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**ASSESSMENT REPORT ON THE
LOST MINE PROPERTY (COPPER RIDGE)
NELSON MINING DISTRICT, BRITISH COLUMBIA**

NTS MAP 082F02W (NAD 83)

**LATITUDE: 49° 11' 42" N
LONGITUDE: 116° 50' 10" W**

DECEMBER 15TH, 2005

GEOLOGICAL SURVEY BRANCH
ASSESSMENT

PREPARED BY:

HAROLD R. OPPELT

FOR:

**INNOVATIVE ENERGY INC.
21664 MONAHAN COURT
LANGLEY, B.C. V3A 8N1**

TABLE OF CONTENTS

	PAGE #
1.0 Introduction and Summary	3
2.0 Location, Access and Physiography	3
3.0 Mineral Claims Description.....	5
4.0 History of Exploration.....	7
5.0 Regional Geology.....	8
6.0 2005 Reconnaissance Program	11
7.0 Property Geology and Mineralization	11
8.0 Conclusions and Recommendations.....	12
9.0 References.....	13

ILLUSTRATIONS

Figures

1. Property Location Map.....	4
2. Claim Location Map.....	6
3. Regional Geology Map.....	9
4. Regional Geology Map with Claim boundary outlines	10
5. Property Geology & Sample Location Map.....	15

APPENDICES

Appendix A.....	Mineral Claim Title Description
Appendix B	Geochemical Assay Certificate
Appendix C.....	2005 Exploration Cost Statement
Appendix D.....	Statement of Qualifications

1.0 INTRODUCTION AND SUMMARY

This report is a summary of investigations carried out on the Katie mineral claims located in the Shaw Creek area of southeastern British Columbia, 26 kilometers west northwest of the Town of Creston. An examination of the claims was carried out between June 15th to September 8th, 2005.

The exploration work constituted of a general examination of the claim blocks and sampling, both rock and geochemical sampling of the bedrock and stream sediments. The intent of the program was to locate previous workings in the area to verify the Copper Ridge showings as described in MINFILE Report number 082FSE048 and to conduct geological mapping of outcrops.

The Copper Ridge showing was described in MINFILE reports as 'extensive high-grade mineralization' exhibiting anomalous values of chalcopyrite and gold occurring within a quartz vein matter. The showing or vein matter is stated to have been traced for over 1 kilometer with widths obtaining up to 100m.

The Copper Ridge showing has been mapped to occur in host rocks of biotite calcic-granodiorite stock known as the Mine Stock of mid Jurassic age. The Mine Stock, which occurs immediately west of the contact of the mid-Cretaceous Bayonne Batholith, is considered to be part of the middle Jurassic Nelson Intrusives.

2.0 LOCATION, ACCESS AND PHYSIOGRAPHY

The Copper Ridge property is situated in the Nelson Mining Division in southeastern British Columbia, approximately 30 kilometers west northwest of the Town of Creston and approximately 20 kilometers north of the US international boundary (Figure 1: Location Map). The property is located within NTS map sheet 82F02W (NAD 83). The property occurs at the headwaters of northeast trending Shaw Creek which drains eastwards into Kootenay Lake.

Access to the property is via 40 kilometers of Forestry Trunk Road north of the Salmo-Creston Highway (#3). The Forestry Trunk Road originates at the Summit Creek bridge along Highway #3 approximately 7 kilometers west of Creston. Access to the property can be obtained by four-wheel drive truck.

The topography of the property is moderately to very rugged, with elevations ranging from 1700 metres to 2299 metres at the summit of Wood Peak. The claim block straddles a terrain comprised of steep ridge lines and cirque shaped by Woods Peak, Hulme Peak and Kootenay Peak. Shaw Creek originates within this cirque as three separate streams joining into one. The claim block is heavily

timbered where it has not been logged or on the ridge lines. Significant sized boulders from 1m to 5 m in size occur at the base of these slopes as talus deposits.

3.0 MINERAL CLAIMS DESCRIPTION

The Katie Claims consist of 4 (four) separate tenures totaling 68 cells. The claims are owned 100% by Harold R. Oppelt and were registered on January 12th, 2005. The anniversary date for all claims is January 12th, 2006.

The Copper Ridge property consists of the following claims (See Figure 2):

Summary of Claim Data

Claim Name	Tenure No.	No. of Units	Anniversary Date
Katie	501319	24	Jan 12, 2006
Katie2	501469	25	Jan 12, 2006
	501561	17	Jan 12, 2006
Katie3	501599	2	Jan 12, 2006
Total of Units		68	

Please refer to Appendix A for a detailed list of cells forming each tenure.

