## REPORT

## ON THE

# 2005 DIAMOND DRILLING PROGRAM <br> INDATA PROPERTY OMINECA MINING DIVISION, BC. <br> <br> WITH RECOMMENDATIONS FOR CONTINUING EXPLORATION 

 <br> <br> WITH RECOMMENDATIONS FOR CONTINUING EXPLORATION}

NTS: 093N034
093N044
Latitude 55degrees $23^{\prime} \mathrm{N}$, Longitude 125degrees $19^{\prime} \mathrm{W}$ (centre)
for Aberdeen International Inc.
and
Eastfield Resources Ltd.
J.W. (Bill) Morton, P.Geo


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## 1. SUMMARY

The Indata property is located approximately 130 kilometres to the northwest of Fort St. James in central British Columbia. Indata is situated in a complex geological setting adjacent to a major terrane bounding fault named the Pinchi Fault. Sever styles of mineralization have been discovered on the property including gold-silver mesothermal veins and porphyry style copper (gold) (molybdenum) mineralization hosted in mafic volcanic rocks and granodiorite dominant intrusions. In recent times exploration efforts have focused on porphyry style mineralization on the east side of Albert Lake.

In 2005 two diamond drill holes totaling 251 metres of diamond drilling were completed in the Albert Lake Copper target.

## 2. LOCATION MAP



Location of the Indata property.
Figure 1

## 3. PROPERTY DESCRIPTION AND LOCATION:

## Mineral Claims of the Indata Property

| Claim Name | Record \# | Area (hectares) | Expiry Date |
| :--- | :--- | :--- | :--- |
| Indata 2 | 239379 | 375 | Oct 18, 08 |
| Indata 3 | 240192 | 500 | Oct 18, 08 |
| Schnapps 1 | 238722 | 500 | Oct 18, 08 |
| Schnapps 2 | 238723 | 500 | Nov 14, 08 |
| Schnapps 3 | 238859 | 200 | Oct 20, 08 |
| Schnapps 4 | 238860 | 250 | Oct 18, 08 |
| Schnapps 5 | 238893 | 100 | Oct 18, 08 |
| Schnapps 6 | 362575 | 25 | Oct 20, 08 |
| IN-6 | 362576 | 25 | Oct 20, 08 |
| IN-7 | 362577 | 25 | Oct 20, 08 |
| IN-8 | 362578 | 25 | Oct 20, 08 |
| IN-9 | 362579 | 25 | Oct 20, 08 |
| IN-10 | 362582 | 25 | Oct 20,08 |
| IN-11 | 362583 | 25 | Oct 20,08 |
| Indata 1 | 504289 | 441 | Jan 19, 06 |
| Indata 4 | 504293 | 147 | Jan 19, 06 |

Total area 2,988 hectares
The Indata Mineral Property is located within the Omineca Mining Division of British Columbia.
An agreement between Eastfield Resources Ltd. and Castillian Resources Corp. and Aberdeen International Inc. provides Castillian/Aberdeen the right to earn a $65 \%$ interest in the property by completing exploration expenditures totaling $1,000,000$ before the 2008 anniversary date. Some cash and or share compensation to Eastfield is also required. Eastfield currently owns an $85 \%$ participating interest in the Indata property with Imperial Metals Corporation owning the remaining $15 \%$ participating interest. Imperial Metals Corporation has not participated in exploration programs in recent years and is expected to continue diluting its participating interest in the property.

There are no environmental or aboritional issues know to the author specific to the Indata property other than those that pertain to the Province of British Columbia in its generality. On June 28, 1999 the Government of British Columbia issued a news release recognizing the importance and significance of the "mineral resource" of the Indata property and confirming its commitment to allow any future mining activity to take place. Required exploration permits issued by the BC Ministry of Energy and Mines and required tree cutting permits issued by the BC Ministry of Forests were applied for and granted early in 2005.

## 4. ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

The Indata property is located 130 kilometres to the northwest of Fort St. James, British Columbia (Figure 1), within the Omineca Mining Division (NTS 93N/6W at Latitude 55 degrees 23 minutes N, Longitude 125 degrees 19 minutes W). Access to the property is from Fort St. James via the Leo Creek Forestry Road to near Tchentlo Lake and thence on a road built by Eastfield Resources Ltd., to the northern part of the property. This road was built to Ministry of Forests logging road standards and provides good access for trucks and heavy machinery such as drill rigs and bulldozers. Away from this road access within the property boundaries is on foot only except for a few areas where helicopter landing sites have been prepared.

The Indata property covers an upland area between Indata Lake to the east and Albert Lake to the west (Figure 2). Whereas the central part of the property is of relatively low relief, the topography slopes steeply down towards Albert and Indata Lakes. The area is covered by thick spruce, balsam and pine, in places of commercial grade, although low lying areas are usually swampy with a dense cover of alder and poplar. Elevations on the claims range from 1,000 metres ( 3,280 feet) to 1,290 metres ( 4,230 feet).

The Indata claims occur within a continental cool temperate climatic zone typified by moderate warm moist summers and cold winters. Permanent snow is usually on the ground from the middle of November until the beginning of May and can accumulate up $11 / 2$ metres in depth.

The nearest BC Hydro Power grid is located approximately 60 kilometres to the south. The relatively flat to rolling nature of the landscape would offer numerous options for the construction of surface facilities and tailings impoundment sites and numerous sources of water are readily available.

## 5. HISTORY:

Exploration of the property began as recently as 1984 by Imperial Metals Corporation after staking part of the area during regional exploration of the Pinchi Fault zone. Following initial soil sampling and the staking of additional claims, a four hole diamond drilling program was completed by Imperial to explore at depth copper mineralization seen in outcrop near the northeast side of Albert Lake. This program resulted in the discovery of low grade chalcopyrite - pyrite mineralization ( $0.1 \%-0.2 \%$ copper) to depths of less than 100 metres from the surface. In 1986 Eastfield Resources Ltd. entered into a joint venture with Imperial and undertook a


## Indata Property

Claims Disposition and Topography
Figure 2
program of grid establishment, soil sampling and hand trenching and geophysical surveying, followed by diamond drilling in 1987, 1988 and 1989 and trenching with a bulldozer-mounted backhoe in 1989. The drilling programs resulted in the discovery of polymetallic quartz and quartz-carbonate veins with elevated precious metal values (commonly in the range of several hundred per billion gold to $6 \mathrm{~g} /$ tonne with the most significant intercept being 47 grams/tonne gold over 4 metres). These polymetallic veins, which generally strike north and dip to the east, are commonly enveloped by a zone of silicification in volcanic rocks and a thickening-downwards zone of talc-magnesite alteration in ultramafic rocks.

In 1995, after construction of a road through the southern part of the Indata property, built to standards for log haulage, a trenching program was completed adjacent to the northeastern part of Albert Lake, over the copper zone previously defined by soil sampling. One of these trenches (Trench 7) returned analyses which averaged $0.36 \%$ copper over a length of 75 metres.

In 1996 Clear Creek Resources Limited carried out a small diamond drilling program in the area of anomalous copper in soils adjacent to the northeastern part of Albert Lake. Results of this program confirmed the existence of subsurface copper mineralization indicated by the results of Imperial Metals Corporation's 1985 drilling but, in this area, of low grade ( $0.1 \%-0.2 \%$ ) over downhole lengths of up to 100 metres. However, this program was preliminary only and tested only a very small part of the area covered by anomalous soil copper geochemistry.

