Prospecting Report
on the
Gunner Property,

Bridge River Mining Camp,
Gold Bridge-Bralorne area,
Southwestern British Columbia

(N.T.S. 104J/15W),

Lillooet Mining Division, Southwestern British Columbia,

Latitude 50° 53' 12" N, Longitude 122° 56' 46" W

by C.J. Greig M.Sc., P.Geo.,

January 5th, 2006

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1.0 Introduction and Rationale for Work

The Gunner property, located in the historic Bridge River Mining Camp in the Gold Bridge-Bralorne area of southwestern British Columbia, was the subject of a brief property evaluation. The work in the program consisted of reconnoitering logging-road access, as well as some reconnaissance prospecting along relatively recently-constructed logging roads, as an introduction to the Gunner property of a prospective optionee. A total of ten rock samples were collected, all from float from the north side of the property, at relatively low elevations, in the general vicinity of the previously outlined Gun Creek soil anomaly. Most of the samples collected were from sedimentary rocks showing an abundance of pyrite, mainly as disseminations and fracture fillings. Most of the samples also displayed an abundance of silica, as common quartz veinlets, and as local breccia matrix and silicified zones. The silica is invariably associated with the sulphides. Although the samples appear at first glance to be attractive from an exploration standpoint, geochemical analyses show that they are at best only weakly anomalous in terms of precious or base metals content. The samples are, however, only float samples, and they occur in an area marginal to the northern end of the extensive soil anomalies, which are, from an exploration standpoint, probably the most attractive feature of the property. As a consequence, the disappointing results from this very much preliminary program do little to decrease the potential of the Gunner property for hosting a significant precious metals deposit, and further work is recommended.

2.0 Location, Access, and Physiography

The Gunner Property, located approximately 180 kilometres north of Vancouver (fig. 1), lies at the northern end of the Bridge River mining camp, less than 15 kilometres from the Bralorne-

Figure 1. Location of Gunner property, southwestern British Columbia.

Pioneer Mine, B.C.'s largest Au producer (2.8 million ounces Au; figs. 2-3). The northern and eastern parts of the property are accessible by a logging road system, active up to the present, which leads to the property from Hwy 40, less than 5 km away. Some of the higher parts of the property are apparently accessible via 4x4 road and ATV trails leading off the logging roads. Highway 40 is a well-maintained, all-weather road along the north shore of Carpenter Lake, and it leads to the village of Gold Bridge, only 7 km away, and to the more major centre of Lillooet, approximately 90 km to the east.

The property is close to well-developed infrastructure, being only 45 km from a rail line, and there are hydro facilities in the immediate vicinity. The Bridge River area lies just east of the eastern margin of British Columbia's rugged Coast Mountains. Relief on the property ranges from approximately 1000 metres in the northeastern corner of the Gunner claims along Gun Creek, to more than 2200 metres along Walker Ridge, an east-northeast trending spur of Mt. Penrose (fig. 3). Bedrock outcroppings and talus slopes are common on the higher parts of the property, while lower elevations, where not logged, are forested with fir, spruce, balsam fir, and locally, pine. Two creeks, Walker Creek and an unnamed sub-parallel creek to the south, flow easterly from two cirques in the high country immediately south of the property, while the northern two thirds of the property drains northward into Gun Creek.

3.0 Claims

The Gunner claim (tenure number 407782) consists of a 2.5 km north by 2.0 km east (500 hectare) block that was staked on January 22, 2004 (fig. 3). They were staked by Daryl Calder, as agent for the 100% owner, Charles Greig, who holds them in name for his equal partner J. Bernard Kreft. The claims lie in the Lillooet Mining Division.

