - 45 degrees at azimuth 158 degrees to 36.6 metres depth. The hole targeted an extensive, strong HLEM anomaly detected along 2004 survey lines 0 E, 1 E and 0 N. The grid location of the hole collar is at 10 metres west of line 0 E, 45 metres N. The geology of this overburden covered target area appears particularly favourable as it is situated over a broad, postulated structural intersection between the NE striking S dipping Black Bluff thrust and the N trending, steep dipping Styx Creek transverse fault. As well, it is only about 400 metres NE along the thrust trend from the Lone Silver Mine. Physiographicaly, the drill site is located on a moderately steep north slope just below the "Saddle" area. It was drilled into the slope to cut the strongest part of the conductor, and to continue into the broad lesser conductive zone extending for over 100 metres further to the south along line 0 E.

Unfortunately, the hole never reached bedrock. It cut through glacial clay with occasional boulders and rock debris. As the whole Saddle Area is located high on a north facing mountain slope, and the saddle itself forms part of this slope, I would never have guessed that the overburden would have been as deep as what we encountered. Because of this misjudgment we made the mistake of putting down only about seven metres of casing. The drill penetrated easily through the clay until about 18 metres depth, then began to slow, until at about 30 metres when it became very difficult to turn. We had to quit at 36.6 metres for fear of losing the string of rods. As we were coring in a very soft medium, I would guess that the hole began to wander, probably both laterally and upward, at about 30 metres making it extremely difficult to penetrate further. I estimate that the vertical depth reached below surface is somewhere around 25 metres.

Only minor amount of sample was returned from this hole, just a little more than one core box, mostly comprised of glacial clay containing rock chips and float. The last metre of material collected at the bottom of the hole was clay, but contained a considerable amount of rock, mostly siliceous material. The predominant rock type comprising the rubble throughout the hole appears to be siliceous (probably silicified) black argillite generally containing fine disseminated sulfides. Most of the sulfide appears to be pyrite, but some fragments in the interval from 16.76 - 18.28 metres contained a few specs of a brassy colored metallic mineral, possibly tarnished pyrite or maybe something else. A number of assay samples were taken from the overburden returned, both of rock rubble and clay, and some a combination of both. Though, at best, only weakly anomalous gold was detected,

generally these overburden samples contained more gold than the bedrock in Hole G-1, as well as other anomalous elements. Most interesting were two samples taken at the very bottom of the hole, respectively of fine clay, and clay with rock rubble, both of which contained anomalous silver and strongly anomalous tungsten. The highest assays were of the mucky fine clay (3.0 ppm Ag and +100 ppm W). Also of interest is that rock rubble samples from the above cited area where traces of a brassy metallic mineral was identified contained weakly anomalous Ni and Co as well as weakly anomalous Au. The silicified argillite rubble encountered in this hole resembles silcified Active Formation argillite seen in some of the Lone Silver mine dumps, which reportedly occur along the footwall of the Black Bluff thrust, and comprised the "pyritic" ore from the mine.

Conclusions and Interpretation

Hole G-1, East Gold Anomaly Area

As Hole G-1 was drilled to intersect structures cross cutting the predominant (approx. 50 degree) formational bedding direction in this area, it cut the steep dipping bedding at a slight angle, and more or less followed a narrow section of sediments. Being brutally honest, this hole must be considered a wipe out. No obvious NW-SE trending mineralized fracture zones were noted. Although the one area of anomalous gold intersected in the hole does occur at 70 metres vertical depth on the downward projection of the mineralized zone exposed by the surface open cuts, no mineralizing structure was observed at this depth. No flat conductive zone was seen, nor is there any obvious conductor parallel to the survey line 3. The HLEM anomaly is not clearly explained, but I believe it is caused by the prevalent steeply dipping, sheared /sheeted zones which contain abundant carbonaceous material as well as pyrite.

The 1992 hole drilled by Orvana Minerals, the collar of which is approx. 160 metres ENE of the G-1 collar, was drilled in a NW direction, roughly parallel to the cross cutting mineralized structures seen at surface, but it did cross the sedimentary section. Generally, it cut gray, silty, phyllitic limestone with lesser areas of carbonaceous material, though it did cut two notable carbonaceous (graphitic) sections. Both holes contained pervasive pyritic mineralization, but the Orvana hole displayed much stronger and more pervasive carbonate alteration, far more quartz, and widespread anomalous gold. Both holes intersected numerous intrusive dikes and sills which we have classified as monzonitic to dioritic. But the Orvana hole contained more intrusive rock, which comprises more than 50% of the section encountered below 150 metre depth.

The results of Hole G-1 discourage further drilling in the Davne Mine area, but do not negate additional work along the same general structure to the SE in the area of the Lucky Strike Mine. The alteration/mineralization found in the old Orvana hole still justifies follow up, including more drilling, in the main part of the East Gold Anomaly and environs.

Hole G-2, Saddle Area

The failure to reach bedrock in this drill hole brings to question whether the broad HLEM conductive zone detected in the 2004 survey is merely an overburden-caused anomaly. After the drilling, geophysicist, Lou O'Connor reviewed the data, and believes that though it is possible it is overburden caused or influenced, it is more likely to be related to bedrock. A copy of his report is enclosed in the appendix of this report. I also believe that it is most likely related to bedrock for several reasons: The broad anomaly continues under the area south and upslope from the collar of Hole G-2 which is probably underlain by

shallower overburden than at G-2. And the anomaly was detected on LIne 1E which crosses a steep north slope 100 metres east of the topographic saddle. Again I would expect that overburden cover along this line is shallower than along Line 0. So what in the bedrock might be causing such an extensive area of conductivity? My interpretation would be a feature something like what we see in Hole G-1 (shear-related, sheeted sulfide/carbonaceous zones), but considerably stronger, as indicated by the magnitude of the anomaly here. Because of the probable intersecting major structures here, possibly we could have two major directions of sheeted carbonaceous/sulfide zones, one following the Black Bluff trend and the other influenced by the Styx Creek trend. It should be noted that lower plate pyritic (footwall) ore in the nearby Lone Silver Mine occurred in sheared, silicified carbonaceous Active Formation argillite along the Black Bluff thrust.

Although bedrock was not reached, core samples of the overburden brought up are anomalous in several elements, and further work will be required. This area has now been systematically geochemically tested by a surface soils survey grid, and deeper overburden has been sporadically spot tested using Pionjar core drilling, excavator trenching and one deeper core hole. It should be noted that there are two distinct sampling environments; a surface layer generally about one metre thick comprised of ash and organic material , and a glacial layer comprised of clay and rock rubble, which in many areas can be many to scores of metres thick. In contrast to most other parts of the property, the overburden here contains consistent detectable gold, and several samples at variable levels were weakly to strongly anomalous. As well, other elevated and anomalous metals values have been noted, including silver, zinc, copper and tungsten. Particularly interesting is the anomalous silver and highly anomalous tungsten found in the deepest sample at the bottom of hole G-2. This would be roughly 25 vertical metres below surface, and I would speculate should be at least getting somewhere close to bedrock. Although 1.8 to 3 ppm silver might not seem significantly anomalous, when one examines the many hundreds of samples taken throughout this property, it is evident that values in the range of one to a few ppm Ag only are found near known mineralized showings. In most areas silver is in the realm of only .1 ppm. And tungsten values in the realm of 34 to +100 ppm have not been found anywhere else on the property. On a map of the Saddle area accompanying this report locations of anomalous samples are shown with depth of each sample noted.

In summary, because of the large extent of the conductive area, and the widespread elevated and/or anomalous geochem. values occurring at variable levels in the overburden, I believe that we must make a good bedrock test of this area. As this is a large target, a number of holes would be required. Because of deep overburden drilling could probably best be accomplished by a track mounted rotary or RC rig which would be mobile, relatively easy to set up, and could quickly transition from overburden to bedrock.

Other Target Areas

The whole trend of the Black Bluff Thrust which marks the contact between the Nelway and Active formations is prospective both to the NE and SW away from the Saddle target area. Except for a small area at the Lone Silver workings all of this contact zone is overburden covered. Of particular interest is the covered area north of the West Geochem anomaly located approximately .65 km SW from the Saddle. After our drilling of Hole G-2 it becomes evident that the overburden north of the geochem. anomaly is probably deep, and that the soils anomaly detected, though it appears to end rather abruptly to the north, could actually continue under the deep overburden and not be detectable near-surface.

M. A. Kaufman

M. A. Kaufman

Statement of Qualifications

I, M. A. Kaufman hereby state that I have worked as a mining geologist and mining engineer for 48 years.

I received an A, B, degree in geology from Dartmouth College in 1955, and an M. S. degree in geology and mining engineering from the University of Minnesota in 1957.

I am currently registered as a Professional Engineer/Geologist in the province of British Columbia.

From the period 1955 - 1965 I worked for the major companies Kennecott Copper Corp., Giant Yellowknife Gold Mines (Falconbridge), Kerr-McGee, and Hunting Survey Corp., Ltd. I then worked independently as a consultant and contractor, mainly for major companies. From 1969 through 1988, I was a principal of the consulting and contracting firm of Knox, Kaufman, Inc. From 1989 to present I have worked as an independent consultant and prospector.

M. A. Kaufman

Appendix 1

Comments On 2004 HLEM Interpretation In Light of 2005 Drilling

From: "Lou O'Connor" <LJOGP@netscape.net>
Date: May 25, 2005 4:18:34 PM PDT
To: dv111@qwest.net
Subject: Re: Gus Project

Mo
Had a chance to re-look at 0E and 1E. Even in light of the drilling I can't say I would interpret the conductors any differently. The anomalies have the shape of good bedrock conductors and the conductivity-thickness products are an order of magnitude larger than the typical overburden anomaly. I suppose if you really have a thick section of clay that could explain it, but that would mean the clay has a resistivity of around 1 ohm-meter to produce a 20 Siemen conductor. This is lower than usual but possible.