A 1998 drilling program by Clear Creek Resources Ltd. confirmed and exceeded the 1996 drilling results and also established the presence of an unexposed altered granodiorite stock with copper mineralization adjacent to the eastern edge of Albert Lake. During road construction at that time silicified volcanic rocks were exposed in a road cut in the southern part of the existing grid. Grab samples showed the presence of copper sulfides along with enriched gold, demonstrating for the first time an association of copper and gold at Indata. Ten samples, somewhat grab sample in type, from this new showing returned an average value of $1.04 \%$ copper and 388 ppb gold.

A 2003 program of linecutting, soil sampling and induced polarization surveying included 11.2 line kilometres of induced polarization survey and 16 line kilometers of soil grid expansions. Expansions to the known extend of the porphyry copper (gold-molybdenum) target were derived from this work.

In 2005, two holes were drilled. The first hole, 2005-01 was designed to test below the level reached in drill hole 1988-04 which had returned 145.4 metres grading $0.20 \%$ copper including 24.1 metres grading $0.37 \%$. Unfortunately significant drilling difficulties were encountered and hole 2005-01 was abandoned at a depth of 99.1 metres which is approximately 50 metres short of the top of the target. The second hole, 2005-03, was drilled approximately 1400 metres to the south of 2005-01 and encountered
narrow intervals of sub-economic copper mineralization. Hole 2005-02, located close to 2005-03 was also abandoned shortly after being collared due to drilling difficulties.

## 7. GEOLOGICAL SETTING

## Regional Geology

The Indata property lies near the contact of two major terranes of the Canadian Cordillera, the Quesnel Terrane to the east and the Cache Creek Terrane to the west. The contact between these terranes is marked by the Pinchi Fault Zone, a high angle reverse fault of regional extent (Figure 3), and associated splay faults. Cache Creek strata to the west have been thrust over Takla strata to the east. The Quesnel Terrane consists of mafic to intermediate volcanic rocks of the Upper Triassic - Lower Jurassic Takla Group intruded by a composite batholith, the Hogem Batholith with intrusive phases, which range in age from Lower Jurassic to Cretaceous.

The Cache Creek Terrane in the region comprises mainly argillaceous metasedimentary rocks intruded by diorite to granodiorite plutons which may be part of the, pre-Triassic age or Lower Cretaceous age and by small ultramafic stocks. Some of these latter intrusions may be of ophiolitic origin. A northwest-striking fault bounded block adjacent to the Quesnel Terrane is underlain largely by limestone within which a sliver of mafic and intermediate volcanic rocks is preserved. Both the limestone and volcanic rocks are considered here to be part of the Cache Creek Group but the evidence for this is equivocal as similar strata occur within the Takla Group elsewhere in the region. However, metamorphic grade of the Takla Group volcanic rocks is rarely higher than zeolite facies of regional metamorphism while that of the volcanic rocks underlying the Indata property is of greenschist grade, suggesting that these strata are of Cache Creek affinity, not Takla Group. This having been said the proximity of the Indata claims to a major thrust fault may locally have raised the metamorphic grade.

The dominant structural style of the Takla Group is that of extensional faulting, mainly to the northwest. In general Takla Group rocks are tilted but not folded. In contrast, strata of the Cache Creek Group have been folded and metamorphosed to lower to middle greenschist facies and, in argillaceous rocks, preserve a penetrative deformational fabric. However, extensional faults are also common within the Cache Creek Group and probably represent the effects of post-collision uplift. In addition to high angle extensional faults, thrust faults are inferred within the Cache Creek Group.

## Property Geology

## Lithologies

The Indata property is underlain by two main supracrustal assemblages, i) limestone with minor intercalated shale and ii) andesitic volcanic rocks that were deposited under marine conditions. Limestone crops out as prominent hills and bluffs in the northern, western and southern parts of the area. Although generally massive, in places bedding is defined by thin shaley partings and by intraformational limestone conglomerate. Breccias formed by carbonate dissolution are displayed within a karst topography in the southwestern part of the Indata property area. A middle Permian foraminiferra assemblage has been collected from limestone of the Cache Creek Group to the west of the Indata property (Armstrong, 1946). Volcanic rocks underlying the Indata property are of andesitic composition and can be subdivided into two broad units. In the western part of the property volcanic rocks consist of pillow lava, pillow breccia, coarse tuff breccia and fine-grained crystal lithic tuff. The dominant mafic mineral in these rocks is amphibole, now represented by tremolite/actinolite but was probably hornblende prior to alteration.

The second volcanic unit consists of massive to poorly bedded volcanic tuff with variable amounts of amphibole phenocrysts. Although commonly poorly bedded, bedding planes and fining upwards sequences can be recognized in places.

Intrusive rocks recognized on the Indata property range in composition from ultramafic to granite and underlie the central part of the property area. Hornblende diorite occurs as a pluton which extends along part of the eastern side of the central part of the property and as dykes. The bulk of this pluton has a fine to medium-grained hypidiomorphic granular texture although both marginal phases of the pluton and the dykes are porphyritic. A small part of the pluton is of quartz diorite composition although primary quartz is generally absent. While diorite dykes are common within the volcanic rocks of the property, no diorite intrusions have been observed within the limestone unit, suggesting that the diorite and volcanic rocks are of similar age and are either older than the massive limestone or that the limestone is allochthonous with respect to the volcanics and was emplaced adjacent to the volcanic strata after volcanism and plutonism had ceased.

Intruding both volcanic rocks and diorite are ultramafic bodies, serpentinized to varying degrees but which preserve textures suggesting that the original rock was peridotite and pyroxenite. Cross fibre chrysotile veins and veinlets occur throughout these bodies. To the south of Radio Lake (Figure 4) a differentiated ultramafic-mafic intrusion occurs, consisting of a coarse-grained clinopyroxenite core, surrounded by peridotite and, in turn, enclosed by medium to coarse-grained hornblende clinopyroxene gabbro.

The youngest intrusive rocks of the Indata property consist of medium to coarse-grained grey and reddish grey biotite quartz monzonite and granite (Figure 4). Whereas all other intrusive rocks in the area have been emplaced only into volcanic strata, this unit also intrudes limestone of the Cache Creek Group.

A large part of the Indata property is covered by glacial and fluvioglacial deposits although drilling indicates that this cover is generally no more than a few metres thick, even in low lying areas such as adjacent to Albert Lake.

## Structure and Metamorphism

The area covered by the Indata property can be divided into two structural domains, i) that area underlain by carbonate rocks which is characterized by concentric folds and the development of a penetrative fabric in finer grained clastic interbeds and ii) that area underlain by volcanic strata which has undergone brittle deformation only. Contacts between carbonate and volcanic strata are obscured by young cover but are inferred to be northwesterly-striking faults. Drilling and geological mapping in the central part of the Indata property has indicated the presence of a number of westerly-striking faults which show normal displacements of a few metres to a few tens of metres.

Carbonate rocks have generally been recrystallized with the common development of sparry calcite while fine grained clastic interbeds display a greenschist facies mineral assemblage. The assemblage actinolite/tremolite - chlorite - epidote within the matrix of volcanic rocks also suggests the attainment of greenschist grade of regional metamorphism in these strata.