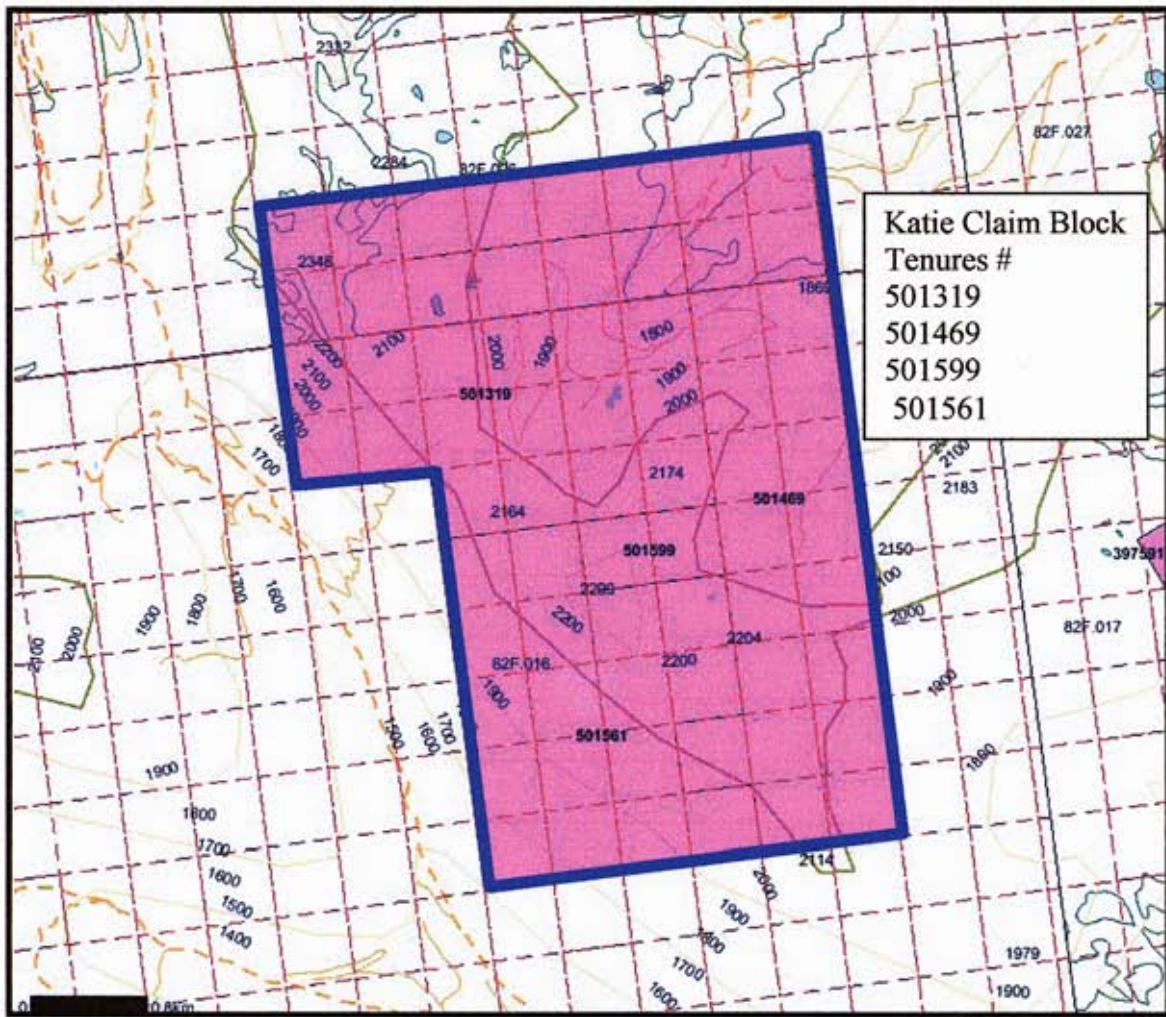


Figure 2: Claim Location Map Tenure Numbers 501319, 501469, 501599, & 501561

4.0 HISTORY OF EXPLORATION

The Copper Ridge Property was first reported in 1903 in the Minister of Mines Annual Report describing the property as 'The Lost Mine Group'. The group consisted of the Lost Mine, Copper Ridge and Copper Peak claims. The Ministers Report describes the property as 'vein matter is composed of calcite and quartz, with chalcopyrite, and can be plainly traced at different exposures over the length of the Copper Peak and the Lost Mine, and for several hundred feet on the Copper Ridge, a total length (measured on the horizontal) of 3,300 feet'. The widths of the vein material along surface exposures are stated to be varying from 30 metres to up to 100 metres.

This group of claims was being explored during the period from 1899 to 1902 by an undetermined group of owners. During this time, a tunnel totaling 250 feet in length was driven at the 1830 metre (6000 foot) elevation level by the owners along the strike of the mineralization. In 1899, an unknown number of crosscuts totaling 27 lineal feet were also driven. Mineral values returned from surface samples averaged 8.6 grams of gold per tonne and 4% copper. It is stated that work ceased in 1902 and the group of owners 'headed east' to eastern Canada to look for financial help to develop this promising discovery, but never returned to resume work. It is not known if any shipments of ore were made or if the any mineral inventory was ever recovered.

In 1982, a Mr. Anthony Mould staked the Sherpa claim, which lies within Tenure Block 501319 of the Katie Claims, and optioned the claim to Brinco Mining Ltd. Brinco Mining conducted a preliminary geological and geochemical investigation consisting of 5 km² of outcrop mapping at 1:10,000 scale and 25 silt samples taken from streams at about 300m intervals. The geochem samples were analyzed for Cu, Mo, Ag and Au. Nothing of interest was returned in the analyses.

No mention was made by Brinco in the assessment report of any previous tunneling or workings on the property. No mineralization was discovered by Brinco during that report and no further work was recommended. The property is believed to have remained idle since the Brinco investigation in 1982.