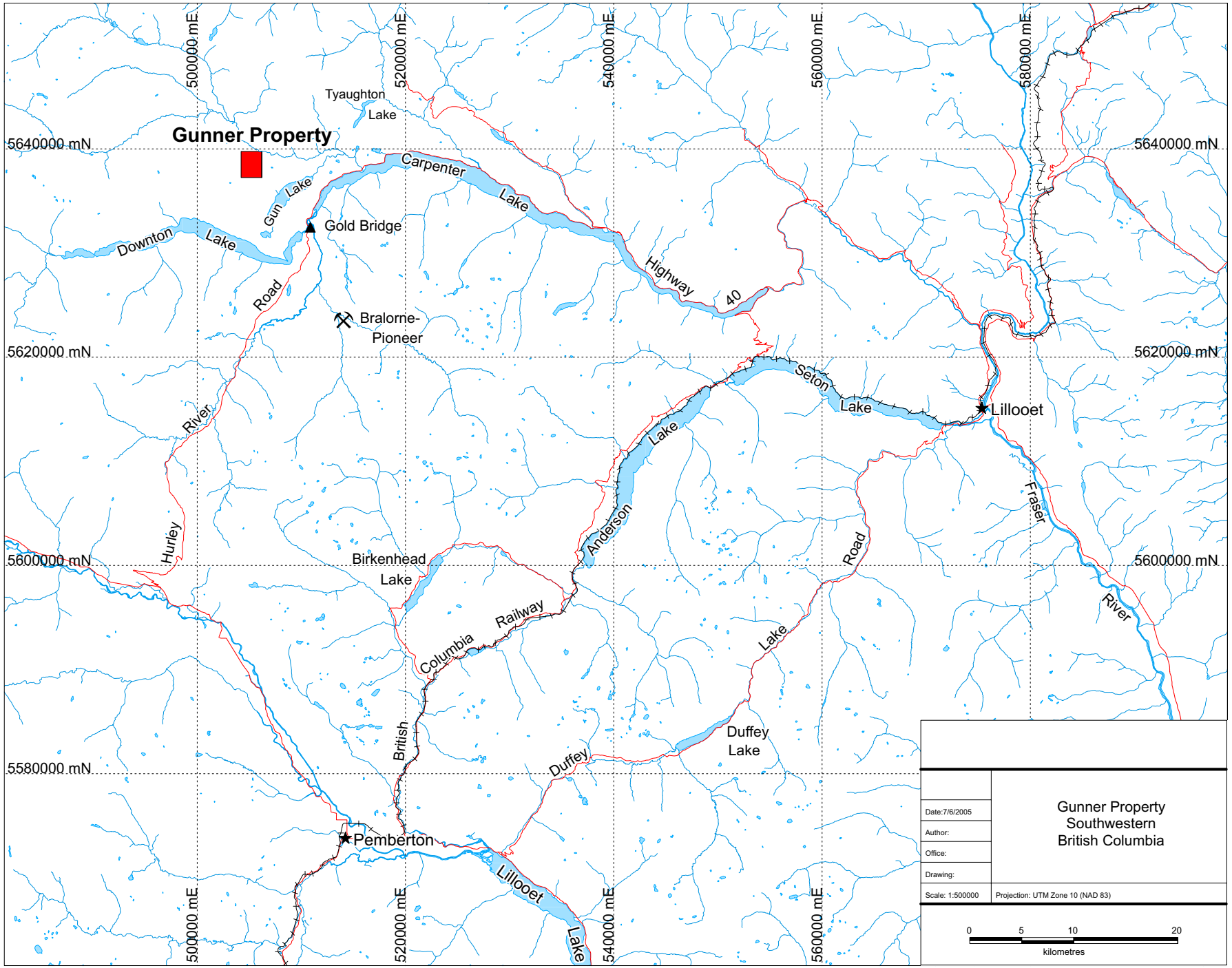

Figure 2. Location of Gunner property, Pemberton-Lillooet region, southwestern British Columbia.

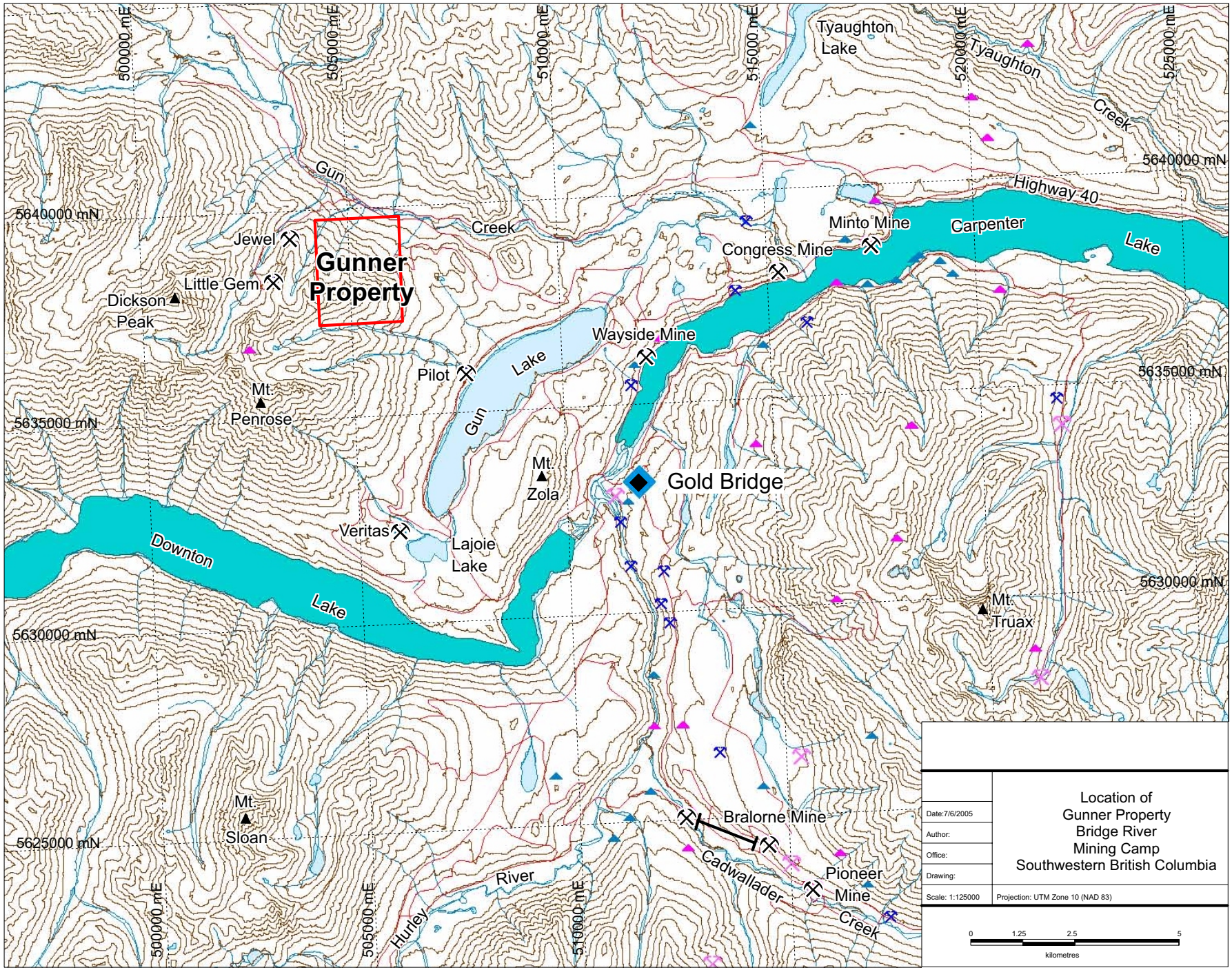

Figure 3. Location of Gunner property claims, Gold Bridge area, southwestern British Columbia, showing geographical features, past-producing mines of the Bridge River mining camp, and mineral occurrences.