## 8. DEPOSIT TYPES

Known mineral occurrences within the Cache Creek of the region includes epithermal mercury mineralization in carbonate rocks such as occurs at the former producing Bralorne-Takla Mercury and Pinchi and several varieties of copper-molybdenum porphyry occurrences and at least one carbonate hosted zinc, copper and precious metal rich skarn. Results recently published at the Lustdust skarn system, located to the north of the Indata claims and currently being explored by Alpha Gold Corp., include $0.80 \%$ copper and $0.67 \mathrm{~g} /$ tonne gold over 59 metres and $2.19 \%$ copper and $24.04 \mathrm{~g} /$ tonne gold over 15 metres. The Mac porphyry molybdenum occurrence, located approximately 50 kilometres southwest of the Indata property, discovered in 1982 by Rio Algom Exploration Inc. represents a recently discovered porphyry style of mineralization. Significant molybdenum mineralization at the Mac property is hosted in an Upper Jurassic to Lower Cretaceous granite stock hosted in greenstone, argillite and chert of the Cache Creek Group. Sulphide mineralogy is simple and consists of molybdenite with minor pyrite and local chalcopyrite occurring along the selvages of quartz stockworks best developed near the margins of the stock. "Homestake"-style gold mineralization is yet another type of mineralization occurring in the Cache Creek

Terrane. Examples occur at the Snowbird deposit located near Fort St. James to the south of the Indata region, at Mt. Sir Sidney Williams to the north of Indata and at Indata itself. Arsenopyrite-stibnite-chalcopyrite-pyrite veins with enriched precious metals occur at these occurrences at or near the contact of mafic and ultramafic rocks.

## 9. MINERALIZATION

Known mineral occurrences within the region also reflect the environment in which these occurrences are found. Within the Takla Group mineral deposits tend to be associated with intermediate and felsic intrusions and are commonly gold-enriched copper porphyries. Porphyry-style mineralization also occurs within the Cache Creek Group but is more often associated with accessory molybdenum than accessory gold. The Indata property is at the contact that separates Takla Group rocks from Cache Creek group rocks. Juxtapositioning of fault slices along this contact make it feasible for either style of mineralization to occur here.

## Mineralization and Hydrothermal Alteration

The Indata property covers a number of metallic mineral occurrences which may be divided into two main types, I) pyrite-arsenopyrite-stibnite-chalcopyrite mineralization in quartz and quartz-carbonate veins, commonly with elevated precious metal contents and ii) disseminated and fracture controlled chalcopyrite-pyrite-pyrrhotite mineralization of porphyry-type within a granodiorite stock and enclosing volcanic rocks.

Polymetallic veins have been recognized in the central part of the property (Figure 5) within andesitic volcanic rocks and serpentinized ultramafics. Where drilled, the veins generally occupy a northerly-striking fault zone dipping shallowly to the east and which, in ultramafic rocks, shows intense carbonate and talc alteration ranging in width from a few metre to over 50 metres in deeper and more easterly parts of the fault. Proximal to the veins in volcanic rocks, especially adjacent to ultramafic contacts, alteration is dominated by silicification and the formation of quartz-carbonate veinlets but silicification is not common within ultramafic rocks.

Disseminated and fracture controlled pyrite-chalcopyrite-pyrrhotite mineralization occurs in a zone extending along the northeastern side of Albert Lake for several kilometres where it coincides with a well defined induced polarization anomaly. The relationship between this style of mineralization and the polymetallic veins has yet to be established although it is possible that the polymetallic vein mineralization represents an outer zone to a central, copper-dominated part of the same hydrothermal system. Hydrothermal alteration related to this zone of copper mineralization appears to be that of a
propylitic mineral assemblage although, because the volcanic rocks hosting this mineralization appear to have been metamorphosed to greenschist grade of regional metamorphism, it is difficult to distinguish between pervasive propylitization and the matamorphic greenschist mineral assemblage. Because of poor outcrop and the paucity of drilling within the copper zone and in areas away from the polymetallic veins, a regional hydrothermal zonation has not been adequately interpreted within the Indata property.

## 10. EXPLORATION

## General Statement

Unlike many mineralized areas of British Columbia which have a long history of prospecting and exploration, mineralization of the Indata property was not discovered until 1984 following regional exploration along the Pinchi Fault system. At that time initial work was undertaken to define the zone of copper mineralization adjacent to Albert Lake in the western part of the property. The polymetallic veins remained undetected until a zone of limonitic soil to the east of the copper zone was sampled and found to be extremely anomalous in arsenic. Subsequent trenching and diamond drilling in 1987 resulted in the recognition of the polymetallic vein system.

Exploration of the Indata property has been concentrated in the central part of the property, in the area of known mineralization. Recent construction of a road through the property will facilitate exploration in those areas which have yet to be intensively explored. From 1984, when metallic mineralization was first discovered on the Indata property, to the present time 2,651 metres of trenching ( 43 trenches) and $6,257.8$ metres of diamond drilling ( 66 holes) have been completed. In addition, approximately 42 line kilometres of induced polarization, ground magnetic and EM16 (VLF-EM) electromagnetic surveying, 100 line kilometres of soil sampling, geological mapping of about $10 \mathrm{~km}^{2}$ and prospecting have been carried out. Total exploration expenditure amounts to approximately $\$ 1,900,000$.

## 1983-1990 Exploration

In 1983 Imperial Metals Corporation ("Imperial") staked the Schnapps 1 and Schnapps 2 claims during regional exploration of the Pinchi Fault zone, to cover an inferred splay of the Pinchi Fault. In 1984 Imperial staked additional claims following the release of geochemical data by the B.C. Ministry of Mines which indicated anomalous copper, silver and mercury in a stream sediment sample collected from a channel draining Radio Lake At this time Imperial also conducted a preliminary soil sampling program of which results indicated the presence of anomalous copper in soils to the north and east of Albert Lake.

$=\quad$ Generalized Geological Setting of the Indata Property.

## 12. PROPERTY SCALE GEOLOGY



This program was followed in 1985 by additional soil sampling, six line kilometres of induced polarization surveying and the drilling of four diamond drill holes totaling 231 metres. Holes 85-1 and 852 intersected copper mineralization in amounts of about $0.1 \%-0.2 \%$ in the area where anomalous copper in soils had been determined previously.

In 1986 Eastfield Resources Ltd. entered into a joint venture with Imperial and assumed operatorship of the project. Eastfield expanded the soil geochemical and geophysical coverage and carried out limited hand trenching. Soil sampling carried out by Eastfield extended the copper anomaly adjacent to Albert Lake and established several areas of anomalous arsenic in soils to the east of the copper anomaly in the central northern part of the property. The grid was also extended to as far as $30+00$ north although limited work as been carried out in this area. Geophysical surveying of the Indata property during this period consisted of VLF-EM, magnetometer and induced polarization surveying. Anomalous VLF-EM results generally reflect topography and interpreted bedrock response from this survey is equivocal. Magnetic surveying (total field) defined ultramafic bodies extremely well, especially those serpentinized intrusions as magnetic formation is a product of serpentinization. Induced polarization surveying (time domain pole - dipole method) carried out by Eastfield also outlined the ultramafic bodies where, in this case, the chargeability response appears to be related to magnetite, not sulfide, content. In addition, a moderate to high chargeability response is evident along the western side of a zone of anomalous copper in soils and which subsequent drilling in 1996 suggested that it reflects disseminated and fracture controlled sulfide mineralization.

In 1987 Eastfield undertook a six-hole diamond-drilling program ( 306 metres) in an area in which anomalous arsenic, silver and gold were detected in soils. This drilling program intersected quartz - sulfide veins with significant gold values in places (up to $0.32 \mathrm{oz} /$ ton over 1.2 metres) and silver in amounts typically between one and three ounces per ton. Sulfide minerals were mainly pyrite, arsenopyrite, stibnite and chalcopyrite in a gangue of quartz and carbonate.