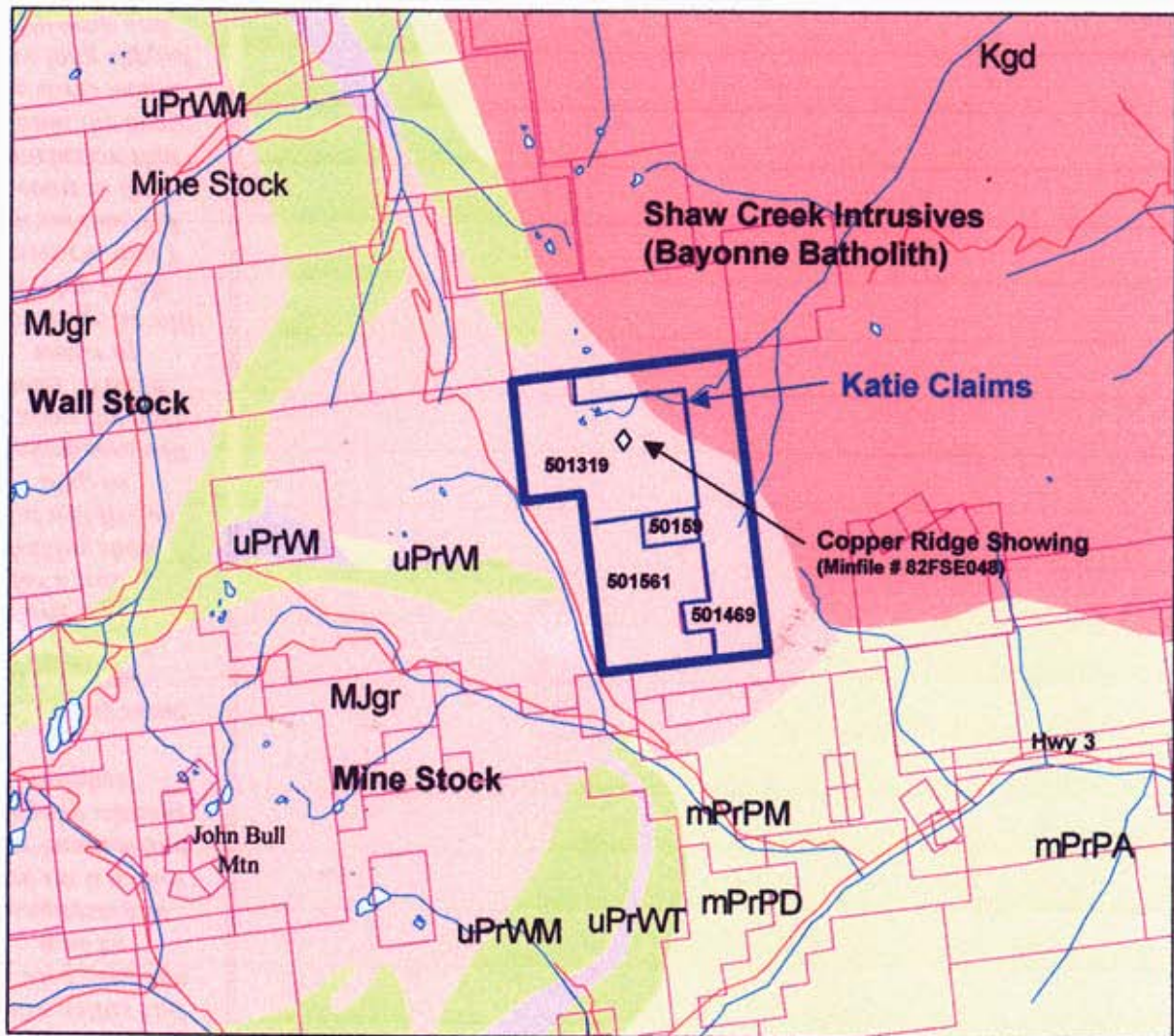
5.0 REGIONAL GEOLOGY

The Copper Ridge Property lies within the west half of the Nelson map area within NTS map sheet 82F02W. The regional geology of the Nelson map area 82F02 has been described in the past by Rice (1941), Leclair (1982, 1983), Reesor (1993), and Brown *et al* (1995). The Nelson map area has a variety of structural and stratigraphic units that record the transition from the Purcell anticlinorium to the Kootenay Arc and includes important structures such as the northern extension of the Purcell Trench fault (Figure 3), the gradation of low grade, broadly folded Purcell Supergroup strata of the anticlinorium into equivalent but higher grade metamorphic and polydeformed rocks. The Purcell Supergroup is a thick succession of clastic and carbonate rocks of Middle Proterozoic age which is unconformably overlain to the west by the Upper Proterozoic Windermere Supergroup. A suite of small mid-Jurassic granitic stocks, dykes, and sills and extensive mid-Cretaceous batholiths have been mapped which intrude into Proterozoic rocks in the Nelson map area.

Within the immediate area of the Copper Ridge Property, the mid Cretaceous Bayonne Batholith is present. The Bayonne Batholith is a large, elongate, granitic body which extends northeastwards for 60 kms across Kootenay Lake. The Bayonne Batholith varies in composition from granite to a calcic granodiorite and contains phases described as coarse grained to fine grained, porphyritic and non- porphyritic, pink and light grey to dark grey and is often gneissic in nature. Biotite is the most commonly associated mineral. Large inclusions of metamorphosed sediments, most likely Proterozoic in age, occur as xenoliths in the Bayonne Batholith. The xenoliths are said to occur most frequently in the porphyritic phases of the batholith.


Smaller mid-Jurassic stocks and dykes are also encountered in the Nelson map area. These vary in shape and size and differ in composition from the Cretaceous aged intrusives. The Mine Stock pluton (Figure 3) occurs in the immediate area of the Claim Block. The Mine Stock is centered southeast of the Copper Ridge Property on John Bull Mountain. Within the Copper Ridge Property, the eastern edge of mid-Jurassic aged 'Mine Stock' abuts to the southwest corner of the Bayonne Batholith. Some of the granodiorite stocks are known to carry appreciable pyrite, pyrrhotite and chalcopyrite and tend to be associated with anomalous gold (ie Summit Bell, McMurdo).

The Mine Stock has been mapped to consist of fine to medium grained, light grey granodiorite that is fairly uniform in texture and composition, non-porphyritic, and few xenoliths. Amphiboles and biotite occur equally abundant as associated minerals.