4.0 Geologic Setting

The Bridge River-Lillooet area is underlain by a number of crustal fragments, or geologic terranes, of Paleozoic and Mesozoic age that lie immediately east of the Coast Belt/Coast Plutonic Complex and which have been intruded by suites of Paleozoic, Mesozoic, and Cenozoic plutons. The area has also been dissected by a number of regional fault systems, mainly striking to the northwest, which have been active well into the Tertiary (fig. 4). Much of the area's geologic complexity is owed to the fact that it lies near the northern end of the complex Northwest Cascades-Southern Coast Belt system (Journeay and Monger 1994), which is essentially a boundary or suture zone separating two of the largest terranes which make up the western part of the North American Cordillera. On the east is the Intermontane terrane, which in southern British Columbia underlies much of the province, at least as far east as the West Kootenays, and which extends northward into the Yukon. On the west is the Insular terrane, which underlies much of the west coast of British Columbia, almost all of Vancouver and the Queen Charlotte islands, and which also extends far northward, through the Alaskan archipelago into the western Yukon and mainland Alaska. The two large terranes, themselves in part comprised of somewhat smaller, disparate geologic entities, were accreted to continental North America in Phanerozoic time, with the more inboard Intermontane terrane accreted in Middle Jurassic time and the more outboard Insular terrane accreted somewhat later, probably between Late Jurassic and middle Cretaceous time. Their boundary, which is a fundamentally significant crustal break, is marked by the presence of rocks of oceanic affinity or derivation, such as cherts, MORB-type volcanic or metavolcanic rocks, and ultramafic rocks. The suture zone has undergone significant structural modification since the time of accretion, including a major contractional event in mid-Cretaceous time, and large-scale (>100 km) dextral translation in Tertiary times. This structural modification

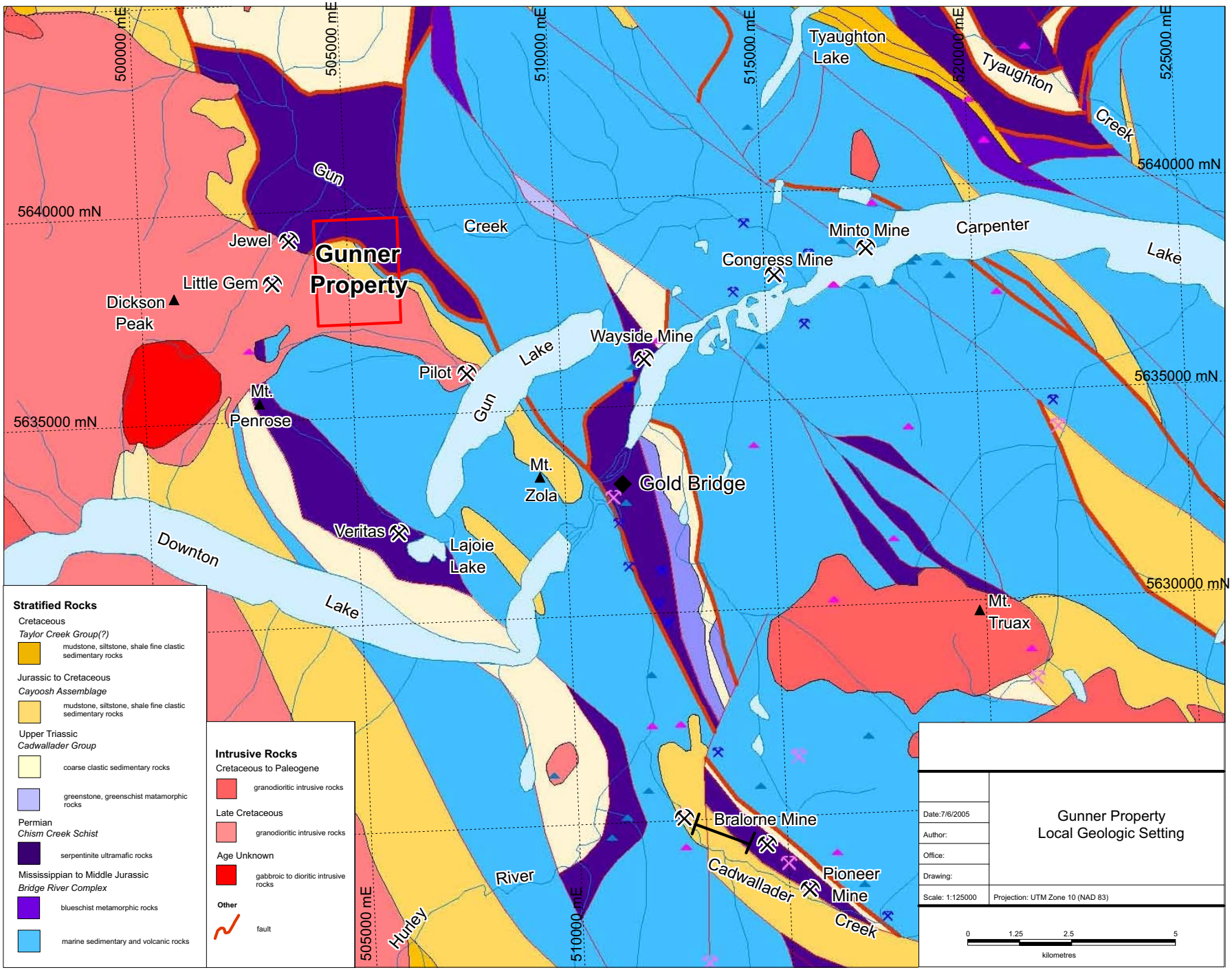

Figure 4. Local geologic setting, Bridge River mining camp and Gunner property, southwestern British Columbia.

has, in part, resulted in the imbrication and interleaving of various groups of rocks which today underlie the Bridge River-Lillooet country.