The presence of a thick and conductive overburden could be impacting the interpretation of the depth and conductivity of a bedrock conductor below it. Conductive overburden in contact with a bedrock conductor causes currents to flow in the overburden and causes the interpretted depth to be less than the actual depth. Notice that for both lines lower frequencies produced a deeper and stronger conductor. This could be the contamination of a conductive overburden on a bed rock conductor (or the result of a number of other things such as the thickness or complexity of the conductor). The usual procedure is to go with the lowest frequency interpretation in a situation like this. Possibly a bedrock conductor is even deeper than the 25 meters interpreted for the 222 Hz data. In light of the drilling though I would not drill deeper until I had a better feeling for what is going on such as how conductive and uniform is the clay layer. Something has to be changing along the line to be producing the low frequency responses on line 0E and 1E, re-running the line with another coil spacing or an alternate technique might help sort this out. Some times these features are related to bedrock troughs filled with clay, but again it is unusual to see this high a conductivity-thickness product associated with a strictly overburden source. All the interpretation to date is based upon a simple model of a conductive sheet in a resitive half space. A better feel for the situation might be gained from more elaborate EM modelling, but that can be slow and expensive.

For line 0N it still appears that the line is parallel to and perhaps off the edge the conductor. In the light of the drilling on line 3 one other point may be relevant. When HLEM lines are run over a steeply dipping, finely laminated and hence anisotropic conductor, the shape of the EM anomaly is dependent on the angle with which the line crosses the conductor. When run perpendicular to the strike of the conductor the anomaly has a normal shape with positive shoulders and a negative central trough. When run at an acute angle to the strike the same conductor produces a negative shoulders and a positive central anomaly.

In summary for 0E and 1E I would look at the details of what has been

drilled. Were there any lateral variations in the overburden that could explain the unusually good conductive response ? If not then I would think about doing some detailing with more HLEM and/or other techniques - could there be a bedrock conductor deeper than what was tested ?

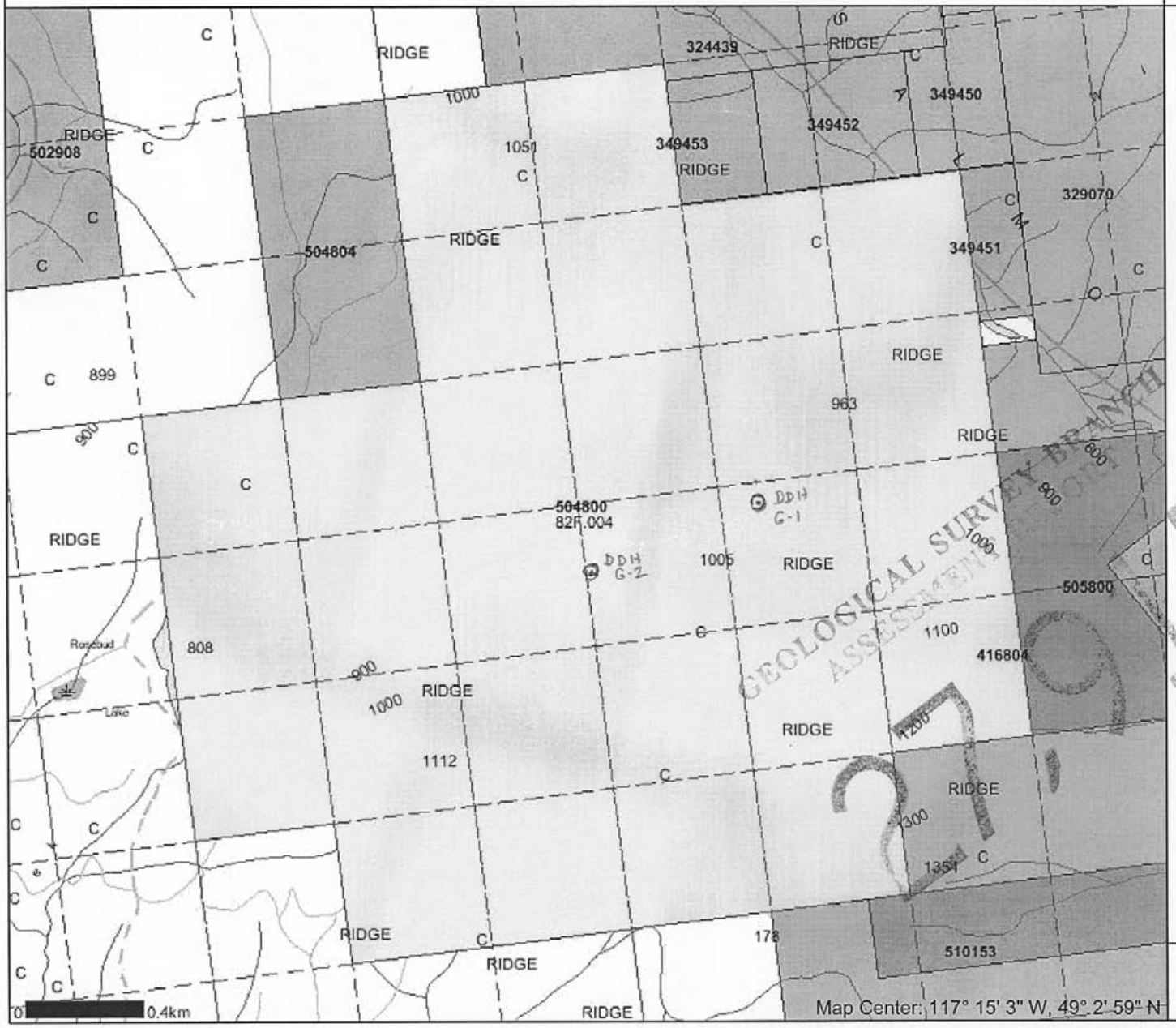
Lou

dv111@qwest.net wrote:

> Lou:
>
> I am sending you a plan and section at 1:1000 scale of the - 45 degree
> hole which tested the strong anomaly close to line 0E. We were in
> glacial clay all the way to where we had to abandon the hole at about
> 120 feet (36.57 metres). You can see that we crossed into the
> projected area of the strong conductive zone, but did not reach
> bedrock. Our vertical depth from surface at the bottom of the hole
> should be about 32 metres.
>
> I never would have guessed that the overburden would have been this
> deep, and I believe that it is much shallower as you go south along
> line 0E to the crest of the saddle.
> My question is; would you attribute the strong conductor to
> overburden, or do you think we might be looking below it? Also, what
> do you think of the broad conductive zone going far to the south both
> on this line and line 1E. The north facing slopes which both lines
> climb as you go south from the zero point are quite steep, and
> probably have much shallower overburden.
>
> In regard to the other hole; it was collared in bedrock and drilled at
> -45 degrees at azimuth 245 degrees located 60 metres at azimuth 65
> degrees from line 3 station 200 S. It should have cut under this
> station at about 91 metres down the hole and vertical 60 metres below
> surface. No obvious flat lying or parallel sulfide zone was noted, but
> the rock from near surface to about 91 metres depth is steeply dipping
> carbonaceous limestone with frequent thin carbonaceous bands and fault
> slips which contain obvious fine sulfides, mainly pyrite. After 91
> metres to the bottom of the hole at 152 metres the rock is mainly
> gray-black carbonaceous lime with consistent but weak pyrite. The
> general strike direction of the formations is probably about azimuth
> 45 degrees. I would estimate the obvious sulfide content in the upper
> 91 metres of the hole at 2 to +5%, but there well could be more in the
> form of fine sulfide mixed with the carbonaceous bands. I don't have
> great hopes for this, but we do have assays in, and it is possible
> that we could have precious metals values.
>
> Please let me know what you think about the anomaly on lines 0 and 1E
> and 0N. Feel free to bill me if this requires much time.
>
> Best,
>
> "Mo" Kaufman