Legend

- Kgd Cretaceous Shaw Creek Intrusives (Bayonne Batholith)
- MJgr Mid Jurassic Intrusives (Wall Stock & Mine Stock)
- uPrWM upper Proterozoic Windermere Supergroup – Monk Fm
- uPrWI upper Proterozoic Windermere Supergroup – Irene Fm
- uPrWT upper Proterozoic Windermere Supergroup – Toby Fm
- uPrWTS upper Proterozoic Windermere Supergroup – Three Sisters Fm
- mPrPM Mid Proterozoic Purcell Supergroup - Mount Nelson Fm
- mPrPD Mid Proterozoic Purcell Supergroup - Dutch Crk Fm
- mPrPC Mid Proterozoic Purcell Supergroup - Creston Fm

 Katie Claims Outline with Tenure Number

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Figure 4
Regional Geology Map with
Claim Outlines

6.0 2005 RECONNAISSANCE PROGRAM

The geological program for 2005 comprised of a reconnaissance mapping program to prospect for a batholith intrusion with biotite and hornblende as accessory minerals and geochemical stream silt sampling. The program also was conducted to locate the old mine workings as reported in the MINFILE Report number 082FSE048.

Geological mapping of the area was conducted on a reconnaissance level, using GPS as a locator, to confirm the host rocks of the property as described in previous publications. Approximately 6.5 kms of traverse was conducted on the Katie Claim to find the old mine workings as well as map outcrops at 1:10,000 scale.

Five stream silt samples were collected, dried, screened and visually identified from the headwaters of Shaw Creek, but only one (Sample #4) was analyzed for whole rock ICP analysis.

Previous owners of the Copper Ridge Group of claims were reported to have driven a tunnel 250 into the area around the headwaters of Shaw Creek at an elevation of approximately 1830m. Reconnaissance to find these workings using traverses and four wheel truck along all existing roads and trails was conducted.

7.0 PROPERTY GEOLOGY AND MINERALIZATION

Due to soil and forest cover, outcrops are generally sparse within the cirque portion of the Copper Ridge Property, but at higher elevations along the ridgelines outcropping can be continuous.

The Copper Ridge Property is underlain by predominantly granodiorites apparently originating from the mid-Jurassic Mine Stock. The granodiorites observed in the mapping were generally a white to light grey colored mixture of fine-grained plagioclase, quartz, biotite and hornblende. The granodiorites, though, generally have a salt and pepper appearance. Quartz grains can be seen as smooth light gray grains scattered among the white feldspars. Orthoclase was present in only small amounts. Evidence of any bedding or any structural grain is faint and unreliable in the granodiorite stock. The composition of the granodiorite does vary over the property possibly due to the assimilation of Proterozoic country rocks.

Several inclusions of country rock were noted in the predominate granodiorite. The inclusions consisted of gneisses and quartz mica schists. These are assumed to belong to the Proterozoic Windermere or Purcell Supergroups.

There is an obvious change in lithology on the eastern boundary of the claim area where light grey granodiorites containing few xenoliths described above gradually changes to granites and granodiorites with abundant xenoliths. The contact of the two plutons was nowhere seen in this field work.

Mineralization occurs as quartz filled fissure veins generally striking northeast N80° and northwest dipping vertically. The veinlets encountered in the mapping were small fractures filled with quartz and calcite with minor pyrite showings. Some thin quartz veins are pitted or vuggy and strongly limonitic, probably due to oxidized pyrite. All veins encountered were deemed to be barren.

It is assumed that the vein material can be classified as described by Hart *et al* (2000) as a 'proximal to distal member vein deposit' related to the emplacement in and around the intrusive Bayonne magmatic suites. It is considered that fracture lines are known to occur for significant distances which were infilled with quartz and calcite mineral solutions often bearing sulphides and precious metals.

Description of Till Samples Collected

Sample Number	Comments	Observations of Coarse fraction
Copper Ridge 1	Brown clay rich sand	Mica rich, minor quartz, organics; no mineralization.
Copper Ridge 2	Yellow clay, sandy gravel	Brown mica flakes with feldspars, organics; no mineralization.
Copper Ridge 3	Golden brown clay sandy gravel	Mica, quartz, fine granodiorite; no mineralization.
Copper Ridge 4**	Dark Brown organic clays and minor sand	Brown mica flakes with feldspars, organics; no mineralization
Copper Ridge 5	Brown fine sand Gravel with white grains	White quartz rich, feldspars & mica flakes; no mineralization

** Analyzed for whole rock; Blank standards inserted by Acme Analytical Labs are considered adequate for this early stage of exploration.

8.0 CONCLUSIONS AND RECOMMENDATIONS

Traverses to locate the old mine working even interpretation of satellite photography have failed to locate the old mine workings reported. No sign of any mine tailings, which for a 250 foot adit should be apparent, were not found.

Reconnaissance geologic mapping confirmed the presence of granodiorite as described in Section 7.0 Property Geology and Mineralization. The granodiorites are extensive in distribution covering the majority of the claim block. Presumably these granodiorites belong to the mid-Jurassic Mine Stock.

Geochemical analysis of the one stream silt sample failed to turn up any significant economic metal values. No economic mineral showings were observed in the remaining silt samples. Silt samples although were noted to contain abundant 'gold colored' mica grains.

Although the program failed to locate old mine workings or the original vein matter as reported in Minfile reports and the 1902 Annual Report of the Minister of Mines for BC, the potential to discover new mineralization described is significant. The geology of the host rocks is conducive to proximal Au-Ag-Cu fracture filled vein deposits related to the emplacement of the Cretaceous Bayonne Batholith.