Additional drilling was conducted on this vein system in 1988 and 1989 returning values as high as $47.260 \mathrm{~g} /$ tonne ( 1.38 ounces per ton) gold over an interval of four metres (a true width of 3.5 metres) in drill hole 88-I-11. Values in other holes ranged from several hundred to several thousand parts per billion. Interestingly, silver values obtained from samples collected from the 1988 and 1989 drilling programs were generally much lower than those obtained from the 1987 program excepting hole $89-6$ which returned a 3.2 m intercept of $354.1 \mathrm{~g} / \mathrm{t}$ silver ( $10.33 \mathrm{oz} /$ ton).

In 1989, 42 trenches, totaling 2,211 metres, were excavated in areas of anomalous soil geochemistry, using a Caterpillar D3 bulldozer with a backhoe attachment. In most cases the geochemical
anomalies were found to be caused by sulfide mineralization with elevated precious metals in quartz veins similar to the ones which had been intersected in drill holes.

Vein-hosted mineralization defined during this program has been traced over a strike length of about 900 metres to date with individual vein segments varying from 50 metres to over 300 metres in length bounded by westerly-striking extensional faults. Average vein width is about two metres but varies from less than 0.5 metres to a maximum determined so far of 5.6 metres.

As well as drilling and trenching, geological mapping at a scale of 1:2000 was carried out over the northern two thirds of the property (excluding the Indata 1 claim and most of the Schnapps 2 and 5 claims and prospecting was undertaken over the northern part of the property. This latter work indicated the presence of anomalous copper and gold in "grab" samples of rocks collected to the north of Albert.

In 1990 the Indata property was covered by an airborne magnetic survey flown at 200 metre line spacings in an east-west direction.

## 1995-1996 Exploration

Following the period 1983-1989, no further exploration of the Indata property was undertaken until 1995 when a program of trenching the copper zone (now referred to as the "Lake Zone") to the north and east of Albert Lake was undertaken. This program was facilitated by the construction of 17 kilometres of road from the Tchentlo Lake forestry road in the south, allowing an excavator to be transported to the northern part of the Indata property. Results of this program included $0.36 \%$ copper over a length of 75 metres (Trench 7).

In 1996 Clear Creek Resources Ltd. optioned the Indata property from and financed the drilling of nine diamond drill holes, totaling 650.8 metres, which were attempted in, and adjacent to, the Lake Zone; three of these holes were not completed owing to difficult drilling conditions. Three holes were completed in the area of Trench 7 (holes $96-\mathrm{I}-1,2$ and 3 ) while three were collared from a drill pad constructed about 300 metres to the southeast (holes 96-I-4, 5 and 9). Holes 96-I-6, 7 and 8 were not completed. Locations of these drill holes are shown in Figure 5. Table 2 lists the significant results of this program.

From this limited frilling program low grade copper mineralization was confirmed in the Lake Zone but by no means was the program sufficient to fully evaluate this zone. Drill holes 96-I-4, 5 and 9 intersected altered dykes of dioritic composition cutting andesitic volcanic rocks in which chalcopyrite and possibly chalcocite suggesting that a high level magmatic system may be defined in the poorly exposed area adjacent to the eastern side of Albert Lake.

## 1998 Exploration

Clear Creek Resources Ltd. undertook additional diamond drilling in 1998. This drilling was mainly carried out to the west of the 1996 drilling on the western end of the grid adjacent to the northern
part of Albert Lake although one hole (1998-10) was attempted on the southwestern part of the Indata grid in the area of amagnetic anomaly indicated in the 1990 airborne survey. Whereas drill holes completed in 1996 were mainly in volcanic rocks, the westernmost holes of the 1998 drilling program intersected both volcanic and granodiorite intrusive rocks. The best intersection of this program was hole $1998-4$ which intersected 150.3 m of $0.16 \%$ copper, the bottom 29.2 m of this hole graded $0.35 \%$ copper. In addition to the diamond drilling program, during construction of an access road in the extreme south of the grid area, copper mineralization was discovered in altered volcanic rocks exposed in a road cut. Fourteen "grab" samples collected from this area confirmed the existence of copper ( $<0.01 \%$ to $6.7 \%$ ) as well as anomalous gold ( $<0.1 \mathrm{gram} /$ tonne to 1.7 grams/tonne).

## 2003 Exploration

Sixteen (16) kilometres of grid was established and cut from which 11.2 kilometres of induced polarization survey was run. Soil sampling was completed on the 16 -kilometre grid on a 50 -metre sample spacing. In all 304 soil samples were collected and analyzed using multi-element techniques plus gold. Data from the 2003 program was then compiled with data originating from programs undertaken on the property by Imperial Metals Corporation in 1984 and 1985, Eastfield Resources Ltd. in 1987, 88, 89, and 1995 and Clear Creek Resources Ltd. in 1996 and 1998.

## 2005 Exploration

Two holes were completed. The first hole, 2005-01 was designed to test below the level reached in drill hole 1988-04 which had returned 145.4 metres grading $0.20 \%$ copper including 24.1 metres grading $0.37 \%$. Unfortunately significant drilling difficulties were encountered and hole 2005-01 was abandoned at a depth of 99.1 metres which is approximately 50 metres short of the top of the target. The second hole, 2005-03, was drilled approximately 1400 metres to the south of 2005-01 and encountered narrow intervals of anomalous copper mineralization. Hole 2005-02, located close to 2005-03 was also abandoned shortly after being collared due to drilling difficulties.

## 13. DRILLING

Helicopter supported drill programs have completed on the Indata property in 1985, 1987, 1988 and 1989 and bulldozer supported programs in 1996 and 1998. A total of 67 drill holes have been completed. A listing of significant results is as follows:

| Year | DDH | Depth m | $\begin{aligned} & \hline \text { Dip } \\ & \text { Deg. } \end{aligned}$ | Azimuth Deg. | Coordinates | From m | $\begin{aligned} & \text { To } \\ & \text { m } \end{aligned}$ | Length m | Au (ppb) | Ag (ppm) | Cu <br> (\%) |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1985 | 85-1 | 63.1 | -45 | 060 | 350N/400W | 1.9 | 7.1 | 6.2 |  |  | 0.15 |
|  |  |  |  |  |  | 21.1 | 27.0 | 6.9 |  |  | 0.11 |
|  |  |  |  |  |  | 37.0 | 46.3 | 9.3 |  |  | 0.20 |
|  |  |  |  |  |  | 48.5 | 50.3 | 1.8 |  |  | 0.15 |
| 1985 | 85-1 | 63.1 | -45 | 060 | $350 \mathrm{~N} / 400 \mathrm{~W}$ | 1.9 | 7.1 | 6.2 |  |  | 0.15 |
|  |  |  |  |  |  | 37.0 | 46.3 | 9.3 |  |  | 0.20 |
|  |  |  |  |  |  | 48.5 | 50.3 | 1.8 |  |  | 0.15 |
|  |  |  |  |  |  | 57.1 | 63.1 | 5.6 |  |  | 0.22 |
|  | 85-2 | 76.8 | -45 | 090 | $345 \mathrm{~N} / 350 \mathrm{~W}$ | 12.2 | 14.7 | 2.5 |  |  | 0.10 |
|  |  |  |  |  |  | 42.7 | 45.3 | 2.5 |  |  | 0.62 |
|  | 85-3 | 57.0 | -45 | 090 | 050S/150E |  | No | Intercept |  |  |  |
|  | 85-4 | 33.5 | -45 | 090 | 047N/343E |  | No | Intercept |  |  |  |
| 1987 | 87-I-1 | 50.6 | -45 | 295 | 075N/425E | 18.9 | 20.7 | 1.8 | 1320 | 0.2 | <0.05 |
|  |  |  |  |  |  | 23.8 | 26.2 | 2.4 | 1647 | 55.2 | 0.28 |
|  |  |  |  |  |  | 26.2 | 27.4 | 1.2 | 500 | 41.8 | 0.31 |
|  |  |  |  |  |  | 27.4 | 29.9 | 2.5 | 1805 | 114.4 | 0.44 |
|  | 87-I-2 | 46.6 | -90 |  | 075N/425E |  | No | Intercept |  |  |  |
|  | 87-1-3 | 52.7 | -45 | 325 | 075N/425E | 24.1 | 28.3 | 4.2 | 3245 | 126.6 | 0.32 |
|  | 87-I-4 | 53.6 | -45 | 265 | 075N/425E | 24.2 | 26.2 | 2.0 | 1496 | 124.4 | 0.31 |
|  |  |  |  |  |  | 27.7 | 28.3 | 0.6 | 950 | 51.3 | 0.19 |
|  |  |  |  |  |  | 29.9 | 31.1 | 1.2 | 9835 | 51.4 | 0.51 |
|  | 87-I-5 | 54.3 | -45 | 295 | 050S/440E | 42.5 | 44.5 | 2.0 | 1209 | 104.5 | 0.85 |
|  |  |  |  |  |  | 44.5 | 45.7 | 1.2 | 5000 | 56.2 | 0.35 |
|  |  |  |  |  |  | 45.7 | 46.6 | 0.9 | 510 | 48.1 | 0.30 |
|  | 87-I-6 | 47.5 | -90 |  | 050S/440E | 41.9 | 44.5 | 2.6 | 761 | 52.9 | 0.51 |
| 1988 | 88-I-1 | 51.5 | -45 | 270 | 025N/422E | 31.7 | 33.2 | 1.5 | 309 | 69.9 | 0.22 |
|  | 88-1-2 | 54.6 | -90 |  | 025N/425E | 33.5 | 35.0 | 1.5 | 310 | 49.2 | 0.12 |
|  | 88-I-3 | 79.6 | -45 | 270 | 100S/422E |  | No | Intercept |  |  |  |
|  | 88-1-4 | 21.6 | -90 |  | 100S/423E |  | No | Intercept |  |  |  |
|  | 88-I-5 | 84.4 | -65 | 270 | 100S/423E | 37.0 | 38.0 | 1.0 | 443 | 21.6 | 0.13 |
|  |  |  |  |  |  | 40.0 | 41.0 | 1.0 | 524 | 0.1 | $<0.05$ |
|  | 88-I-6 | 114.0 | -45 | 270 | $150 \mathrm{~N} / 449 \mathrm{E}$ |  | No | Intercept |  |  |  |
|  | 88-1-7 | 110.3 | -56 | 260 | $350 \mathrm{~N} / 417 \mathrm{E}$ | 48.5 | 49.0 | 0.5 | 1020 | 1.3 | 0.14 |
|  | 88-I-8 | 150.0 | -75 | 260 | $350 \mathrm{~N} / 419 \mathrm{E}$ | 41.5 | 42.0 | 0.5 | 3845 | 1.3 | 0.11 |


| Year | DDH | Depth <br> m | $\begin{aligned} & \text { Dip } \\ & \text { Deg. } \end{aligned}$ | Azimuth Deg. | Coordinates | From <br> m | $\begin{aligned} & \text { To } \\ & \text { m } \end{aligned}$ | Length <br> m | Au (ppb) | $\begin{aligned} & \mathbf{A g} \\ & (\mathbf{p p m}) \end{aligned}$ | Cu <br> (\%) |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 88-I-9 | 122.2 | -46 | 270 | 400N/449E | 44.8 | 45.3 | 0.5 | 320 | 1.3 | 0.06 |
|  |  |  |  |  |  | 55.5 | 56.5 | 1.0 | 548 | 1.9 | 0.16 |
|  |  |  |  |  |  | 58.5 | 59.5 | 1.0 | 3922 | 1.7 | 0.13 |
|  |  |  |  |  |  | 59.5 | 60.5 | 1.0 | 347 | 1.6 | 0.16 |
|  | 88-1-10 | 128.6 | -65 | 270 | $400 \mathrm{~N} / 450 \mathrm{E}$ | 53.0 | 53.5 | 0.5 | 2605 | 2.8 | 0.06 |
|  |  |  |  |  |  | 53.5 | 54.5 | 1.0 | 470 | 6.0 | 0.43 |
|  |  |  |  |  |  | 55.0 | 55.5 | 0.5 | 2875 | 1.1 | 0.08 |
|  |  |  |  |  |  | 56.0 | 58.0 | 2.0 | 677 | 0.7 | 0.09 |
|  | 88-I-11 | 103.0 | -90 |  | 400N/451E | 66.0 | 67.0 | 1.0 | 6150 | 4.0 | 0.43 |
|  |  |  |  |  |  | 76.0 | 80.0 | 4.0 | 47260 | 2.0 | $<0.05$ |
|  | 88-I-12 | 85.3 | -45 | 270 | 450N/431E | 54.0 | 54.5 | 0.5 | 653 | 5.9 | 0.08 |
|  |  |  |  |  |  | 61.1 | 61.6 | 0.5 | 462 | 1.9 | 0.15 |
|  |  |  |  |  |  | 64.3 | 65.0 | 0.7 | 372 | 1.7 | 0.19 |
|  | 88-I-13 | 81.4 | -90 |  | 450N/436E |  | No | Intercept |  |  |  |
|  | 88-I-14 | 91.7 | -45 | 270 | 510N/495E | 59.5 | 60.3 | 0.8 | 358 | 21.6 | 1.32 |
|  | 88-I-15 | 110.0 | -45 | 270 | $550 \mathrm{~N} / 481 \mathrm{E}$ | 20.4 | 21.4 | 1.0 | 494 | 0.9 | 0.05 |
|  |  |  |  |  |  | 81.0 | 83.0 | 2.0 | 1355 | 2.9 | 0.11 |
|  | 88-1-16 | 119.2 | -45 | 290 | $700 \mathrm{~S} / 200 \mathrm{E}$ |  | No | Intercept |  |  |  |
|  | 88-1-17 | 61.3 | -45 | 290 | 605S/269E |  | No | Intercept |  |  |  |
|  | 88-1-18 | 60.4 | -75 | 290 | 605S/270E |  | No | Intercept |  |  |  |
|  | 88-I-19 | 76.5 | -45 | 290 | 470S/395E | 26.0 | 26.7 | 0.7 | 420 | 9.2 | 0.17 |
|  | $88-\mathrm{I}-20$ | 67.4 | -45 | 240 | 808N/247E |  | No | Intercept |  |  |  |
|  | $88-\mathrm{I}-21$ | 111.6 | -45 | 270 | 150N/525E | 81.8 | 82.3 | 0.5 | 270 | 34.3 | 0.10 |
|  | 88-I-22 | 137.5 | -55 | 265 | 062N/485E | 57.7 | 59.1 | 1.4 | 1229 | 42.9 | 0.25 |
|  | 88-I-23 | 76.5 | -45 | 290 | 620S/307E | 32.7 | 33.1 | 0.4 | 585 | 41 | $<0.05$ |
|  |  |  |  |  |  |  |  |  |  |  |  |
| 1989 | 89-I-1 | 122.2 | -90 |  | 402S/503E | 33.9 | 34.1 | 0.3 | 2157 | 15.5 | 0.78 |
|  |  |  |  |  |  | 106.0 | 107.0 | 1.0 | 576 | 1.4 | $<0.05$ |
|  | 89-I-2 | 103.9 | -60 | 270 | 600N/480E | 93.8 | 95.0 | 1.2 | 559 | 1.6 | $<0.05$ |
|  | 89-I-3 | 110.0 | -90 |  | $600 \mathrm{~N} / 480 \mathrm{E}$ |  | No | Intercept |  |  |  |
|  | 89-I-4 | 152.7 | -90 |  | 404N/553E |  | No | Intercept |  |  |  |
|  | 89-I-5 | 154.2 | -90 |  | $468 \mathrm{~N} / 580 \mathrm{E}$ |  | No | Intercept |  |  |  |
|  | 89-I-6 | 140.5 | -60 | 270 | $468 \mathrm{~N} / 580 \mathrm{E}$ | 19.6 | 22.8 | 3.2 | 10 | 354.1 | 0.12 |
|  | 89-I-7 | 183.2 | -90 |  | $417 \mathrm{~N} / 350 \mathrm{E}$ | 110.4 | 112.4 | 2.0 | 1335 | 1.7 | 0.12 |
|  |  |  |  |  |  | 138.8 | 139.4 | 0.6 | 988 |  | 0.98 |