GUS CLAIM GROUP, NELSON M.D. 2005

Map created Tue May 03 13:04:03 PDT 2005



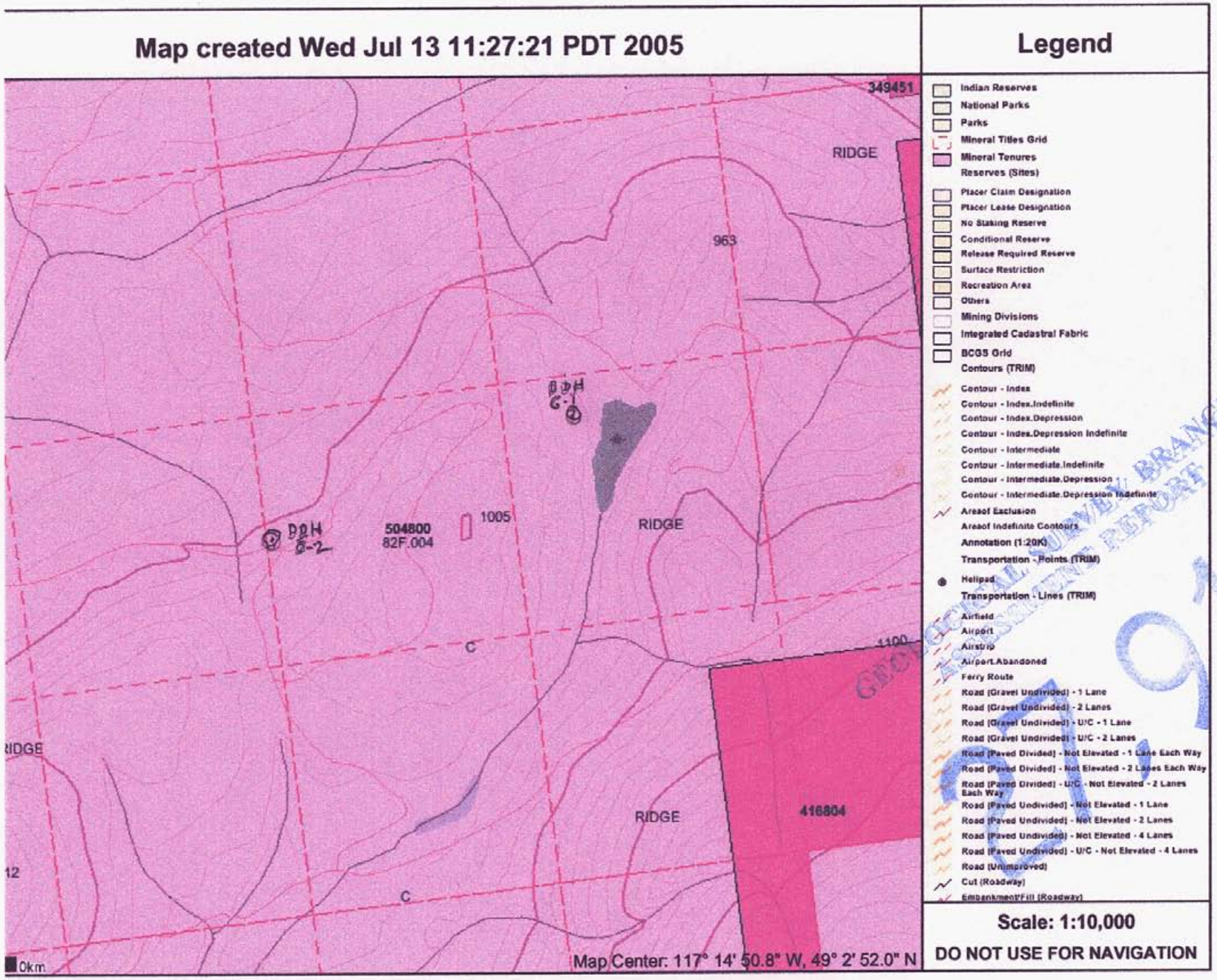
Legend

- Indian Reserves
- National Parks
- Parks
- Mineral Titles Grid
- Mineral Tenures
- Reserves (Sites)
- Placer Claim Designation
- Placer Lease Designation
- No Staking Reserve
- Conditional Reserve
- Release Required Reserve
- Surface Restriction
- Recreation Area
- Others
- Mining Divisions
- Integrated Cadastral Fabric
- BCGS Grid
- Annotation (1:20K)
- Transportation - Points (TRIM)
- Helipad
- Transportation - Lines (TRIM)
- Airfield
- Airport
- Airstrip
- Airport Abandoned
- Ferry Route
- Road (Gravel Undivided) - 1 Lane
- Road (Gravel Undivided) - 2 Lanes
- Road (Gravel Undivided) - U/C - 1 Lane
- Road (Gravel Undivided) - U/C - 2 Lanes
- Road (Paved Divided) - Not Elevated - 1 Lane Each Way
- Road (Paved Divided) - Not Elevated - 2 Lanes Each Way
- Road (Paved Divided) - U/C - Not Elevated - 2 Lanes Each Way
- Road (Paved Undivided) - Not Elevated - 1 Lane
- Road (Paved Undivided) - Not Elevated - 2 Lanes
- Road (Paved Undivided) - Not Elevated - 4 Lanes
- Road (Paved Undivided) - U/C - Not Elevated - 4 Lanes
- Road (Unimproved)
- Cut (Roadway)
- Embankment/Fill (Roadway)
- Trail
- Bridge - Foot
- Bridge - Trestle
- Tunnel
- Bridge
- Rail Line (Double Track)
- Rail Line (Multiple Track)
- Rail Line (Single Track)
- Rail Line - Abandoned Track
- Spur
- Transportation - Airfield (EBM)

Scale: 1:20,000

DO NOT USE FOR NAVIGATION

GUS CLAIM GROUP. NELSON M.D. 2005



	A	B	C	D	E	F	G	H	I	J	K	L	M
1	Hole G-1												
2													
3	Sample No.	Interval metres	Interval feet	Au ppb	Ag ppm	Cu ppm	other						
4													
5	131651	4.27-4.57	14-15'	1.9	<.1								
6	131652	13.7-14.32	45-47'	<.5	<.1								
7	131653	21.3-21.9	70-72'	<.5	<.1								
8	131654	23.8-24.4	78-80'	<.5	<.1								
9	131655	29.3-29.8	96-98'	<.5	<.1								
10	131669	31.4-32	103-105'	<.5	<.1								
11	131656	44.2-44.8	145-147'	<.5	<.1								
12	131657	60.9-61.5	200-202'	<.5	<.1								
13	131670	69.8-70.4	229-231'	<.5	<.1								
14	131658	72.5-73.1	238-240'	<.5	<.1		As ppm						
15	131671	83.8-85.34	275-280'	3.4	0.1		8.5						
16	131672	85.34-87.78	280-288'	0.7	<.1								
17	131659	87.78-88.4	288-290'	44.7	0.1		33.9						
18	131673	88.4-89.91	290-295'	<.5	<.1								
19	131674	89.91-91.44	295-300	<.5	<.1								
20	131675	91.44-92.96	300-305'	1.5	<.1								
21	131660	101.2-102.1	332-335'	<.5	<.1								
22	131661	119.8-120.4	393-395'	0.6	0.1	194							
23	131662	135-135.6	443-445'	<.5	<.1								
24	131663	136.8-137.2	449-450'	<.5	<.1								
25	131664	150.3-150.9	493-495'	<.5	<.1								
26													
27													
28	Hole G-2												
29								Bi ppm	W ppm	Ba ppm	Ni ppm	Co ppm	Sample
30	131665	6.1	20'	19.3	0.2	70.7	29.2				40	18	argillite fragments
31	131676	16.76-18.28	55-60"	33.8	0.2	61		5.7		110	100	28	argillite fragments
32	131677	16.76-18.28	55-60'	7	1.1	40	10.8			177			clay
33	131666	18	59'	27.3	0.2	76.1		6.1		118	104	28	argillite fragments
34	131667	18.3-19.8	60-65'	1.7	0.1	18							argillite fragments
35	131678	30.48	100'	2.1	0.2	57				121	82	18	clay
36	131679	33.528-34.44	110-113"	4.3	3	86	12.9		<100	197			clay
37	131668	34.44-35	113-115'	13.5	1.8	40	10.9		34.4	146			clay/rock rubble
38													
39													
40													
41	Note: For complete ICP analyses refer to Acme Labs sheets												

Gus Property, Nelson M. D.

Summary Drill Logs

Hole G-1

Location: Nad 83; 0482240, 5432962 (accuracy within 4 metres)

Drilled at - 45 degrees at azimuth 245 degrees to depth of 152.4 metres.

Drilled with Mandrill 1200 core drill provided by Superior Diamond Drilling Inc..

DrillCore size BTW

Outcrop on site: dark gray phyllitic, probably silty/carbonaceous limestone; some fine grained, sheared granitic? intrusive?, gneissic in appearence. General formation strike probably about azimuth 45 to 50 degrees with variable, steep dip.

0- 4.57 (metres) Dk gray to black sheared shaley rock; fine bands at steep angle to core. Fe/Ox and py on bedding. Minor cross fracturing. Qtz or carbonate vein w/ minor pyrite 4.4 to 4.57. Note: prob. carbonaceous limestone.

4.57-15.54 Dk gray, fine banded silty lime; considerable carbonaceous content. Ubiquitous dissem. fine py, and py blebs following bands. > 3% pyrite est. Light gray carbonate bands from 13.71 to 15.24

15.54-15.85 Fn grn gray dioritic intrusive with dissem py. (Fine biotite in gray siliceous groundmass).

15.85-19.81 Dk gray silty lime with carbonate bands and carbonaceous bands, in places a phyllite. Ubiquitous fine pyrite often in carbonaceous bands. > 3% pyrite est.

19.81-20.11 sheared dioritic intrusive w/ abundant py on shear planes, similar to 15.54-15.85.

20.11-27.28 Dk gray to black lime with carbonaceous bands. Abundant pyrite dissem., on fracture/fault slips and following bands. Probably > 5% sulfide, and could be greater if fine sulfide accompanies carbonaceous bands. Fault/fracture slips might be graphitic or contain micaceous minerals, or both.

27.28-27.74 Fn grn dioritic intrusive w/pyrite similar to above.

27.74-34.14 Dk gray silty lime, in places carbonaceous; w/ remobilized carbonate in bands and irregular patches. Generally harder than the limes above. Abundant finepyrite.

34.14-43.89 Dk gray silty lime similar to 27.74-34.14. Areas of remobilized carbonate at 34.44 and 39.32-43.89. Probably less carbonaceous content than 0-34.14. Consistent fine dissem.pyrite content, but less than 0-34.14.

43.89-44.2 and 44.96 -45.26 Fn grn dioritic intrusive as above w/ pyrite on fracture slips.

45.26-47.55 silty lime similar to 34.14-43.89

47.55-47.85 dioritic intrusive similar to above.

47.85-73.76 Silty lime similar to 34.14-47.55, but frequent remobilized carbonate zones from 71.93-73.76.

73.76-74.37 Fn grn intrusive?, resembles fn pebble quartzite , gneissic texture probably caused by shearing. 74.37-76.81 Silty lime as above

76.81- 78.79 and 80.31 -81.69 fn grn dioritic intrusive, silty to carbonaceous lime between intrusive sills?

81.69-84.43 Black carbonaceous lime with fine pyrite, as above.

84.43-85.65 Probable fn grn intrusive which resembles fn pebble quartzite).

85.65-101.19 Fn grn, thinly banded gray to black lime w/ remobilized carbonate 87.48 - 92.66 Ubiquitous dissem py.

101.19-102.11 Sheared fn grn (gneissic) intrusive? resembling fn pebble quartzite, w/ abundant py on fracture planes.

102.11-105.77 Dk gray, finely banded carbonaceous lime w/ dissem py.

105.77-108.2 Sheared fn grn dioritic intrusive? resembling fine pebble quartzite, as above.

108.2-111.25 Dk gray, finely banded carbonaceous lime w/ dissem py.

111.25-112.78 Sheared fn grn dioritic intrusive? as above.

112.78-119.48 Dk gray, finely banded carbonaceous limew/dissem py

119.48-120.7 Sheared fn grn dioritic intrusive? as above; quartz-carbonate band at w/py at 120.09

120.7-152.4 Dk gray, finely banded carbonaceous lime w/ fine dissem py, generally about 1% sulfide est. From 126.49 to152.4 frequent bands and zones of remobilized carbonate generally containing higher pyrite. In places thin, irregular veinlets (no more than one cm. wide) contain massive py. Sometimes these are in remobilized carbonate and other times just cut lime.