Continued exploration of the block is warranted as previous reports have documented the existence of the mine workings and the potential of an economic deposit of precious metals and high grade copper showing. A program to continue to explore for the Copper Ridge vein (Lost Mine) will be undertaken in the summer of 2006 when access to the property can be permitted by weather. Simple prospecting of both bedrock and till on trend of the previous anomalies and more widespread structures along with continued soil sampling is recommended at the very least. The introduction of a defined grid for the purpose of conducting magnetometer and VLF-EM surveys (which have been shown to be highly effective in base metal exploration) is also recommended. Trenching of anomalous structures followed by diamond drilling could quickly follow the location of anomalies.

9.0 REFERENCES

Annual Report of the Minister of Mines, British Columbia (1899-1902)

Energy Mines and Petroleum Resources Assessment Report Number 11028

Brown, D.K. and Logan J.M., (1989) Geology and Mineral Evaluation of Kokanee Glacier Provincial park, Southeastern British Columbia (82F/II, 14) Paper 1989-5

Brown, D.A., Doughty, T.P. and Stinson, P. (1995) Preliminary Geology of the Creston Map Area Southeastern British Columbia (82F/2), Geological Fieldwork 1994 Paper 1995-1, pp. 135-155.

Leclair, A.D. (1982): Preliminary Results on the Stratigraphic, Resources, Structural and Metamorphism of Central Kootenay Arc Rocks, Southeastern British Columbia; *in* Current Research, Part A, Geological Survey of Canada, Paper 82-1A, pp 45-49

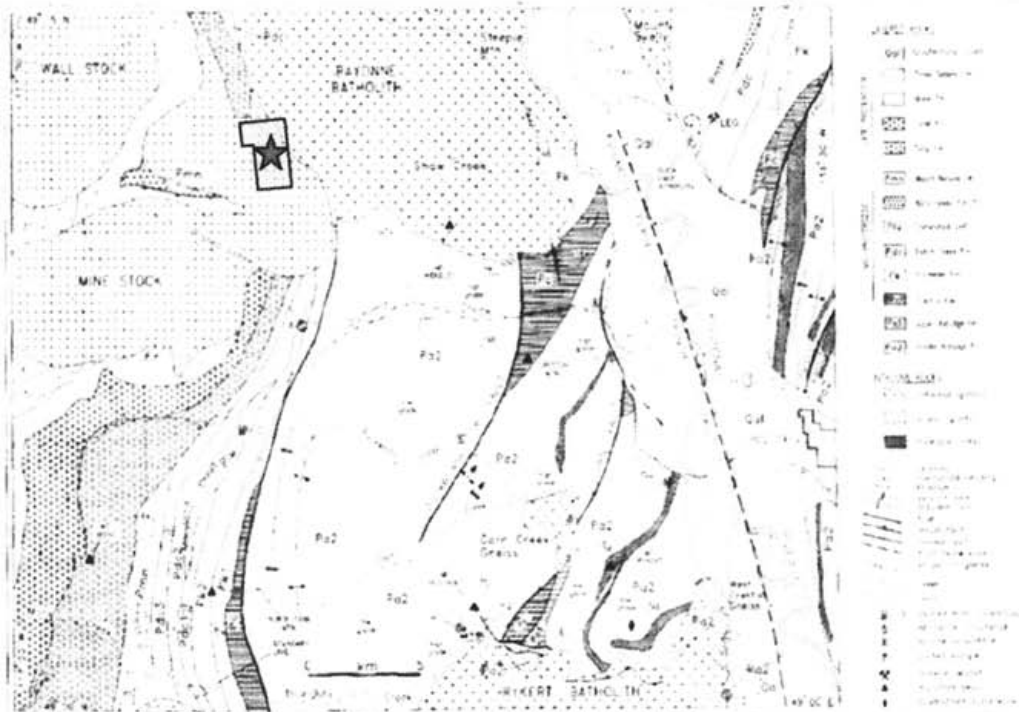
Leclair, A.D. (1983): Stratigraphic and Structural Implications of Central Kootenay Arc Rocks, Southeastern British Columbia; *in* Current Research, Part A, Geological Survey of Canada, Paper 83-1A, pp. 235-240.

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Rice, H.M.A. (1941): Nelson Map Area, East Half Geological Survey of Canada, Memoir 228

Hart, C. J.R., Baker, T. and Burke, M. (2000): New exploration concepts for country-rock-hosted, intrusion-related gold systems: Tintina Gold Belt in Yukon; *in* The Tintina Gold Belt Concepts, Exploration and Discoveries, ed., J.L. Jambour, British Columbia and Yukon Chamber of Mines, Cordilleran Exploration Roundup 2000, Extended abstracts

Logan J.M. (2002) Intrusion-Related Gold Mineral Occurrences of the Bayonne Magmatic Belt, Geological Fieldwork 2001, paper 2002-1 pp.237-247.