In the vicinity of the Gunner property, the rocks may be divided into two terranes, the Bridge River and Cadwallader terranes, which have been repeated and interleaved with one another along and across both transverse and contractional faults (Church and Jones 1999). The Bridge River terrane consists almost entirely of allochthonous oceanic rocks, and, as mentioned above, it separates the Intermontane and Insular composite terranes. The Cadwallader terrane, on the other hand, consists of island arc-related rocks, and is considered by most to be of Intermontane terrane affinity, being the southern extension of the Stikine terrane, which underlies much of central and northern British Columbia, and which reaches northward into the Yukon.

In the Bralorne-Bridge River-Lillooet area, rocks of both the Cadwallader and Bridge River terranes have been further subdivided stratigraphically, and in fact, these subdivisions have been closely tied to the exploration history of the area, because much of the original government geologic mapping in the area was fairly closely tied to mineral exploration in the region. As such, the names of individual map units which make up the Bridge River and Cadwallader terranes are closely tied to the mineral deposits and invariably made mention of in property reports as well as more regional-scale geologic literature pertaining to the Bridge River area. As a consequence, a brief review is considered pertinent.

In the vicinity of the Gunner Property, Bridge River terrane rocks are, as mentioned, of oceanic affinity. They are also long-ranging, being as old as Paleozoic and as young as Jurassic, so they most likely represent the remnants of a broad ocean basin. It is on the basis of age, mainly, that Bridge River terrane rocks have been subdivided into two assemblages, the Fergusson and Tyax assemblages. The Fergusson assemblage consists mainly of silicified ribbon cherts with

intercalated argillite, greenstone and thin recrystallized limestone bands or beds (Church and Jones 1999). These rocks are Paleozoic in age, as is indicated by the crosscutting relations of intrusions (the Bralorne intrusions of Permian age) and by several conodont and radiolarian microfossil collections. The younger Tyax assemblage, of Triassic and Jurassic age, also consists of ocean floor volcanic and sedimentary rocks; their ages are constrained mainly by collections of conodonts and radiolaria. Like the Fergusson assemblage, the Tyax comprises ribbon chert with argillaceous interbeds, basaltic lavas, sills and dikes and some thin limestones. In general the rocks are weakly to moderately metamorphosed but otherwise they are apparently not readily distinguished from beds of the Fergusson assemblage (Church and Jones 1999).

Rocks of the Cadwallader terrane in the Bridge River area comprise the Pioneer, Noel and Hurley formations. Together they represent a sequence of volcanic and sedimentary rocks from several hundred to a few thousand metres thick. As mentioned above, they are in part of island arc affinity, and are more or less penecontemporaneous with the oceanic rocks of the Bridge River terrane; they are believed to represent the southern continuation of the Stikine terrane. The Pioneer volcanics comprise the lower part of the Cadwallader terrane and consist primarily of Upper Triassic (and older?) basaltic volcanic rocks. The volcanic rocks consist mainly of pillow lavas, but also include fragmental rocks and local massive flows and associated high-level sills and dykes. The mafic volcanic rocks are locally intercalated with limestone lenses and have typically been metamorphosed at sub-greenschist to greenschist grades. The Noel formation consists largely of thin-bedded, fine-grained sedimentary rocks. Siltstone and finely laminated argillite are most common, but thin lenses of dark grey limestone and sandy or conglomeratic facies occur locally. The age of the Noel formation is apparently poorly constrained, but Church and Jones (1999) believe that it may be long-ranging, from Paleozoic to Mesozoic. Like the Noel, the

Hurley formation also consists largely of sedimentary rocks, and although the predominant lithologies are argillaceous (though typically of more greenish rather than grey or black hues), it is apparently characterized by the presence of somewhat coarser-grained lithologies, such as sandstone, gritty siltstone, and conglomerate. Local fossiliferous limestone also occurs, and tuffaceous beds are also not uncommon in the lower part of the formation. The age of the Hurley formation is considered to be Triassic (Church and Jones 1999)

The intrusive rocks on the Gunner property appear to be part of an irregular east- to southeast- trending arm off of the main mass of plutonic rocks which underlies the Coast Belt, or Coast Plutonic Complex, west of the Bridge River area. While it is highly unlikely that this mass represents a single intrusion, a number of radiometric dates have been obtained from samples collected within approximately seven or eight kilometres of the Gunner property (and including one on the claims; table I). Collectively, the age dates suggest that the plutonic rocks are largely mid-Cretaceous in age, and that they were emplaced at about 92 Ma (U-Pb zircon age, Parrish 1992), with relatively rapid initial cooling (Ar/Ar ages on biotite; Schiarizza et al.1997, Garver et al.1994) and a possible final unroofing indicated by somewhat younger (but relatively variable) mid-Cretaceous fission track zircon dates (Garver et al. 1994). In the references reporting the dates, the intrusive rocks dated have been referred to as either the Dickson pluton (Garver et al.1994) or the Dickson-McClure batholith (Schiarizza et al. 1997).

5.0 Previous Work

Previous exploration work on the Gunner property is documented in three assessment reports. The work was conducted for two different companies on what were separate properties in the mid-1980's and early 1990's (Cuttle 1986, Schimann and Robb 1991, 1992). In the earlier

program, for Noxe Petroleum Corp., a northwest trending grid of over 42 line-kilometres was established on the northern part of the property (Cuttle 1986). The grid crossed Gun Creek and nearly 2000 soil samples were collected; the grid was also surveyed with VLF-EM. In addition, a number of rock chip samples were collected north of Gun Creek, where most of the outcrop in this area apparently occurs. The grid soil sampling yielded very encouraging results, particularly on the south side of Gun Creek, and although the results of the rock sampling were less encouraging, six target areas were outlined for follow-up. These included a northerly-trending Au-Cu-As anomaly near the east end of the grid, which constitutes the north end of what is referred to below as the Gun Creek anomaly (fig. 5). Interestingly, five soil samples were also analyzed for platinum (Cuttle 1986), and four returned very highly anomalous results, of 181, 120, 22, and 29 ppb Pt–it is not known whether or not this work was followed-up.