Commentary:

The hole was designed to cross a horizontal loup Max-Min EM anomaly which was detected on a line running across the hole direction about 60 metres from the hole collar. As well, near the location of the anomaly there is a series of old open cuts which expose a narrow mineralized quartz-carbonate vein system striking across the hole direction.

The predominant lithology intersected is finely banded, dark gray silty/ carbonaceous limestone, probably belonging to the Nelway Formation. Shearing particularly seen in the

upper part of the hole has created common phyllitic texture in the limestone. From zero to about 34 metres down the hole there are frequent narrow (a few mm wide) dark carbonaceous bands which generally are parallel to the long axis of the core. These could represent primary bedding or could be an alteration feature caused by heavy shearing. Generally, abundant fine pyrite is associated with this feature. A common alteration feature noted at various places in the hole is what I call remobilized carbonate. This feature resembles what is called "decalcification", an alteration type associated with many of the Nevada gold deposits. It consists of amorphous light colored carbonate found in irregular bands and patches in the limestone.

An interesting lithology found from surface to about 120 metres down the hole are frequent narrow bodies (generally less than one metre thick) of what I call diorite. Where this rock is not highly sheared it appears to be comprised dominantly of a fine, gray siliceous appearing matrix with fine biotite, generally in crystal form. Where this rock is sheared it becomes gneissic, and in many places resembles a gneissic fine pebble quartzite. This rock type almost always contains weak disseminated pyrite, and often has high pyrite content along shear planes. The contacts of these rocks with the limestone generally appears to be sill-like rather than cross-cutting. Possibly, these could be of sedimentary origin, but it would appear unlikely from a point of sedimentation that narrow zones of probable terrestrial stream formation would be found with probable deep basin organic limestones. Where this rock type was assayed, anomalous copper (194 ppm) was noted.

Summary Drill Log Hole G-2

Location: (NAD 83); 0481654, 5432810 (accuracy within 10 metres)

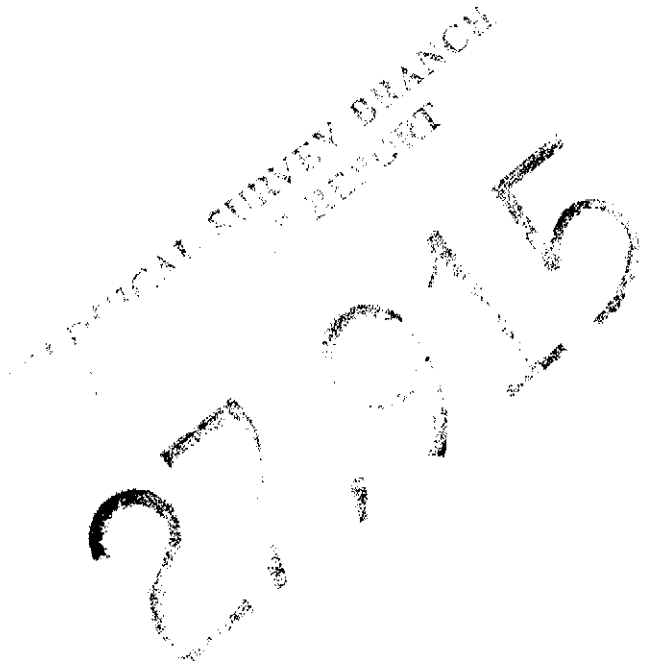
Drilled at - 45 degrees at azimuth 158 degrees to 36.6 metres depth

Drilled with Mandrill 1200 core drill provided by Superior Diamond Drilling Inc..

DrillCore size BTW

The hole was lost at 36.6 metres. It never reached bedrock. The hole had insufficient casing to deal with this depth of overburden. As a result of too long a length of core rods, it became difficult to turn the rods throiugh squeezing wet clay overburden. Also, it is likely that the hole might have flattened in this soft material making it increasingly hard to turn.

Only a little more than one core box of material was returned from the hole. It consisted of sporadic rock rubble mixed withl clay, probably representing glacial clay overburden with areas of included rock fragments and boulders. A predominant rock type noted was sulfide-bearing, silicified black argillite. Also there was banded marbelized lime with argillite bands usually containing sulfides. It is thought that these lithologies are local. The silicified argillite resembles altered Active Formation argillite found in the footwall of the Black Bluff Thrust Fault in some of the nearby Lone Silver Mine ore zones. Interestingly, assays of the argillite fragments generally carry elevated to weakly anomalous gold and other indicator elements. The last return from the hole, from about 34 to 35 metres depth consisted of muck with small rock fragments (say one cm. or less across). These consisted of silicified material, probably argillite. Two samples, respectively of clay/muck and clay/muck with mixed rubble representing the last two metres of returned material from the bottom of the hole carried elevated gold and arsenic, weakly to moderately anomalous silver, and strongly anomalous tungsten.



ACME ANALYTICAL LABORATORIES LTD. (ISO 9002 Accredited Co.) 852 E. HASTINGS ST. VANCOUVER BC V6A 1R6 PHONE(604)253-3158 FAX(604)253-1716

GEOCHEMICAL ANALYSIS CERTIFICATE

Kaufman, M.A. File # A502063

P.O. Box 14336, Spokane WA U.S.A. Submitted by: M.A. Kaufman

SAMPLE#	Mo ppm	Cu ppm	Pb ppm	Zn ppm	Ag ppm	Ni ppm	Co ppm	Mn ppm	Fe %	As ppm	U ppm	Au ppb	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	Hg ppm	Sc ppm	Tl ppm	S %	Ga ppm	Se ppm
A 131651	2.9	21.0	5.1	59	<.1	53.8	20.0	359	4.26	2.3	.8	1.9	12.8	144	<.1	<.1	.1	11	5.84	.071	32	36.3	2.00	33	.002	<1	1.86	.010	.23	<.1	<.01	2.4	<.1	.35	5	<.5
A 131652	3.7	20.0	13.6	46	<.1	45.1	17.0	676	3.27	<.5	1.0	<.5	10.6	354	<.1	<.1	.1	6	13.42	.065	27	22.3	1.89	40	.002	<1	1.26	.007	.26	.1	<.01	2.6	<.1	.44	3	<.5
A 131653	2.6	13.5	9.5	57	<.1	29.7	11.1	337	2.08	<.5	1.7	<.5	7.0	493	.1	<.1	.1	1	21.52	.039	19	5.5	1.11	31	.001	1	.39	.005	.21	<.1	.01	2.8	<.1	.71	1	<.5
A 131654	2.0	12.3	7.5	66	<.1	33.2	8.2	300	2.18	<.5	1.5	<.5	8.0	375	.1	<.1	<.1	2	17.70	.037	11	9.0	1.26	35	.001	<1	.60	.005	.26	<.1	<.01	2.9	<.1	.69	1	<.5
A 131655	1.5	12.0	9.2	37	<.1	25.0	8.7	332	1.99	<.5	1.7	<.5	5.9	648	<.1	<.1	<.1	1	21.57	.057	18	3.2	2.42	29	.001	<1	.25	.004	.19	<.1	<.01	2.9	<.1	.43	<1	<.5
A 131656	1.2	31.2	16.0	52	<.1	32.3	15.6	543	3.19	3.4	1.0	<.5	8.3	579	.1	<.1	.2	19	15.88	.080	29	27.3	1.71	59	.006	1	1.73	.006	.30	<.1	<.01	3.3	.1	.34	5	<.5
A 131657	.7	12.1	17.1	55	<.1	24.1	9.2	515	2.21	<.5	.7	<.5	6.4	573	.1	<.1	.1	4	21.58	.047	23	17.2	1.81	19	.001	<1	1.00	.006	.14	<.1	<.01	3.0	<.1	.27	2	<.5
A 131658	2.8	21.2	7.1	74	<.1	50.4	19.0	389	4.03	4.2	.9	<.5	10.2	365	<.1	<.1	.1	16	8.97	.047	28	39.9	1.51	43	.003	1	2.07	.005	.25	<.1	<.01	2.7	<.1	.30	5	<.5
A 131659	.8	18.2	11.0	52	.1	38.8	14.9	622	2.86	33.9	.7	44.7	6.9	559	<.1	.1	.1	5	18.96	.033	15	20.0	1.56	25	.001	1	1.12	.005	.20	<.1	<.01	3.3	<.1	.72	3	<.5
A 131660	.6	19.9	9.8	73	<.1	5.6	15.9	774	4.31	<.5	1.3	<.5	6.9	178	<.1	<.1	.1	91	3.71	.149	22	37.9	1.86	88	.061	2	2.18	.026	.46	<.1	<.01	9.1	.3	.25	9	<.5
A 131661	1.2	193.9	18.0	66	.1	14.0	18.9	872	4.32	<.5	.5	.6	4.1	194	.1	<.1	.5	75	3.78	.157	14	21.2	1.77	60	.018	1	1.94	.022	.23	<.1	<.01	7.2	.1	.29	8	<.5
A 131662	.5	11.3	7.2	36	<.1	19.7	6.3	348	1.76	<.5	.5	<.5	3.9	704	<.1	<.1	<.1	2	24.64	.018	11	7.8	2.73	20	.001	1	.43	.006	.14	<.1	<.01	3.0	<.1	.18	1	<.5
RE A 131662	.5	10.9	7.1	34	<.1	18.5	6.1	348	1.76	<.5	.5	<.5	3.7	702	<.1	<.1	<.1	2	24.84	.017	11	7.1	2.75	18	.001	<1	.42	.007	.13	<.1	.01	3.1	<.1	.19	1	<.5
RRE A 131662	.6	11.7	7.1	35	<.1	19.4	6.5	356	1.79	<.5	.5	<.5	3.8	720	<.1	<.1	.1	1	25.52	.018	11	7.5	2.81	18	.001	1	.41	.006	.12	<.1	<.01	2.9	<.1	.21	1	<.5
A 131663	.5	36.2	9.7	39	<.1	21.6	16.7	306	1.95	.6	.6	<.5	3.8	732	<.1	<.1	.2	2	25.39	.020	11	9.6	2.38	17	.001	1	.52	.007	.14	<.1	<.01	3.3	<.1	.43	1	<.5
A 131664	.8	4.6	9.7	29	<.1	15.1	6.0	253	1.20	1.2	.6	<.5	2.9	645	.1	<.1	<.1	1	26.41	.019	8	4.9	1.88	19	.001	<1	.25	.007	.10	<.1	<.01	2.4	<.1	.31	1	<.5
A 131665	.9	70.7	4.7	38	.2	40.1	18.4	275	3.12	29.2	1.5	19.3	13.1	30	.1	.1	.8	36	1.07	.048	18	45.1	.94	88	.137	2	2.13	.050	.77	.4	<.01	3.5	.3	1.31	8	<.5
A 131666	2.3	76.1	3.6	41	.2	103.8	28.0	195	2.73	1.5	.3	27.3	1.1	48	.1	.1	6.1	64	1.53	.166	6	94.4	.87	118	.303	1	1.21	.130	.27	.7	<.01	3.6	.1	1.15	5	<.5
A 131667	1.5	18.2	6.3	25	.1	18.4	5.3	80	.73	.9	1.1	1.7	8.3	81	.1	.1	.4	16	2.74	.066	21	21.2	.17	40	.130	3	2.20	.087	.14	.9	<.01	1.1	<.1	.18	7	<.5
A 131668	2.9	39.7	19.3	92	1.8	31.5	10.4	436	2.49	10.9	1.4	13.5	7.3	61	.7	.5	.7	58	3.17	.084	17	42.6	.91	146	.100	3	1.64	.056	.39	34.4	.02	3.4	.2	<.05	5	.5
A 131669	.7	33.8	12.4	31	<.1	43.4	33.5	279	2.89	1.0	1.5	<.5	6.2	535	<.1	.1	.3	2	19.11	.048	19	7.7	1.82	28	.001	1	.50	.006	.24	.2	<.01	2.8	.1	1.23	1	.7
A 131670	.6	22.6	9.3	57	<.1	41.9	16.6	335	3.35	<.5	.8	<.5	9.0	313	<.1	<.1	.1	9	9.66	.037	21	29.5	1.22	26	.002	1	1.75	.006	.21	.2	.01	1.9	<.1	.42	4	<.5
STANDARD DS6	12.2	125.5	30.8	146	.3	24.1	10.5	721	2.88	22.3	6.8	46.0	3.1	38	6.1	3.6	5.1	58	.89	.080	16	187.2	.59	162	.082	18	1.92	.075	.16	3.4	.24	3.2	1.8	<.05	6	4.4