Brown et al BC Geological Fieldwork 1994

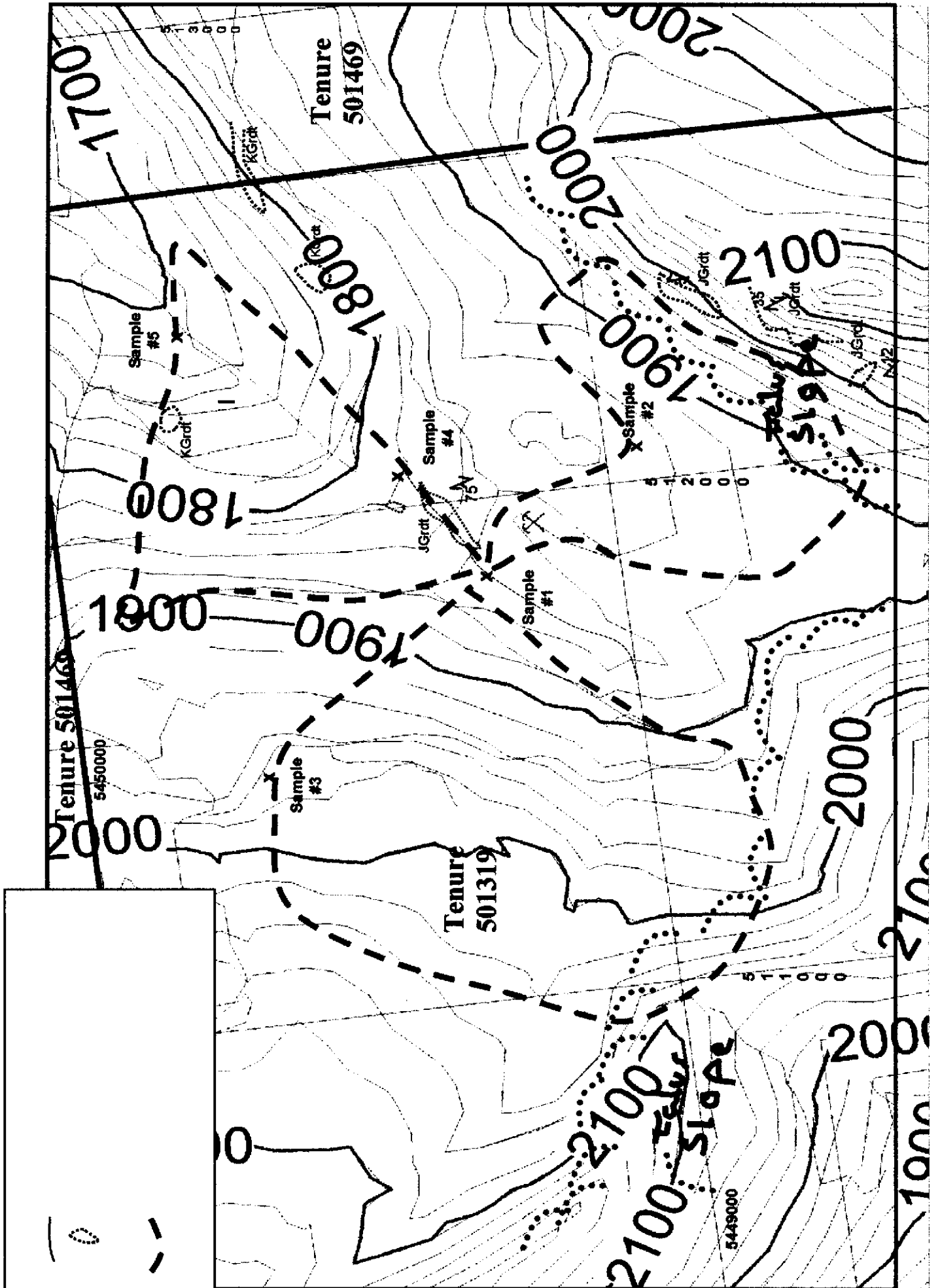
Regional Geology of the Creston area (NTS 82F/02).

The Mine Stock Pluton is part of the North American Terrane with approximate age of 166 Ma. The Mine Stock Pluton is considered to be part of the Nelson Intrusive of Mid-Jurassic age. The Mine Stock Pluton is in contact to the northeast with the Cretaceous Shaw Creek Intrusives (Bayonne Batholith). The pluton is composed of coarse grained calcalkaline hornblende-biotite rich granodiorite with common pegmatites. The Pluton is host to various associated mineralization of Au-Ag-Pb-Zn occurrences. The Copper Ridge Occurrence is associated with a large quartz-calcite vein bearing chalcopyrite and minor gold. Approximate location of Katie Claim Block is shown.

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**Figure 3 :
Regional Geology of the
Creston Area**

December 14th, 2005



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ANALYSIS CONFIDENTIAL
 ANALYST: P. B. COOPER and M. J. GARDNER
 (604) 253-2158 ext. 2158 (In BC) (604) 253-2158 ext. 2158 (Outside BC)

SAMPLE#	No	Cu	Pb	Zn	Ag	Hf	Co	Mn	Fe	As	Sr	Cd	Sb	Bi	Ce	P	Cr	Mg	Al	Na	K	M	Hg	Au**	Pt**	Pd**
	%	%	%	%	gn/nt	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	gn/nt	gn/nt	gn/nt
COPPER RIDGE STANDARD R-2a/FA-10a	<.001	<.001	<.01	<.01	<2	<.001	<.001	.02	.54	<.01	.001	<.001	.001	<.01	.12	.036	<.001	.15	.47	.09	.27	<.001	<.001	.01	<.01	.01
	.047	.553	1.39	4.28	158	.370	.063	.20	22.27	.22	.171	.029	.131	<.01	2.20	.081	.067	1.52	1.29	.21	.48	.066	.173	.51	.46	.48

GROUP 7AR - 1.000 GR SAMPLE, AQUA - REGIA (HCL-HNO3-N2O) DIGESTION TO 100 ML, ANALYSED BY ICP-ES.
 Au** Pt** & Pd** BY FIRE ASSAY FROM 1 A.T. SAMPLE.
 - SAMPLE TYPE: Rock R150