| Year | DDH | Depth m | $\begin{aligned} & \hline \text { Dip } \\ & \text { Deg. } \end{aligned}$ | Azimuth Deg. | Coordinates | From m | $\begin{aligned} & \text { To } \\ & \mathrm{m} \end{aligned}$ | Length m | Au (ppb) | $\begin{aligned} & \hline \mathbf{A g} \\ & \text { (ppm) } \end{aligned}$ | $\begin{aligned} & \hline \mathrm{Cu} \\ & (\%) \end{aligned}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 89-I-8 | 138.6 | -60 | 270 | 417N/349E | 106.1 | 107.0 | 0.9 | 653 | 1.1 | 0.07 |
|  |  |  |  |  |  | 125.1 | 126.1 | 1.0 | 872 | 0.2 |  |
|  | 89-I-9 | 209.1 | -90 |  | 290N/550E | 133.9 | 134.2 | 0.3 | 429 | 1.3 | 0.11 |
|  |  |  |  |  |  | 159.4 | 160.1 | 0.7 | 1903 | 7.2 | 0.11 |
|  |  |  |  |  |  | 161.6 | 162.4 | 0.8 | 4837 | 3.1 | 0.23 |
|  |  |  |  |  |  | 172.2 | 172.7 | 0.5 | 7209 | 6.7 | 0.67 |
|  | 89-I-10 | 283.2 | -60 | 295 | $505 \mathrm{~S} / 322 \mathrm{E}$ | 188.0 | 200.8 | 12.8 | 269 | 0.2 | $<0.05$ |
|  | 89-1-11 | 91.7 | -90 |  | 505S/322E | 48.8 | 49.8 | 1. | 138 | 10.5 | $<0.05$ |
|  | 89-I-12 | 175.6 | -60 | 270 | $402 \mathrm{~N} / 503 \mathrm{E}$ | 98.0 | 99.0 | 1.0 | 331 | 28.4 | $<0.05$ |
|  |  |  |  |  |  | 102.7 | 104.4 | 1.7 | 1825 | 23.3 | <0.05 |
|  | 89-I-13 | 152.7 | -62 | 230 | 398N/505E | 92.7 | 93.7 | 1.0 | 261 | 0.5 | 0.06 |
|  |  |  |  |  |  | 108.2 | 109.3 | 1.1 | 5162 | 1.3 | <0.05 |
|  |  |  |  |  |  |  |  |  |  |  |  |
| 1996 | 96-I-1 | 108.8 | -60 | 048 | 255N/420W | 11.3 | 108.8 | 97.5 | <100 | <0.2 | 0.12 |
|  |  |  |  |  |  | 11.3 | 57.3 | 46.0 | $<100$ | $<0.2$ | 0.17 |
|  |  |  |  |  |  | 87.3 | 108.8 | 21.5 | $<100$ | $<0.2$ | 0.15 |
|  | 96-I-2 | 151.5 | -60 | 045 | 350N/380W | 3.0 | 151.5 | 148.5 | $<100$ | <0.2 | 0.09 |
|  |  |  |  |  |  | 17.0 | 38.0 | 21.0 | $<100$ | $<0.2$ | 0.13 |
|  | 96-I-3 | 73.2 | -50 | 315 | 350N/450W | 5.2 | 73.2 | 68 | $<100$ | $<0.2$ | 0.10 |
|  |  |  |  |  |  | 17.0 | 38.0 | 21.0 | $<100$ | $<0.2$ | 0.23 |
|  | 96-I-4 | 78.6 | -45 | 060 | 100N/025W | 8.2 | 78.6 | 70.4 | $<100$ | $<0.2$ | 0.09 |
|  |  |  |  |  |  | 14.0 | 43.6 | 29.6 | $<100$ | $<0.2$ | 0.15 |
|  | 96-I-5 | 84.2 | -75 | 060 | 100N/025W | 6.1 | 54.0 | 47.9 | <100 | $<0.2$ | 0.10 |
|  | 96-I-6 | 26.5 | -47 | 090 | 015N/100E |  | No | Intercept |  |  |  |
|  | 96-I-7 | 26.5 | -50 | 120 | 015N/100E |  | No | Intercept |  |  |  |
|  | 96-I-8 | 17.7 | -50 | 060 | 015N/100E |  | No | Intercept |  |  |  |
|  | 96-I-9 | 83.8 | -60 | 120 | 100N/025W | 11.2 | 48.0 | 36.8 | <100 | $<0.2$ | 0.09 |
|  |  |  |  |  |  |  |  |  |  |  |  |
| 1998 | 98-1 | 96.3 | -60 | 090 | 150N/450W | 18.0 | 58.2 | 40.2 |  |  | 0.09 |
|  | 98-2 | 27.2 | -60 | 090 | $300 \mathrm{~N} / 625 \mathrm{~W}$ |  | No | Intercept |  |  |  |
|  | 98-2A | 42.4 | -70 | 060 | 300N/613W | 30.5 | 36.5 | 6.0 |  |  | 0.13 |
|  | 98-3 | 80.5 | -60 | 060 | $500 \mathrm{~N} / 525 \mathrm{~W}$ |  | No | Intercept |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |
|  | 98-4 | 162.5 | -60 | 090 | $350 \mathrm{~N} / 525 \mathrm{~W}$ | 12.2 | 157.4 | 145.4 |  |  | 0.20 |
|  |  |  |  |  |  | 133.3 | 157.4. | 24.1 |  |  | 0.37 |


| Year | DDH | Depth <br> $\mathbf{m}$ | Dip <br> Deg. | Azimuth <br> Deg. | Coordinates | From <br> $\mathbf{m}$ | To <br> $\mathbf{m}$ | Length <br> $\mathbf{m}$ | Au <br> $\mathbf{( p p b )}$ | Ag <br> $\mathbf{( p p m})$ | Cu <br> $\mathbf{( \% )}$ |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- |
|  | $98-5$ | 64.0 | -70 | 235 | $1000 \mathrm{~N} / 510 \mathrm{~W}$ | 15.0 | 18.0 | 3.0 |  |  | 0.12 |
|  | $98-6$ | 99.4 | -90 |  | $180 \mathrm{~N} / 120 \mathrm{E}$ |  | Not | Sampled |  |  |  |
|  | $98-7$ | 88.4 | -90 |  | $050 \mathrm{~N} / 160 \mathrm{E}$ |  | No | Intercept |  |  |  |
|  | $98-8$ | 77.4 | -60 | 270 | $050 \mathrm{~N} / 125 \mathrm{~W}$ |  | No | Intercept |  |  |  |
|  | $98-9$ | 149.4 | -60 | 105 | $320 \mathrm{~N} / 563 \mathrm{~W}$ | 29.2 | 87.5 | 58.3 |  |  | 0.23 |
|  | $98-10$ | 67.1 | -90 |  | $1980 \mathrm{~S} / 100 \mathrm{E}$ |  | No | Intercept |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |
| 2005 | $05-01$ | 99.1 | -60 | 090 |  |  |  |  |  |  | 526 <br> p.p.m |
|  |  |  |  |  |  |  |  |  |  |  |  |

## 14.) DRILL HOLE LOCATION MAP



Geology of the centralpart of the Inda a property and locations of dill lholes andtrenches.