The work in the early 1990's was conducted by Cogema Canada Ltd. and took place over two field seasons, in 1991 and 1992 (Schimann and Robb, 1991, 1992). The work in 1991 included mapping, prospecting, rock, soil, and stream sediment geochemistry, as well as ground VLF-EM and magnetic geophysical surveys. The most significant finding was the discovery of Au-Cu showings on Walker Ridge, which correlated well with strong Au-Cu soil anomalies on the north and south slopes of the ridge (Walker Ridge North and South anomalies, see below and fig. 5). The Walker Ridge anomalies were also clearly identified by stream sediment anomalies in Walker Creek. Follow-up work in 1992 concentrated on the Walker Ridge area, and included further soil sampling, both reconnaissance and detailed prospecting and rock sampling, and limited diamond drilling, with only a single hole completed, totalled 85 metres. Again the results of all aspects of the work, including the drilling, were encouraging, but no further work was recorded on the property.

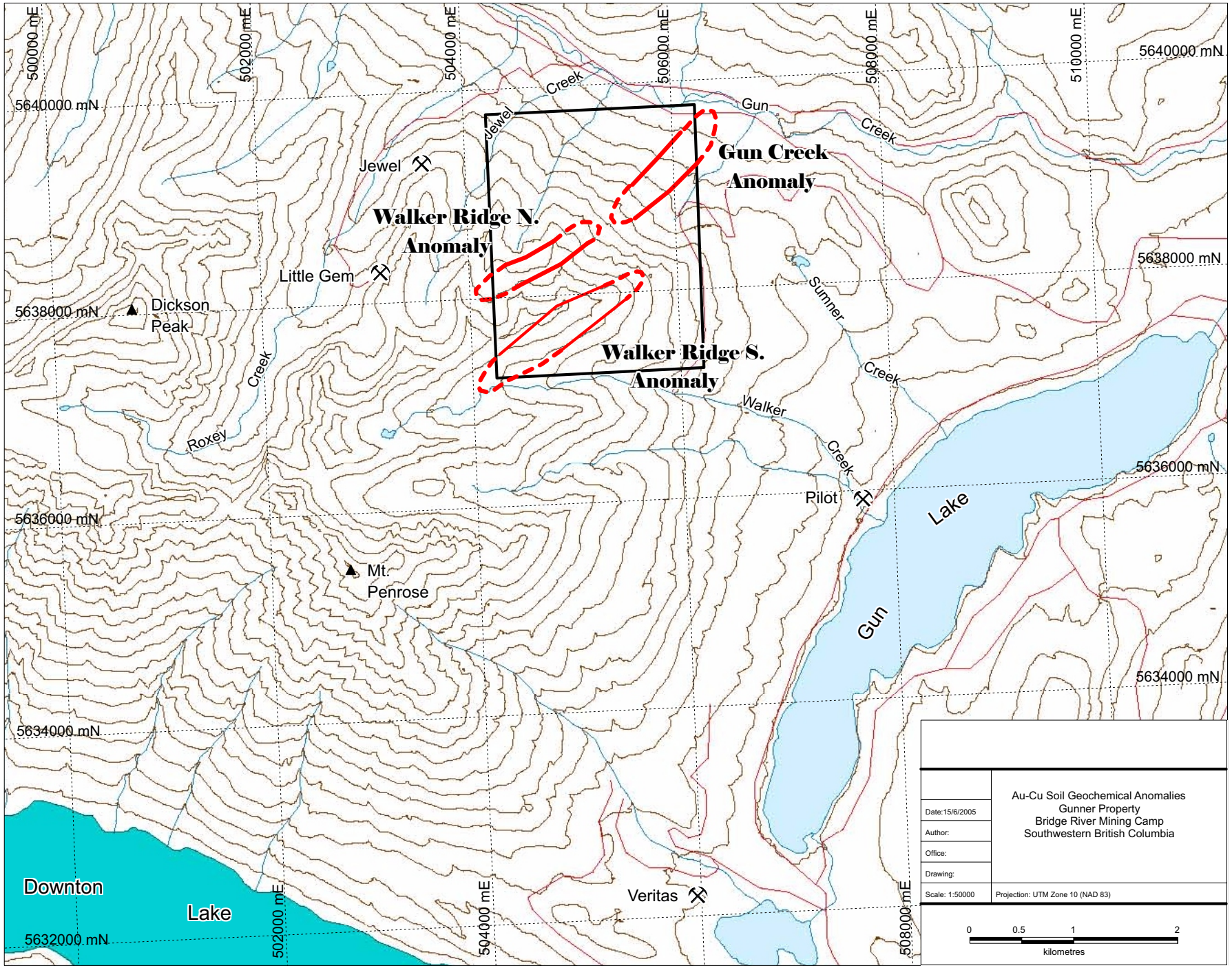

Figure 5. Locations of Walker Ridge (North and South) and Gun Creek soil geochemical anomalies, Gunner claims, Bridge River mining camp, southwestern British Columbia.

6.0 Work Performed

Work in the present program consisted of a day of reconnoitering logging-roads for access, as well as some reconnaissance prospecting along relatively recently constructed logging roads on the north end of the property. The work was undertaken as an introduction to the Gunner property of a prospective optionee.