GROUP 1DX - 15.00 GM SAMPLE LEACHED WITH 90 ML 2-2-2 HCL-HNO3-H2O AT 95 DEG. C FOR ONE HOUR, DILUTED TO 300 ML, ANALYSED BY ICP-MS.
(>) CONCENTRATION EXCEEDS UPPER LIMITS. SOME MINERALS MAY BE PARTIALLY ATTACKED. REFRACTORY AND GRAPHITIC SAMPLES CAN LIMIT AU SOLUBILITY.
- SAMPLE TYPE: DRILL CORE R150 Samples beginning 'RE' are Reruns and 'RRE' are Reject Reruns.

Data ✓ FA ____ DATE RECEIVED: MAY 20 2005 DATE REPORT MAILED: May 31/05

BRITISH COLUMBIA CERTIFIED ASSAYER
Clarence Leong

ACME ANALYTICAL LABORATORIES LTD. (ISO 9001 Accredited Co.) 852 E. HASTINGS ST. VANCOUVER BC V6A 1R6 PHONE(604)253-3158 FAX(604)253-1716

GEOCHEMICAL ANALYSIS CERTIFICATE

Kaufman, M.A. File # A502637

P.O. Box 14336, Spokane WA U.S.A. Submitted by: M.A. Kaufman

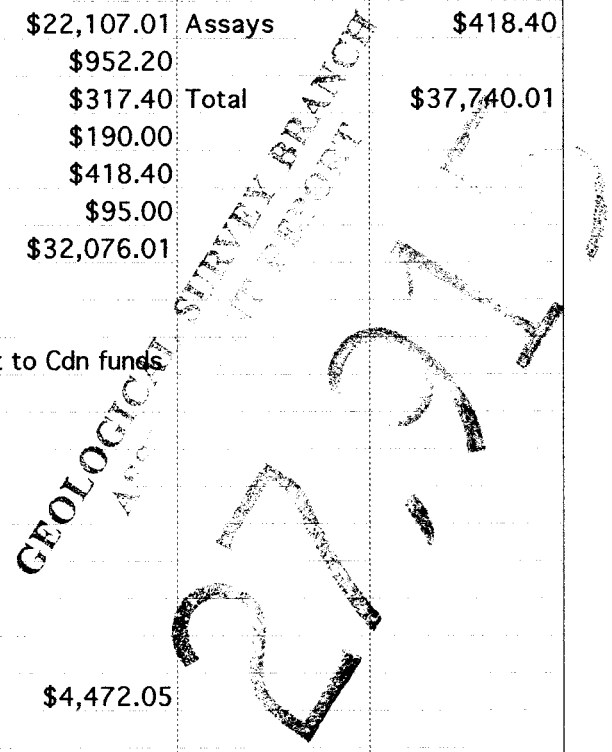
SAMPLE#	Mo ppm	Cu ppm	Pb ppm	Zn ppm	Ag ppm	Ni ppm	Co ppm	Mn ppm	Fe %	As ppm	U ppm	Au ppb	Th ppm	Sr ppm	Cd ppm	Sb ppm	Bi ppm	V ppm	Ca %	P %	La ppm	Cr ppm	Mg %	Ba ppm	Ti %	B ppm	Al %	Na %	K %	W ppm	Hg ppm	Sc ppm	Tl ppm	S %	Ga ppm	Se ppm
A 131671	.5	30.5	14.2	66	.1	29.4	17.4	674	3.51	8.5	.5	3.4	5.1	531	.1	.1	.1	43	15.58	.091	17	37.1	1.87	33	.014	1	1.45	.009	.20	.3	<.01	7.7	.1	.30	5	<.5
A 131672	.4	17.9	8.9	51	<.1	32.2	13.0	489	2.65	1.3	.8	.7	5.9	681	<.1	<.1	.1	8	21.17	.033	18	19.9	1.52	22	.001	2	1.09	.006	.14	<.1	<.01	3.5	<.1	.20	3	<.5
A 131673	.3	17.2	8.0	58	<.1	34.3	12.7	438	2.61	1.0	.6	<.5	6.2	682	<.1	.1	.1	7	21.76	.030	17	23.5	1.47	20	.001	<1	1.31	.006	.15	.1	<.01	3.5	<.1	.25	3	<.5
A 131674	2.4	20.0	7.6	73	<.1	36.2	13.8	381	2.71	<.5	.7	<.5	7.0	563	<.1	.6	.1	7	18.91	.032	15	24.8	1.46	18	.001	1	1.33	.006	.13	<.1	.01	2.9	<.1	.31	3	<.5
A 131675	.8	18.6	8.3	54	<.1	33.2	13.4	416	2.68	<.5	.6	1.5	5.7	662	<.1	<.1	.1	8	21.92	.027	13	24.0	1.36	19	.002	2	1.40	.006	.15	<.1	.02	3.5	<.1	.30	3	<.5
A 131676	2.1	60.7	3.0	52	.2	100.0	28.2	279	2.81	1.4	.3	33.8	1.5	46	.1	.2	5.7	59	1.53	.144	7	46.0	.78	110	.253	1	1.22	.130	.29	.4	<.01	3.6	.1	.93	5	<.5
A 131677	2.4	40.4	21.8	102	1.1	32.2	10.7	390	2.35	10.8	1.5	7.0	7.2	69	.7	.6	1.0	57	3.89	.083	16	46.1	.90	177	.098	3	1.73	.068	.41	14.5	<.01	3.6	.2	.09	5	<.5
A 131678	4.7	56.9	6.7	39	.2	82.5	18.1	104	1.91	1.0	1.2	2.1	6.2	299	.1	.1	.2	55	3.64	.136	16	50.0	.52	121	.171	4	4.40	.485	.42	.5	.01	2.2	.2	.65	13	1.1
A 131679	3.2	86.1	27.4	125	3.0	38.0	13.2	504	2.63	12.9	1.5	4.3	7.2	68	2.2	.6	.9	67	4.29	.086	18	55.7	1.01	197	.096	3	1.93	.075	.42	>100	<.01	3.8	.2	<.05	6	<.5
A 131680	1.4	106.9	3.5	30	.2	29.5	15.0	305	2.10	1.1	1.0	6.8	11.7	70	.2	.1	5.3	11	4.64	.105	23	19.1	.11	20	.075	3	2.09	.041	.05	7.7	<.01	2.0	<.1	.98	6	2.5
STANDARD DS6	11.8	124.4	30.1	145	.3	25.7	10.7	726	2.87	21.5	6.7	44.8	3.2	38	6.2	3.6	4.9	57	.88	.079	15	186.2	.58	171	.083	16	1.96	.078	.17	3.5	.22	3.5	1.7	<.05	6	4.4

GROUP 1DX - 15.0 GM SAMPLE LEACHED WITH 90 ML 2-2-2 HCL-HNO3-H2O AT 95 DEG. C FOR ONE HOUR, DILUTED TO 300 ML, ANALYSED BY ICP-MS.
(>) CONCENTRATION EXCEEDS UPPER LIMITS. SOME MINERALS MAY BE PARTIALLY ATTACKED. REFRACTORY AND GRAPHITIC SAMPLES CAN LIMIT AU SOLUBILITY.
- SAMPLE TYPE: Core R150

Data (FA ____ DATE RECEIVED: JUN 14 2005 DATE REPORT MAILED: Jun 24/05

BRITISH COLUMBIA CERTIFIED ASSAYER
Clarence Leong

	A	B	C	D	E	F
1	Gus Project 2005 Expenses					
2						
3	Contractors				Breakdown by Category	
4						
5	Date Paid	Contractor	Service Provided	expense	Geological	$5,664.00
6					sample prep	$285.00
7		Custom Dozing	Drill site prep/reclamation	$2,996.00	Drilling	$28,376.61
8	May 9	Superior Diamond Drilling	core drilling	$5,000.00	Drill Access	$2,996.00
9	May 23	Superior Diamond Drilling	core drilling	$22,107.01	Assays	$418.40
10	May 10	Sal Crest Motel	accomodations/Superior	$952.20		
11	May 18	Sal Crest Motel	accomodations/Superior	$317.40	Total	$37,740.01
12	May 23	Robert Denny	sample prep.	$190.00		
13	June 1	Acme Analytical Labs	assays	$418.40		
14	June 12	Robert Denny	sample prep	$95.00		
15	Sub T			$32,076.01		
16						
17	M. A. Kaufman					
18	Date	work done	expense U.S. Funds	convert to Cdn funds		
19	May 11	put in access and drill sites	$400.00			
20	12	setup drill/map elevations	$400.00			
21	13	I supervision	$400.00			
22	14	supervision/log core	$400.00			
23	15	set up drill/supervision	$400.00			
24	18	supervision	$400.00			
25	19	supervision/log core	$400.00			
26	May 19 - June 23	data comp and reports	$800.00			
27		Sub T	$3,600.00	$4,472.05		
28						
29						
30	May 9	Sal Crest Motel		$407.10		
31	May 18	Sal Crest Motel		$67.85		
32		Meals $40/day		$240.00		
33						
34		Vehicle .40/km (746 miles)		$477.00		
35	Total MK			$5,664.00		
36						
37	Grand Total			$37,740.01		



Gus Claim Group, Nelson M. D.