## 15. COST STATEMENT

| Item / Unit | Cost |  |
| :---: | :---: | :---: |
| Jay Page, JP | \$575 |  |
| George Charbonneau, GC | \$310 |  |
| Accommodation, per man day | \$10 |  |
| Food and Consumables, per man day | \$25 |  |
| Radios, each, per day | \$10 |  |
| Chainsaw rental, per day | \$10 |  |
| Pickup truck rental, per day | \$85 |  |
| ATV Rental, each per Day | \$60 |  |
| Bulldozer, per hour | \$65 |  |
| Analytical Costs, each, per sample | \$30 |  |
| Drill cost per metre | \$125 |  |
| Period June 3-June 13, days | 11 |  |
| Persons code | JP, GC |  |
| Number persons on payroll | 2 |  |
| Number persons requiring room and board | 5 |  |
| Persons costs |  | \$9,735 |
| Room and board costs |  | \$1,925 |
| Truck Rental, number units, cost | 1 | \$935 |
| ATV Rental, number of units, cost | 2 | \$1,320 |
| Period June 12-20, days | 9 |  |
| Drilling Completed (this period), Metres | 100 |  |
| Persons code | JP, GC |  |
| Persons costs |  | \$7,965 |
| Room and board costs |  | \$1,575 |
| Truck Rental, number units, cost | 1 | \$540 |
| ATV Rental, number of units, cost | 2 | \$1,080 |
| Bulldozer, hours, cost | 100 | \$8,500 |
| Drilling, cost, metres completed | 100 | \$12,500 |
| Analyticval Cost Portion Completed |  | \$1,000 |
| Drill Mob, Contractor Charges |  | \$2,000 |
| Period June 21-23, days | 3 |  |
| Drilling Completed (this period), Metres | 50 |  |
| Room and board costs |  | \$315 |
| ATV Rental, number of units, cost | 1 | \$180 |
| Bulldozer, hours, cost | 20 | \$1,300 |
| Drilling, cost, metres completed | 50 | \$6,250 |
| Analytical Cost (Portion Completed) |  | \$500 |
| Period June 24 - July 5, days | 12 |  |
| Drilling Completed (this period), Metres | 110 |  |
| Persons code | JP, GC |  |
| Persons costs |  | \$10,620 |


| Room and board costs | $\$ 2,100$ |  |
| :--- | :--- | :--- |
| Truck Rental, number units, cost | 1 | $\$ 1,020$ |
| ATV Rental, number of units, cost | 2 | $\$ 1,440$ |
| Bulldozer, hours, cost | 30 | $\$ 1,950$ |
| Drilling, cost, metres completed | 110 | $\$ 13,750$ |
| Analytical Cost (Portion Completed) |  | $\$ 1,100$ |
|  |  |  |
| Reporting |  | $\$ 3,000$ |
| Total |  | $\mathbf{\$ 9 2 , 6 0 0}$ |

## 16. DISCUSSION, INTERPRETATION AND CONCLUSIONS

Given the current high level of interest by senior gold companies and by the investing public it may be timely to return the exploration focus at the Indata to gold. In 1988 and 1989 drill results as high as $47.260 \mathrm{~g} /$ tonne ( 1.38 ounces per ton) gold over an interval of four metres were obtained while many intercepts in other holes ranged from several hundred to several thousand parts per billion. Interestingly, the sixth hole of the 1998 program, hole $89-6$ returned a 3.2 m intercept of $354.1 \mathrm{~g} / \mathrm{t}$ silver ( $10.33 \mathrm{oz} / \mathrm{ton}$ ).

New polymetallic exposures exposed by construction of the access road in 1994 have yet to be investigated.

Soil arsenic analyses obtained in the 2003 soil survey, completed to expand the grid coverage to the north of Albert Lake have not yet been followed up. Soil arsenic values range as high as $1,146 \mathrm{ppm}$ and antimony to 183 ppm . A number of clusters of higher range arsenic and antimony values, with occasional bismuth values, were obtained. These results suggest that new precious metal vein exposures similar to what has been previously discovered on the property further to the east (example hole 88 -11 with 4 metres grading $47.26 \mathrm{~g} / \mathrm{t}$ gold).

A review of the best defined anomalies from the 2003 survey is as follows:
1.) Line 1700 N a very strong coincident arsenic and antimony response extends from 650 W to 750 W . This response is centred on a chargeability anomaly at depth adjacent to resistivity break, centred at 650 W that dips to the east. A similar resistivity response occurs on line 1600 N at 525 W implying a trend of 125 degrees. This trend intersects an arsenic anomaly again on line 1500 N at 300 W giving a potential 500 metre strike length to this target (an alternate [comparable] resistivity break occurs on line 1600 N at 675 W implying a more southerly strike direction. An elevated response of 23.1 ppb gold occurs on line 1700 N at 700 W while an anomalous molybdenum value of 10.5 ppm , an anomalous uranium value of 8.9 ppm and an anomalous selenium value of 16.6 ppm occur on this line at 650 W .
2. A strong soil arsenic response between 350 W and 400 W on line 1000 N appears to reoccur on line 900 N between 250 W and 350 W . A second soil arsenic antimony anomaly occurs on Line 900 N between 500 N and 750 W .
3. A single station soil arsenic anomaly of 714.4 associated with a soil bismuth value of 13.5 ppm at station 550 E on line 11 S may continue through to a second single station anomaly at station 550 E on line 12 S implying a probable north-south trending vein.

Induced polarization surveying at Indata were completed in 1985 by Imperial Metals Corporation and in 1987, 1988 and 1989 by Eastfield Resources Ltd. and by Castillian and Eastfield in 2003. A review of results includes the following:

1. Precious metal veins, which typically contain 5 to $10 \%$ sulphide, often produce a discrete high chargeability response several times the background response.
2. Porphyry style mineralization containing several per cent combined chalcopyrite, pyrrhotite and pyrite generally produce a moderate to high chargeability response typically $11 / 2$ to 2 times the background response.
3. Abrupt changes in the resistivity response often indicate contacts that are often fault contacts and are therefore possible locations for polymetallic precious metal veins.

A review of the results of the 2003 survey includes the following observations:
L1700N; a surface chargeability high, centred between 675 W and 750 W , increases with depth towards the east. A resistivity high appears at deeper separations eastward between 500 W and 600 W .
L1600N; a weak surface chargeability response, centred between 650 W and 750 W , increases towards the east at deeper separations. It occurs coincident with a resistivity break centred at surface at 500 W apparently increasing at deeper separations to the east.
L1500N; a weak surface chargeability response increases at deeper separations, centred between 650 W and 750 W . It occurs coincident with resistivity break centred at surface at 500 W increasing to the east. the east. L1400N; a surface chareability high centred between 525 W and 750 W decreases with deeper separations while a resistivity high centred between 450 W to 550 W increases with deeper separations towards the east. L1300N; a weak surface chargeability response increases at deeper separations, centred between 550 W and 650 W . It occurs coincident with a resistivity break that appears to dip to the east.
L1200N; a weak surface chargeability response, centred at 550 W occurs coincident with resistivity break. L1100N; a strong chargeability response projecting to surface at 650 W trends east at deeper separations. It occurs coincident with resistivity break with the higher responses trending to the east at deeper separations. L1000N; a strong chargeability response projecting to surface at 650 W trends east at deeper separations. It occurs coincident with resistivity break with the higher responses trending to the east at deeper separations.