Data 1 FA DATE RECEIVED: AUG 29 2005 DATE REPORT MAILED: Sept 13/05



APPENDIX B
 GEOCHEMICAL ASSAY CERTIFICATE

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

16A

APPENDIX A

MINERAL TITLE DESCRIPTION

Tenure Numbers – Claim Data

4 Tenures in total (Numbers 501319, 501469, 501561 and 501599)

Total number of cells = 68 cells

Anniversary for all Tenures = January 12, 2006

Tenure No: 501319

Claim Name: Katie - 24 cells in total

Cells ID: 082F02K027C 082F02K027D 082F02K028C 082F02K028D
082F02K037A 082F02K037B 082F02K037C 082F02K037D
082F02K038A 082F02K038B 082F02K038C 082F02K038D
082F02K039A 082F02K039B 082F02K039C 082F02K039D
082F02K047A 082F02K047B 082F02K048A 082F02K048B
082F02K049A 082F02K049B 082F02K049C 082F02K049D

Tenure No: 501469

Claim Name: Katie2 - 25 cells in total

Cells ID: 082F02K006A 082F02K006B 082F02K006C 082F02K006D
082F02K007D 082F02K016A 082F02K016B 082F02K016C
082F02K016D 082F02K026A 082F02K026B 082F02K026C
082F02K026D 082F02K036A 082F02K036B 082F02K036C
082F02K036D 082F02K046A 082F02K046B 082F02K046C
082F02K046D 082F02K047C 082F02K047D 082F02K048C
082F02K048D

Tenure No: 501561

Claim Name: - 17 cells in total

Cells ID: 082F02K007A 082F02K007B 082F02K007C 082F02K008A
082F02K008B 082F02K008C 082F02K008D 082F02K017A
082F02K017B 082F02K017C 082F02K017D 082F02K018A
082F02K018B 082F02K018C 082F02K018D 082F02K028A
082F02K028B

Tenure No: 501599

Claim Name: Katie3 - 2 cells in total

Cells ID: 082F02K027A 082F02K027B

APPENDIX C

EXPLORATION COST STATEMENT (2005)

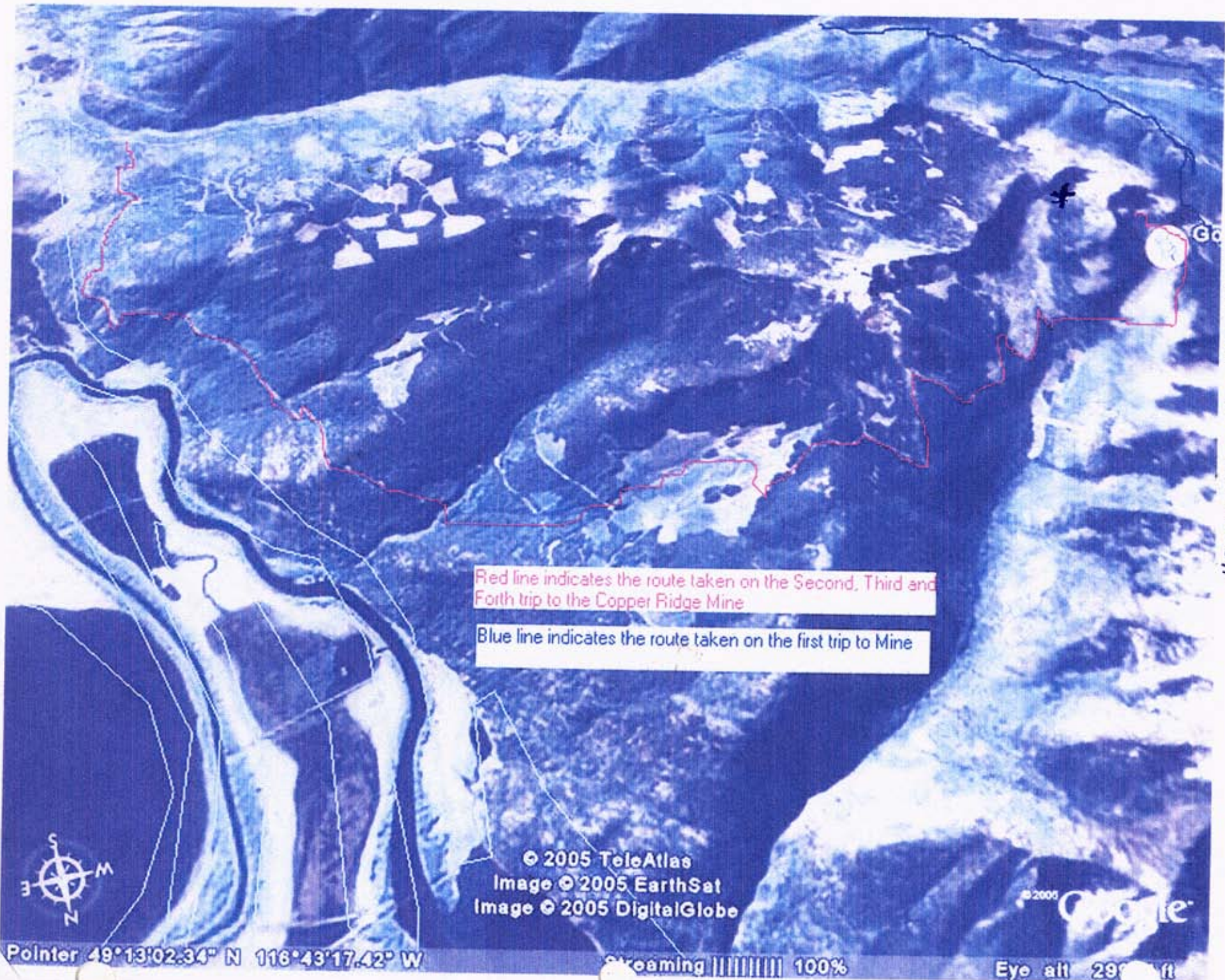
1. Maps, Reports, Air Photos, Field supplies	\$175.00
2. Salaries	
H.P. Oppelt 2 days @ \$475.00 per day	\$950.00
Harold R, Oppelt 2 days @ 475.00 per day	\$950.00
2 men 2 days @ \$200.00 per day	\$800.00
3. Transportation	
4x4 Truck (including Fuel)	\$450.00
ATV 4 days rental	\$350.00
4. Accomodation & meals (Motor Home) Rental	
4 men @ 40.00 meals per man	\$160.00
4 day rental of motor home @ \$125.00 per day	\$535.00
5. Sample preparation & Assay Cost	\$ 96.00
6. Report Preparation & Drafting	\$2700.00
Grand total	\$7166.00