2005 Drilling Project

Dates Work Carried Out and Approx. Hours Worked

The drilling was carried out from May 12 through May 19, 2005. Preliminary planning took place during April 2005, and drill site preparation was done on May 11. Core logging, sample preparation and data compilation were done from May 14 through July 12, 2005.

Approximate total man hours are as follows:

Drilling with two, two man 12 hr. shifts ---------- 336 man hours

Drill Site prep., cat assistance and reclamation ----------34 man hours

Sample Prep. and splitting ----------8 man hours

Supervision and data comp. ----------96 man hours

Total Man Hours ----------474 man hours

SUPERIOR DIAMOND DRILLING INC.
3509 WITT PLACE, PEACHLAND B.C.
V0H 1X2
PH: (250) 767 6223 FAX: (250) 767 6237

INVOICE:

M. A. KAUFMAN
P.O. BOX 14336
SPOKANE, WA. 99214 USA

MOBILIZATION / DEMOBILIZATION $2,000.00

METER CHARGE
HOLE G –1

B W 1,52 X 80
121.60
BTW 150.92 X 70 10,564.40

HOLE G –2
BW 3,05 X 80 244.00
BTW 33.52 x 70 2346.40

Total meter charge 13.276.40

HOURLY CHARGES

MAY 12 DAY UNLOAD POINT TO 1ST HOLE 4 MEN X $45 X 5 HRS
900.00
SET – UP 2 (MEN) X 45 X 6 HRS 540.00

NIGHT NO CHARGE

MAY 13 DAY NO CHARGE
NIGHT NO CHARGE

MAY 14 DAY NO CHARGE
NIGHT TEAR / DOWN 2 (MEN) X 45 X 6
540.00

MAY 15 DAY MOVING 2 X 45 X 7 630.00
WATERLINE 2 X 45 X 2 180.00
SET – UP 2 X 45 X 2 180.00
NIGHT NO CHARGE

MAY 16 DAY NO CHARGE (MECHANICAL)
NIGHT REAMING CASING 2 (MEN) X 45 X 5 HRS
450.00
EQUIP X 75 X 5 HRS 375.00

MAY 17	DAY	REAMING ROADS 2 (MEN) X 45 X 1 HR	90.00	
		EQUIP X 75 X 1 HR		75.00
	NIGHT	REAMING RODS 2 (MEN) X 45 X 4 HRS.	360.00	
		EQUIP X 75 X 4 HRS	300.00	
MAY 18	DAY	REAMING RODS 2 (MEN) X 45 X 2 HR	180.00	
		EQUIP X 75 X 2 HR		150.00
		REAMING CASING 2 (MEN) X 45 X 2 HR	180.00	
		(EQUIP) X 75 X 2 HRS.	150.00	
		TEAR DOWN 3 (MEN) X 45 X 6 HRS	810.00	
MAY 19	DAY	LOADING DRILL 4 (MEN) X 45 X 1.5	270.00	
		TOTAL CHARGEABLE HOURS		6,360.00
4 X 4 PICK – UP TRUCK – 8 (DAYS) X $110				880.00
MATERIALS				
	ADDITIVES	1 GS550 @ 185		185.00
		1 OBX @ 185		185.00
		1 133X @ 185		185.00
	BITS	1 # 7 HAYDEN BIT @ $ 385	385.00	
		1 BTW REAMING SHELL @ 207	207.00	
		1 BW CASING SHOE @ 236	236.00	
	CORE BOXES	29 @ 16.00	464.00	
	LIDS	6 @ 3.50	21.00	
		TOTAL MATERIALS		1,868.00
TOTAL FOOD RECEIPTS (BOARD) @ SALMO (4 MEN)				949.34
		TOTAL CHARGES		25,333.74
		GST		**1,773.36**
		SUB TOTAL	27,107.10	
		LESS $ 5,000 ADVANCE		
		TOTAL DUE		$22,107.10

CUSTOM DOZING

Henry Huser
P.O. Box 642
Salmo, B.C., V0G 1Z0
Tel & Fax: (250) 357-9686

Invoice

Date	Invoice No.
5/24/2005	2005-23

Bill To
M A Kaufman

P.O. No.

Qty	Description	Rate	Amount
	RE: Custom Dozing Contract - Agreement for Provision of Services		
7	hrs - D4H Cat - May 11/05 - Make drill site	100.00	700.00
4	hrs - D4H Cat - May 12/05 - Move drill and make drill site	100.00	400.00
7	hrs - 315L Cat Excavator - May 15/05 - Move drill and rehab	100.00	700.00
1	hrs - 315L Cat Excavator - May 17/05 - Help repair drill	100.00	100.00
6	hrs - 315L Cat Excavator - May 19/05 - Move drill and rehab	100.00	600.00
	Kenworth Flat Deck - Mob & Demob	200.00	200.00
	Seeding	100.00	100.00
	Business Number: 891643835		

Thank you for your business.

Subtotal	$2,800.00
GST	$196.00
Total	$2,996.00

E-Mail
customdozing@telus.net

27,915

SAL - CREST MOTEL
P.O. Box 519, Salmo, B.C. V0G 1Z0
Phone: 250 357-9557 Fax: 250 357-2518

INVOICE # 346
May 10th 2005

GST Reg: 896290871 RT

Sold to: M.A. Kaufman
10805 E 23rd Ave
Spokane, Washington, U.S.A.
99206

DESCRIPTION	UNIT	PRICE	AMOUNT
6 night stay for Mo Kaufman Rm # 7 May 10th, 11th, 12th 13th, 14th 15th	6	$59.00	$354.00
6 night stay for Superior Diamond Drilling Rm # 12 May 11th, 12th, 13th, 14th, 15th, 16th	6	$69.00	$414.00
6 night stay for Superior Diamond Drilling Rm # 16 May 11th, 12th, 13th, 14th, 15th 16th	6	$69.00	$414.00
		SUBTOTAL:	$1182.00
		G.S.T.	$ 82.74
		P.S.T.	$ 94.56
		TOTAL:	**$1359.30** CDN FUNDS

TOTAL: $ 1,108.15 x .8152 US. FUNDS

PAID IN FULL - VISA

2915

Thank you for staying at the Sal-Crest Motel.
2% per month Service charge on all overdue accounts
Term: Net 15 days

ITEMIZE

M.A. KAUFMAN
354.00 + GST 24.78 + PST 28.32 = 407.10 CDN $ 331.90

SUPERIOR
878.00 + GST 57.96 + PST 66.24 = 952.20 $ 776.25

x .8152 --- CONVERT TO US

SAL - CREST MOTEL
P.O. Box 519, Salmo, B.C. V0G 1Z0
Phone: 250 357-9557 Fax: 250 357-2518

INVOICE # 347
May 18th 2005

GST Reg: 896290871 RT

Sold to: M.A. Kaufman
10805 E 23rd Ave.
Spokane, Washington, U.S.A.
99206

DESCRIPTION	UNIT	PRICE	AMOUNT
1 night stay for Mo Kaufman Rm. # 7 May18th	1	$59.00	$59.00
2 night stay for Superior Diamond Drilling Rm. # 12 May 17th, 18th	2	$69.00	$138.00
2 night stay for Superior Diamond Drilling Rm. # 16 May 17th, 18th	6	$69.00	$138.00
		SUBTOTAL:	$335.00
		G.S.T.	$ 23.45
		P.S.T.	$ 26.80
		TOTAL:	**$385.25** CDN FUNDS
		TOTAL U.S. FUNDS	X .8152 $314.06

VEY BRANCH REPORT

PAID IN FULL - VISA

27,915

Thank you for staying at the Sal-Crest Motel.
2% per month Service charge on all overdue accounts.
Term: Net 15 days

X .8152 CONVERT TO US.

ITEMIZE!	M.A. KAUFMAN	CDN	U.S
	59.00 + GST 4.13 + PST 4.72	= 67.85	55.32
SUPERIOR	276.00 + GST 19.32 + PST 22.08	= 317.40	258.74

ACME ANALYTICAL LABORATORIES LTD.