A total of ten rock samples were collected, all from float from the north side of the property, at relatively low elevations, in the general vicinity of the historic Gun Creek soil anomaly (figs. 6-7; Appendix I). The roads traversed were excavated in a blanket of very thick local till and mixed colluvium, over top of which was developed a blanket of white-weathering felsic lapilli and ash tuff (the Bridge River ash). There was no outcrop on or near the parts of the roads on the property, and all of the samples were float samples collected from till or colluvium beneath the ash layers. Most of the samples were sedimentary rocks showing an abundance of pyrite as disseminations and fracture fillings, and most of the samples also displayed an abundance of silica. The silica occurs as common quartz veinlets, local breccia matrix, and local flooding, and is invariably associated with the sulphides. In general, judging from the abundance of sulphide and silica (mainly as fine veinlets, flooding, and breccia matrix, and invariably associated with sulphide), the samples appeared to be highly prospective. The roads climbed toward the southwest and ended a hundred metres or so below a series of cliffy outcrops of well-layered, rusty-weathering sedimentary rocks, from which much of the float that was sampled may well have been derived.

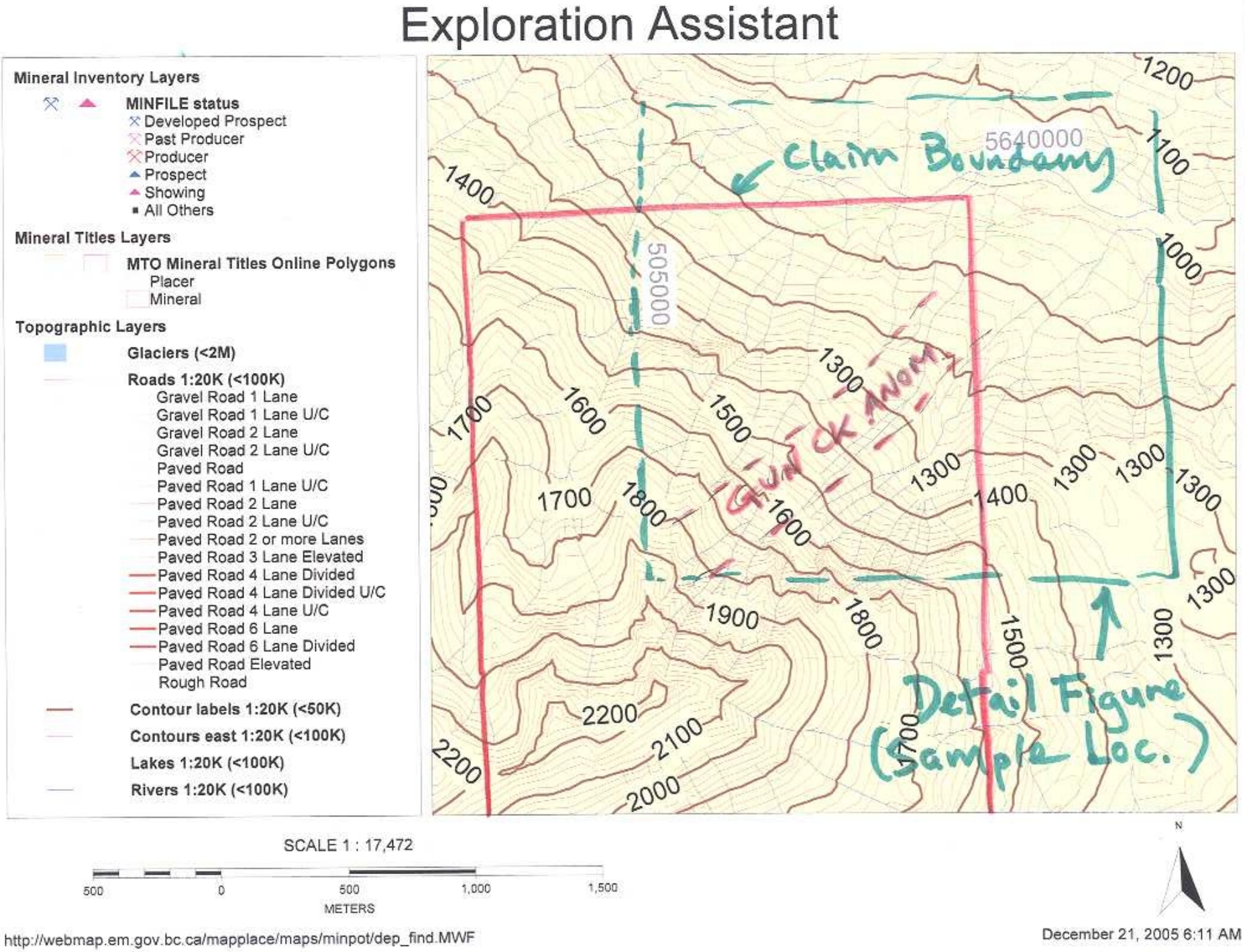

Figure 6. Location map (from Ministry of Mines "Exploration Assistant" website) showing northern part of the Gunner claims, the approximate location of the Gun Creek soil anomaly, and the location of figure 7 of this report.