APPENDIX D

STATEMENT OF QUALIFICATION

I, Harold Richard Oppelt of 21664 Monahan Court, Langley, B.C. do hereby declare the following:

1. I have worked as a prospector in Mineral Exploration for the past 38 years.
2. I have worked on several prospects and developed prospects in Alberta and in British Columbia during the years 1967 to 2005.
3. I am responsible for the preparation of this report and I am the sole owner of the claims.
4. I visited the Katie claim group on July 27-28th, 2005



Red line indicates the route taken on the Second, Third and Forth trip to the Copper Ridge Mine

Blue line indicates the route taken on the first trip to Mine

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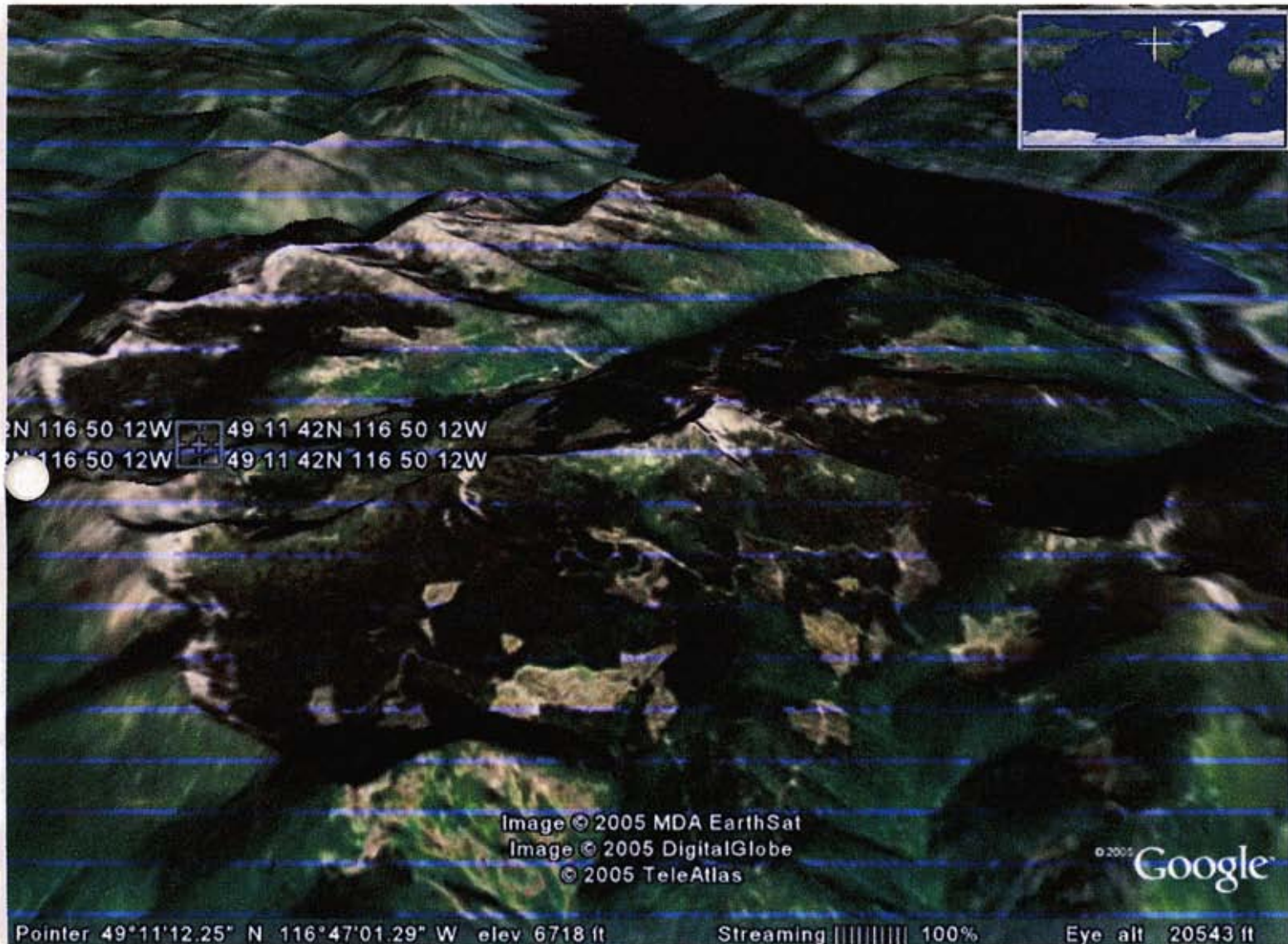
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Pointer 49°13'02.34" N 116°43'17.42" W

Streaming ||||| 100%

Eye alt 2900 ft

49-10-58 04 N - 116-49-32 36 W



N 116 50 12W 49 11 42N 116 50 12W
N 116 50 12W 49 11 42N 116 50 12W

Image © 2005 MDA EarthSat
Image © 2005 DigitalGlobe
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© 2005 Google

Pointer 49°11'12.25" N 116°47'01.29" W elev 6718 ft

Streaming ||||| 100%

Eye alt 20543 ft