852 East Hastings,, Vancouver, B.C., CANADA V6A 1R6
Phone: (604) 253-3158 Fax: (604) 253-1716
Our GST # 100035377 RT

KAUFMAN, M.A.
P.O. Box 14336
Spokane Valley, WA
U.S.A 99214

Inv.#: **A502063**
Date: Jun 3 2005

QTY	ASSAY	PRICE	AMOUNT
20	GROUP 1DX (15 gm) @	14.25	285.00
20	R150 - CORE @	5.40	108.00
			393.00
	GREYHOUND W/B #73133529140		25.40
	CAD $		**418.40**

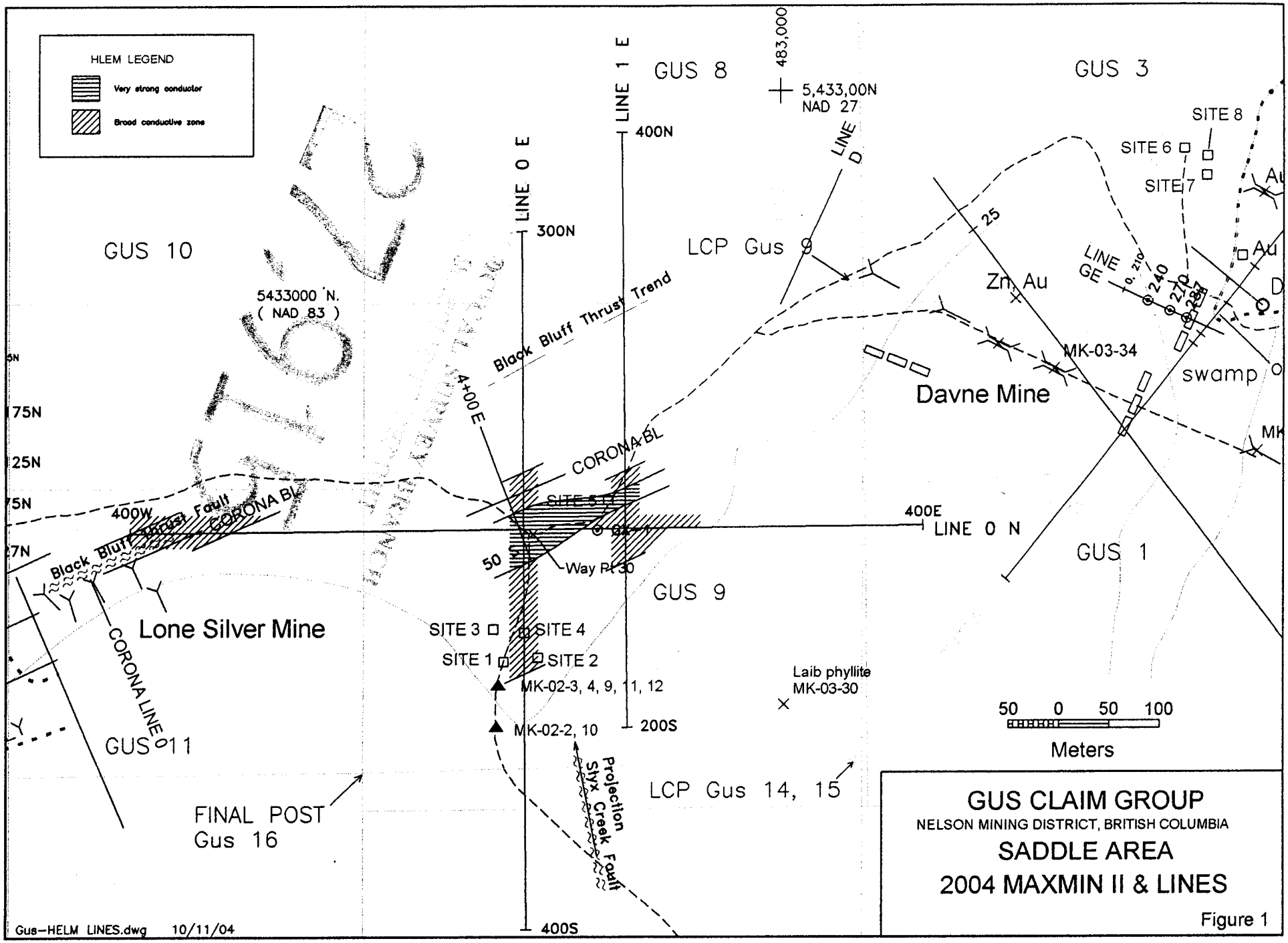
Samples submitted by M.A. Kaufman

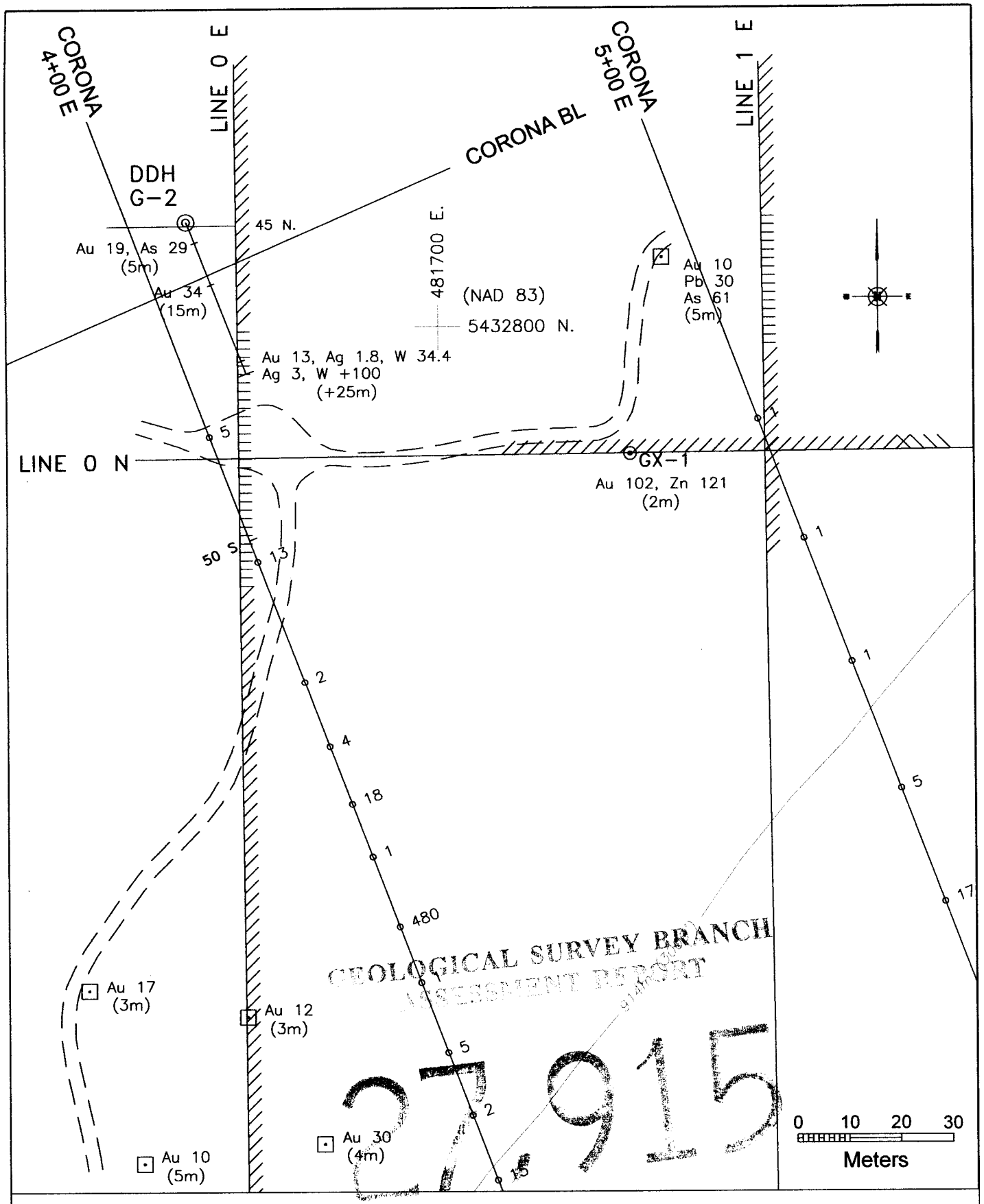
REVISED INVOICE

COPIES 1

Please pay last amount shown. Return one copy of this invoice with payment.
Please make payment for invoices in Canadian Funds:
The Royal Bank of Canada, 400 Main Street, Vancouver, BC V6A 2T5, CANADA
Account #100-321-9, Bank Transit #07120-003, Swift Code: ROYCCAT2
Please specify Acme Inv.#: A502063
TERMS: Net two weeks. 1.5 % per month charged on overdue accounts.

[COPY 2]


HLEM LEGEND
Very strong conductor
Broad conductive zone
GUS 10
GUS 8
GUS 3
GUS 9
GUS 1
GUS 11
LCP Gus 9
LCP Gus 14, 15
5433000 N.
(NAD 83)
483,000
5,433,00N
NAD 27
LINE 1 E
LINE 0 E
400N
300N
200S
400S
400E
LINE 0 N
4+00E
Black Bluff Thrust Trend
Black Bluff Thrust Fault
CORONA BL
CORONA LINE
SITE 5
SITE 1
SITE 2
SITE 3
SITE 4
SITE 6
SITE 7
SITE 8
Way Pt 30
MK-02-3, 4, 9, 11, 12
MK-02-2, 10
Laib phyllite
MK-03-30
MK-03-34
Zn, Au
Davne Mine
Lone Silver Mine
swamp
Styx Creek Fault
Projection
FINAL POST
Gus 16
50 0 50 100
Meters
GUS CLAIM GROUP
NELSON MINING DISTRICT, BRITISH COLUMBIA
SADDLE AREA
2004 MAXMIN II & LINES
Figure 1
Gus-HELM LINES.dwg 10/11/04