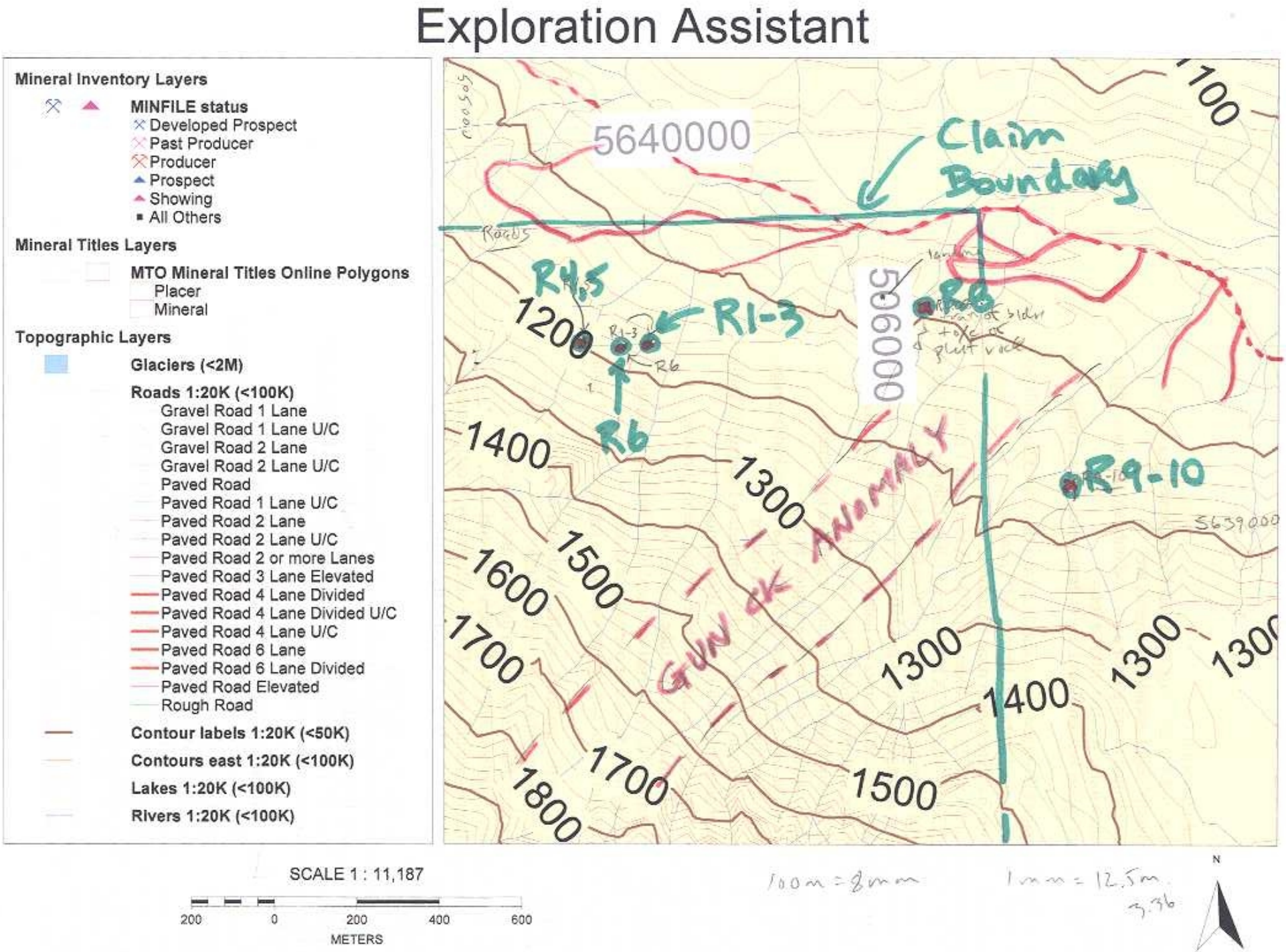

Figure 7. Map (from Ministry of Mines "Exploration Assistant" website) showing northern part of the Gunner claims, the approximate location of the Gun Creek soil anomaly, and the location of float samples collected during the program described in this report.

7.0 Discussion of Results

Although the samples appear at first glance to be attractive from a geological and exploration standpoint, geochemical analyses show that they are at best only weakly anomalous in terms of precious or base metals (Appendix I). The samples are, however, float samples, and occur in an area that is only marginal to the northern end of the extensive soil anomalies which are perhaps the most attractive feature of the property. As a consequence, the disappointing results from this very much preliminary program do little to decrease the potential of the Gunner property for hosting a significant precious metals deposit, and further work is recommended.

8.0 Recommendations for Further Exploration

The Gunner property, with its potential for hosting bulk-tonnage type intrusive-hosted Au mineralization, clearly merits follow-up work. A program of prospecting, geologic mapping, grid soil sampling, and ground geophysics is recommended. If the results warrant, the recommended program should be followed by diamond drilling.

In addition to the grid-based work, which should focus on the extensive Au-in-soil anomalies on the western end of Walker Ridge, further prospecting should target outlying areas where higher-grade samples were collected previously, such as off the northern spur farther west along the ridge, and also near Walker Creek itself, where a number of anomalous soil samples, ranging up to 405 ppb Au, were collected in 1991. Again, as with the Gun Creek anomaly, it seems unlikely that these could have been derived by downslope dispersion of mineralization from occurrences on Walker Ridge.

9.0 References

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Journeay, J.M., and Monger, J.W.H. 1994. Guide to the geology and tectonic evaluation of the Southern Coast Mountains; Geological Survey of Canada, Open File 2490,77p.

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Schimann, K., and Robb, W. 1991. Bralorne Project, 1991: Pilot Property, British Columbia; unpublished Assessment Report for Cogema Canada Ltd.; British Columbia Ministry of Energy, Mines, and Petroleum Resources, Assessment Report No. 22117, 13p.

Schimann, K., and Robb, W. 1992. Bralorne Project, 1992: Pilot Property, British Columbia; unpublished Assessment Report for Cogema Canada Ltd.; British Columbia Ministry of Energy, Mines, and Petroleum Resources, Assessment Report No. 22759, 21p.

Appendix I. Sample Locations and Descriptions

Sample Number	UTM Easting	UTM Northing	Sample Type	Description
CGGN04R001	505442	5639527	float	rusty weathering pyritic siliceous rock
CGGN04R002	505442	5639527	float	rusty weathering pyritic siliceous rock; abundant fractures with sulphides
CGGN04R003	505442	5639527	float	not given
CGGN04R004	505306	5639560	float	pyritic brecciated chert (silica-sulphide stockwork veinlets)
CGGN04R005	505306	5639560	float	pyritic brecciated chert (silica-sulphide stockwork veinlets)
CGGN04R006	505402	5639527	float	dark siliceous rocks with abundant fine-grained disseminated sulphides
CGGN04R008	506119	5639593	float	aundant sulphides in angular siliceous float
CGGN04R009	506455	5639122	float	siliceous rocks with very heavy disseminated sulphides of sulphides--siliceous intrusive rock?
CGGN04R010	506455	5639122	float	very rusty weathering on fractures; intrusive(?), but not so siliceous as 009
CGGN04R011			float	dark grey metasedimentary rocks with blebs of pyrite and spots of cordierite(?)