L900N; a weak chargeability response at surface becomes distinctly strong at depth with a centre at 600 W . It occurs with a resistivity break with the higher responses trending to the east at deeper separations. L800N; a weak chargeability response at surface, with a centre at 600 W , becomes distinctly stronger at depth. It occurs with a resistivity break with the higher responses trending to the east at deeper separations. L700N; a weak chargeability response at surface becomes distinctly strong at depth with a centre at 600 W . It occurs with a resistivity break with the higher responses trending to the east at deeper separations. L600N; a resistivity break projecting to surface at 550 W with the higher responses trending to the east. L500N; a chargeability response at surface from the eastern boundary of the grid as far west as 550 W increases in strength towards the west at deeper separations.
L400N; a chargeability response decreases slightly west of 550 W . It tends to increase slightly at depth towards the west at deeper separations. A very low resistivity response is evident west of 700 W possibly indicative of limestone or granodiorite bedrock.

Finally a review of drilling completed in 1988 and 1989 indicates while a significant amount of drilling was completed to follow up the 4 metres grading $47.26 \mathrm{~g} / \mathrm{t}$ gold encountered in hole 88-11 it was all predicated on an north-south trending structure. A review of the drill hole location map indicates that the assumed north-south trending structure has here been offset by an east-west trending structure which has never been followed up. Additionally almost all of the drill gold intercepts obtained by Eastfield in 1988 and 1989 remain along the north-south trend have never been tested down dip.

## 17. AUTHOR QUALIFICATION

I, J.W. Morton am a graduate of Carleton University Ottawa with a B.Sc. (1972) in Geology and a graduate of the University of British Columbia with a M. Sc. (1976) in Graduate Studies.

I, J.W Morton have been a member of the Association of Professional Engineers and Geoscientists of the Province of BC (P.Geo.) since 1991.
I, J.W. Morton have practiced my profession since graduation throughout Western Canada, the Western USA and Mexico.

I, J.W Morton supervised the work outlined in this report.

## Bill Morton

Signed this 30 day of December, 2005

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letermind by compass using 22 derres @ 27 dination. Water line $B C$. First run was calculated by drillers to be 6 feet based on a 13 foot core barrel minus 7 feet from the ground surface to the top of the head in the down position, subsequent runs were numbered in "6's", conversion to metric was carried out by the geology crew. The Drillers experienced considerable difficulty setting casing through sandy layers and broken ground, mud consumption was high. Coring proved to be even more difficult through blocky ground and the hole was abandoned at 99.06 metres ( 325 feet) after attempts to cement and tri-cone the hole failed. Approximately 40 bags of bentonite mud were consumed while setting casing and coring. After cementing the drillers were unable to remove the casing and it was left in the hole. Core was logged prior to splitting. Average recovery was $62.2 \%$.

$18.18-33.64$ Core develops a darker colour at 18.18 and becomes more siliceous. Initially amorphous silica replacements are limited to short intervals, 10 - 20 cm approximately every
50 cm but within several runs it is pervasive. Biotite is apparent in breccia fragments. Sulphide content (pyrrhotite and chalcopyrite) appear to increase with intensity of siliceousness.

33.64-34.34 Intensely carbonate-altered rock occupying fault zone. Includes fragments of above unit. Contacts are somewhat irregular and blocky but average 30 degrees to CA. Carbonate veining within zone is commonly at 10-20 degrees to CA.

35.36-36.10 Carbonate and clay altered fault zone. Upper contact is abrupt but broken, lower contact is gradational. Graphitic partings within the intensely carbonate-clay altered section is at 30 degrees to CA.

36.10-39.00 Bleached and clay-altered interval from 36.10-37.00, remainder of sample interval is siliceous and dark coloured.

Alteration and mineralization intensity is averaged over sample interval and based on a scale of 1 to 5 in which 1 represents a trace amount, 2 is weak, 3 is moderate, 4 is strong and 5 is very strong and pervasive.

68.00-72.62 Brown biotite forms streaks that are moderately magnetic and have associated disseminated alteration envelopes suggesting that boitite, magnetite and pyrite are all part of the same alteration event
72.62 74.50 FAULT ZONE (FZ): a fault zone marked by a zone of strong carbonate-clay-chlorite altered rock and cemented by carbonate. Contains wispy graphite partings.
74.5081 .08 INTRUSIVE - DIORITE (Id): Altered intrusive with a weakly developed porphyritic texture (Idp). Strong pervasive chlorite-actinolite-tremolite alteration. Cut by numerous carbonate

81.0886 .75 FAULT ZONE (FZ): A repeating series of fracture zones, fault gouge and carbonate cemented broken rock (ld), leaving a mess of poorly recovered rubble Strong chlorite-carbonate-clay
86.7599 .06 INTRUSIVE MONZO-DIORITE TO DIORITE (Imd): Initial strong chlorite-carbonate-clay alteration dies out after 92.66 . Relatively large pseudomorphs of fine, brown biotite may replace amphiboles to 1 cm . This suggests some degree of potassic alteration and perhaps a change to a more coarse-grained protolith. At 86.75 intersecting alteration-envelopes of biotite form a patchwork pattern that yields a breccia-like appearance in which the fine-grained biotite forms the matrix.





 5050






 | 512.9 | .8 | 33 | .1 | 50.8 | 19.6 | 410 | 3.26 | $<.5$ | .1 | 19.6 |
| :--- | :---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: |
| .1 | 39 | .1 | $<.1$ | .1 | 178 | 1.54 | .011 | 1 | 159.9 | 1.52 |
| 50508 | .2 | 5120 | 20 | .022 | 1 | 3.03 | .349 | .04 | .6 | .02 |
|  | .7 | 1806.5 | .6 | 46 | .3 | 49.4 | 25.0 | 437 | 4.04 | 1.2 |












GROUP 1DX - 0.50 GM SAMPLE LEACHED WITH $3 \mathrm{ML} 2-2-2$ HCL-HNO3-H2O AT 95 DEG. C FOR ONE HOUR, DILUTED TO 10 ML , ANALYSED $8 Y$ ICP-MS ( $>$ ) CONCENTRATION EXCEEDS UPPER LIMITS. SOME MINERALS MAY BE PARTIALLY ATTACKED. REFRACTORY AND GRAPHITIC SAMPLES CAN LIMIT AU SOLUB AU** BY FIRE ASSAY FROM $\&$ AT SAMPLE
SAMPLE TYPE: DRILL CORE R150 Samples beginning 'RE' are Reruns and 'RRE' are Reject Reruns

Data 1 FA $\qquad$ DATE RECEIVED:
JUL 12200
DATE REPORT MAILED :


All results are considered the confidential property of the client. Acme assumes the liabilities for actual cost of the analysis only.


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Geology of the central part of the Indata property and locations of drillholes and trenches.


[^0]:    Sample type: ORILL CORE R150. Samples deginning 'RE' are Reruns and 'RRE' are Reject Reruns.

[^1]:    Smple type: ORHLL CORE RISE. Samples beginning RE' are Refuns and 'RRE' are Reject Reruns.