Strong conductive zone

Conductive zone

Au values are ppb

All other values are ppm

(5m) vertical depth in meters

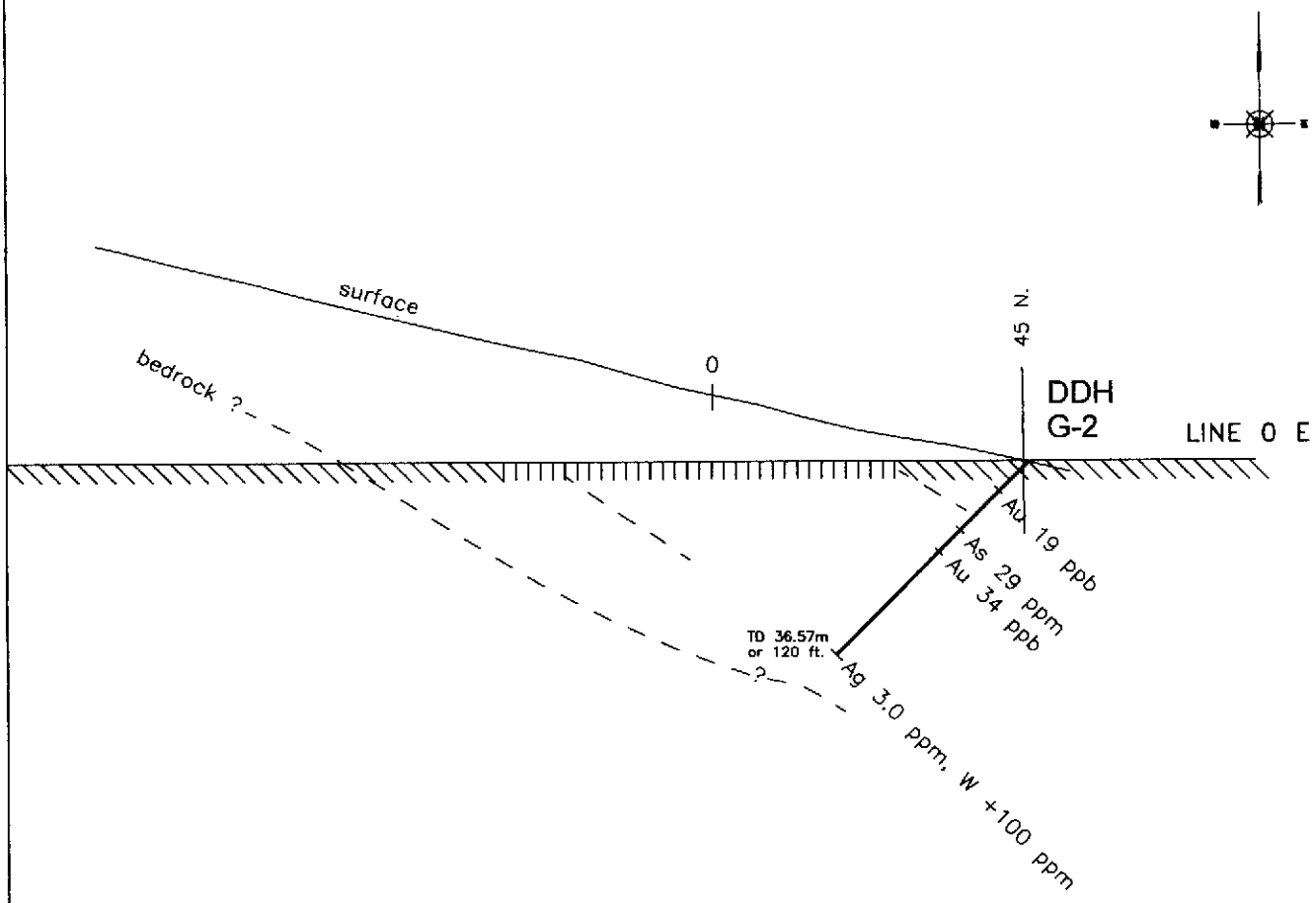
GUS CLAIM GROUP

NELSON MINING DISTRICT, BRITISH COLUMBIA

DDH G-2 PLAN

M.A. Kaufman 7/05

Gus-additions 7-13-05.dwg



LOOKING WEST ALONG LINE 0 E.

0 10 20 30
Meters

Strong conductive zone

Conductive zone

GUS CLAIM GROUP
NELSON MINING DISTRICT, BRITISH COLUMBIA

DDH G-2 SECTION

M.A. Kaufman 7/05

Gus-additions 7-13-05.dwg

9 ? SITE 7

8 Au

QAL

80 NE

8

Au

80 ppb

EAST GOLD ANOMALY

Trail to Rosebud Lake

83
118
158
168
330
2158
161

LLP Gus
1, 2, 3, 4

LINE 0, 21055

100 SE

8 Au, Zn

482200 E.
(NAD 83)

5433000 N.

5433000 N.
(NAD 83 GRID

DDH
(ORVANA)

8

swamp

8 Davne Mine
trench
(Main workings to NW)

DDH
G-1

200 SE

Au Way Pt. 86
MK-03-34

8

8

8 Au, Pb, Ag

VLF LINE 240 S

300 SE

200 SW

914m (3000')

LINE 2 E

LINE 3

100 SW

VLF LINE 0

swamp

7

Way Pt.
121

914m (3000')

swamp

7 Way Pt. 122
MK-03-17

VLF LINE 1W

Line LS-1

Lucky Strike Mine

Au

LEGEND

Au — OUTCROP GOLD SHOWING

Au — Pit. numbered sites are 2003 excavaator pits.

Trench or open cut

ORVANA drill hole showing intercepts in ppb projected vertically to surface.

Claim corner

VLF EM conductor axis. Survey lines shown are 1996 grid for EM survey.

HLEM conductive zone.

Possible mineralized fault \ fracture zone.

Way Pt. 121 — GPS Way Point location

9 ACTIVE FM. Argillite & phyllite

8 NELWAY FM. Limestone & siltstone.

7 LAIB FM. Phyllite & schist, some limey.

QAL Alluvium

0 10 20 30 40
Meters

GUS CLAIM GROUP

NELSON MINING DISTRICT, BRITISH COLUMBIA

2005 PROGRESS MAP
SHOWING GPS LOCATIONS

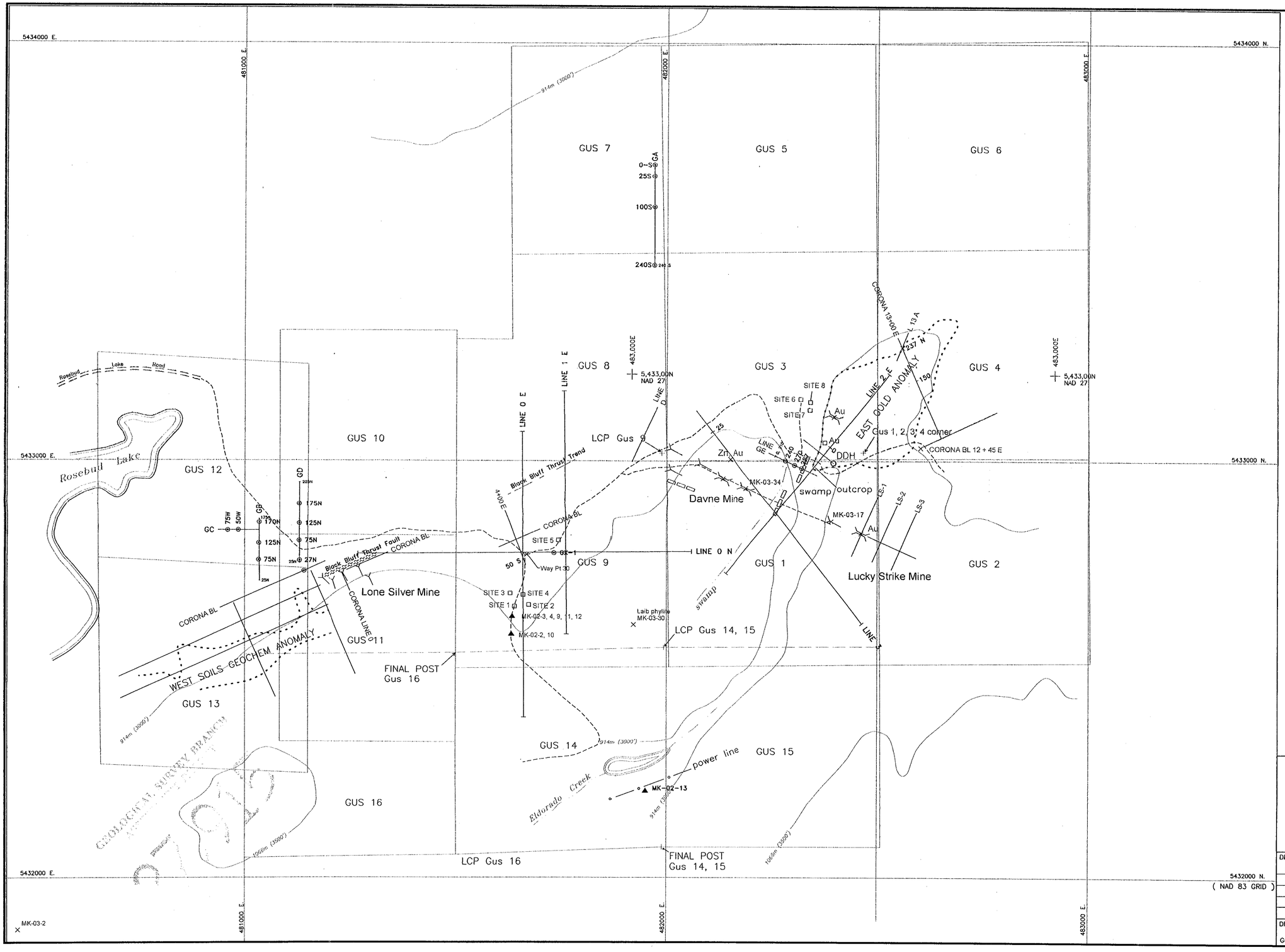
FOR DETAILED GEOLOGICAL / GEOCHEM INFORMATION REFER TO 1996 COMPILATION MAPS WITH LEASE REPORT 24748.

DRAWING RECORD

DATE	DESCRIPTION	BY
10/02	Compilation	M.A. Kaufman
10/03	Revised	M.A. Kaufman
10/04	Revised	M.A. Kaufman
10/05	Revised	M.A. Kaufman

DRAWING NO.
GUS 2005 PROGRESS.dwg

PLATE



LEGEND

240W =Hole location and number

GC =Geochem line

\+ Claim post location

▲ 2002 rock sample

× GPS location outcrop Au showing.

□ Pit; numbered sites are 2003 excavator pits.

Trench or open cut

Adit

EM conductor (1976 survey).

50 0 50 100 200 300

Meters

GUS CLAIM GROUP

NELSON MINING DISTRICT, BRITISH COLUMBIA

SHOWING 2004 HLEM LINES

2001 THROUGH 2004

DRAWING RECORD

DATE	DESCRIPTION	BY
9/01	Compilation	M.A. Kaufman
10/03	Revised	M.A. Kaufman
10/04	Revised	M.A. Kaufman

DRAWING NO. Gus-additions 10-04.dwg

PLATE