Appendix II. Sample Analytical Data

SAMPLE	Ag	Al	As	B	Ba	Bi	Ca	Co	Cr	Cu	Fe	Ga	Hg	K	La	Mg	Mn	Mo	Na	Ni	P	Pb	S	Sb	Sc	Sr	Ti	V	Zn	Au	Au Check
DESCRIPTION	ppm	%	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm	%	ppm	ppm	%	ppm	%	ppm	ppm	%	ppm	ppm	ppm	%	ppm	ppm	ppm	%	ppm	ppm	ppm	ppm
CGGN04R001	<0.2	3.18	5	<10	60	<2	1.51	10	62	34	3.14	10	<1	0.19	<10	1.41	313	2	0.33	18	650	<2	1.24	<2	10	96	0.15	112	14	<0.005	
CGGN04R002	0.2	1.92	12	<10	110	<2	0.86	13	50	35	3.93	10	<1	0.17	<10	0.89	697	1	0.2	10	580	10	0.72	<2	8	43	0.22	99	106	<0.005	
CGGN04R003	0.2	0.74	<2	<10	30	<2	0.53	9	83	10	1.58	<10	<1	0.04	10	0.84	482	1	0.04	41	340	<2	<0.01	<2	6	21	0.01	50	22	<0.005	
CGGN04R004	<0.2	2.13	7	<10	190	<2	1.09	11	61	45	3.37	10	<1	0.7	<10	0.69	537	1	0.26	28	720	2	0.63	<2	7	53	0.25	75	40	<0.005	
CGGN04R005	<0.2	1.92	6	<10	130	<2	1.09	9	62	42	2.84	10	<1	0.39	<10	0.54	418	1	0.23	26	650	3	0.33	<2	5	46	0.25	57	24	<0.005	
CGGN04R006	<0.2	2.13	<2	<10	280	<2	0.97	13	42	97	2.7	10	<1	0.71	<10	0.78	202	<1	0.27	9	890	<2	0.21	<2	4	32	0.17	93	32	<0.005	
CGGN04R008	<0.2	2.16	7	10	60	4	1.34	31	48	118	4.81	<10	<1	0.21	10	0.52	118	3	0.35	96	1140	2	3.09	2	2	116	0.16	54	12	0.008	0.009
CGGN04R009	0.4	5.77	15	10	140	<2	2.67	26	99	61	4.11	10	<1	0.59	<10	2.55	288	1	0.63	108	410	2	2.02	<2	2	341	0.19	54	28	<0.005	<0.005
CGGN04R010	0.2	0.51	13	<10	20	<2	0.63	18	35	73	2.67	<10	<1	0.03	<10	0.24	96	2	0.11	21	1040	4	0.97	<2	2	13	0.11	17	31	0.02	0.018
CGGN04R011	0.2	2.73	<2	<10	150	<2	0.59	12	33	39	4.93	10	1	0.2	<10	1.16	376	1	0.18	18	280	5	1.52	<2	8	44	0.13	77	104	<0.005	

Appendix III. Cost Statement

Gunner Claims, Prospecting and Property Exam

Labour

$1,070.00		Geologists, 2 days at $535/day
$535.00		Geolgoists, 2 days travel time at $267.50/day
$1,605.00	$1,605.00	Subtotal, labour

Food

$10.60		Tim Hortons, Tsawwassen
$145.00		Dinner, Tyax Mountain Lodge, Gold Bridge
$24.67		A&W, Merritt
$105.38		Breakfast and Lunch, Tyax Mountain Lodge, Gold Bridge
$40.00		Dinner, Whistler
$325.65	$325.65	Subtotal, food

Accomodation

$113.85		Coast Tsawwassen Inn
$226.55		Tyax Mountain Lodge, Gold Bridge
$340.40	$340.40	Subtotal, accomodation

Travel

$148.34		fuel
$299.60		truck rental (2 trucks for two days)
$447.94	$447.94	Subtotal, travel

Analytical Costs

$341.84	Chemex Labs; 10 rock samples, Au and Exploration ICP Package

$3,060.83	Total Costs, 2004 Program

Appendix IV. Statement of Qualifications

I, Charles James Greig, of 250 Farrell St., Penticton, British Columbia, Canada, hereby certify that:

1. I am a graduate of the University of British Columbia with a B.Comm. (1981), a B.Sc. (Geological Sciences, 1985), and an M.Sc. (Geological Sciences, 1989), and have practiced my profession continuously since graduation.

2. I have been employed in the geoscience industry for over 20 years, and have explored for gold and base metals in North, Central, and South America, and Africa for both senior and junior mining companies, and have several years of experience in regional-scale government geological mapping.

3. I am a member in good standing of the Association of Professional Engineers and Geoscientists of British Columbia (license #27529).

4. I am a "Qualified Person" as defined by National Instrument 43-101.

5. I am not aware of any material fact or material change with respect to the subject matter of the technical report that is not reflected in the technical report, the omission to disclose which makes the technical report misleading.

6. I am an author of the report entitled; "2004 Prospecting Report on the Gunner Property" dated January 2006. I worked on and supervised the work program reported on herein.

Dated at Penticton, British Columbia, this 5th day of January, 2006

Respectfully submitted,

"Charles James Greig" - signed

Charles James Greig, P.Geo

Appendix V. List of Software Programs Used

Software programs used in support of exploration and in the preparation of this report:

1. Word Perfect
2. Adobe Acrobat Professional 6.0
3. Corel DRAW 12
4. MapInfo Professional 7.8 and Discover 7.0
5. Microsoft Excel