ASSESSMENT REPORT

On

TECHNICAL / GEOPHYSICAL WORK

Performed On

EVe#
4088421-422,
4088424-425

DANCER 1 - 4
MINERAL CLAIMS
Tenure Numbers 411732 - 411735

Lower Jervis Inlet Area
Near Egmont, B.C.
Vancouver Mining Division

Lat. 49°45.22' Long. 123° 58.3'
NTS Maps 92G12/W & 92G13/W

Owned and Operated by:
Justin C. LaRue 137427
Vancouver, B.C.

Information for this report
Compiled and written by:
John P. LaRue 114173
June 17th, 2006

28,462

9982

Table of Contents

I. Introduction

(i) The Dancer 1 - 4 Mineral Claims are located at Lat. 49° 45' Long 123° 58', approximately 3 km. west of the town of Egmont, B.C., at the northern tip of the Sechelt Peninsula, within the Lower Jervis Inlet area of the Vancouver Mining Division. The claim group area is covered by NTS Maps 92G12/W & 92G/13W, and is comprised of the Dancer 1 - 4 Mineral Claims Tenure Numbers 411732 - 411735 inclusively, which total 4 units in all.

The area of the claims is easily accessible by paved Highway 101, and is situated approximately 75 km. from the Langdale Ferry Terminal. An infrastructure of older logging and mining exploration roads currently exists that used to provide 4x4 and easy walking access to most parts of the property. Over the years these roads have not been maintained and passage is now rendered largely impossible without clearing the small alder and windfalls from the roadway. The property is bisected by a single upgraded and year round 4 wheel drive dirt leaving Egmont Road in proximity to North Lake and traveling generally north - northwesterly approximately 4 km.to provide access to a summer residence located on Agamemnon Channel.

Topographically, the claim area is typified by a low 300 meter elevation hummock of land. The area has been previously logged at least once, but is still covered by dense underbrush including salal, alder, young evergreen conifer (both planted and spaced), and moderate fir, hemlock and cedar stands in the more interior portions and heights of the claim. Overburden is erratic, with good rock exposure on the heights and thick clay overburden and till in the valleys.

Weather conditions are typical of the lower coast with hot summers and mild wet winters; as a result, prospecting and exploration could be carried out in the property area virtually any time of the year. Water for all phases of property development are abundant. The claim area is surrounded on three sides by deep saltwater approaches, and North Lake and Waugh Lake and a number of springs abound on the property. Triple phase power follows alongside Highway 101 between Earl's Cove and Egmont, actually bisecting the property.

(ii) The Dancer Claims 1 - 4 are owned and operated by Justin C. LaRue 137427:

Claim Name	Tenure #	Expiry Date
Dancer 1	411732	Jun 26 '07
Dancer 2	411733	Jun 26 '07
Dancer 3	411734	Jun 26 '07
Dancer 4	411735	Jun 26 '07

Acceptance of this assessment report will extend the expiry date for the claim group through Jun 26 '07.

Regionally, the claim group lies at the northern end of the Caren Range within the Coast Plutonic Complex and is mainly underlain by plutons of granodioritic composition. Within the granodiorite masses are numerous inclusions or pendants of volcanic and sedimentary units left ass remnants after glacial erosion. A large pendant forms the major height of land on the Sechelt Peninsula and has been the host for a number of mineral occurrences. Of all the known deposits in the general area only the King Midas near Sakinaw Lake, the Cambrian Chieftain on Mt. Hallowell, and the R.C. or Skookum (1 km. to the west of the Dancer Claims) represent the only precious metal deposits on the Peninsula. All three of these properties have seen some limited production.

The earliest local history in the vicinity of the claims would include the following:

- In 1937 Mr. R. Durnsford Jr. was reported to be tunneling along the shoreline (STEIN Adit), approximately 2.5 km west of the DANCER Claims.
- In 1952 one of the locals, a Mr. Silvey discovered auriferous pyrite showings and staked the R.C. or SKOOKUM Claims along Agamemnon Channel, approximately 1 km west of the DANCER Claims.
- In 1965, a shipment of hand cobbed ore totaling 106 tons was shipped by barge from the R.C. to the Tacoma Smelter. The ore was all taken from the still visible beach pits, some reportedly at low tide as the showings extend into the channel underwater. Returns on the shipment were 34 ozs Au, 45 ozs Ag and 170 lbs of Cu. Locals who worked the project say

the ore was broken down with sledge hammers, and the crushed product was then sluiced utilizing seawater to concentrate the auriferous portion of the ore prior to shipment.

- In 1981, the ground was staked by the author and his wife. In 1982, the ground was re-staked as the CHALICE I property, and Chalice Mining Inc. was formed. Chalice completed prospecting, geochemical and geophysical surveying, geologic mapping, trenching, and a small exploratory diamond drilling program totalling 572 metres in 21 shallow holes to sample 8 initial drill targets at different locations throughout the claim group. Best drill intersection returned 0.913 ozs Au/ton across 9' at the JR zone.
- In 1987, Chalice entered into an agreement with Blue Chip Resources to continue exploration of the CHALICE I and the surrounding satellite properties (STEIN, WALLY'S 1 - 3, BACON 1 - 3). Blue Chip conducted additional gridding, geochemical surveying, and geologic mapping and IP surveying.
- In early 1994, the Chalice 1 claim lapsed and the 'heart' of the claim group was re-staked by the author and his wife as the WINDANCER and TAJ Mineral Claims.
- In 1995, these claims were optioned to Menika Mining Ltd. And an Engineer's Summary Report and Value Appraisal was prepared on the basis of the currently known and identified economic showings and inferred extensions of the ore to depth indicating "...it would not be difficult to envision the possibility of one or more bodies having a total strike length of 1,000 feet, a depth extension of 400 feet, a 4 foot thickness with an average grade of 0.40 ounces per ton gold. At a specific gravity of 2.7 such a deposit would total 135,000 tons with 54,000 ounces of contained gold. Assuming a gold selling price of $513 /oz ($380 US/oz) less mining, milling and miscellaneous production costs totaling $413 / oz., such a deposit should conservatively net $5,400,000 before taxes." Gold is currently at $650 US changing the total potential worth of the known and inferred reserves to $35,100,000 which after milling and processing costs of $22,300,000 are extracted equal to a projected net worth before taxes of $12,800,000 US or $14,080,000 Can Funds

- During 1996 Spring - Summer, after consolidating additional ground to the east and south, Menika Mining Ltd. conducted extensive IP surveying over the ground between the current DANCER Claims and the Wally Claims. Several High Frequency anomalies were detected and subsequently drilled; although a number of significant massive pyrite / marcasite drill intersections were encountered in drilling, the gold values were not economic. High values in gold are normally associated with this same type of marcasite mineralization anywhere on the property between the NL Zone on the east through to the Beach showings on the western coast.
- In 2004, the property lapsed and was staked by Justin C. LaRue. During the 2004 exploration season, a program of Prospecting / Physical Work was conducted on the property to open access and re-expose several of the currently known viable economic showings (North Lake, JR, 3V and Trench) and to attempt to physically extend and define the boundaries of the disseminated mineralization discovered in the Trench 2 showing.

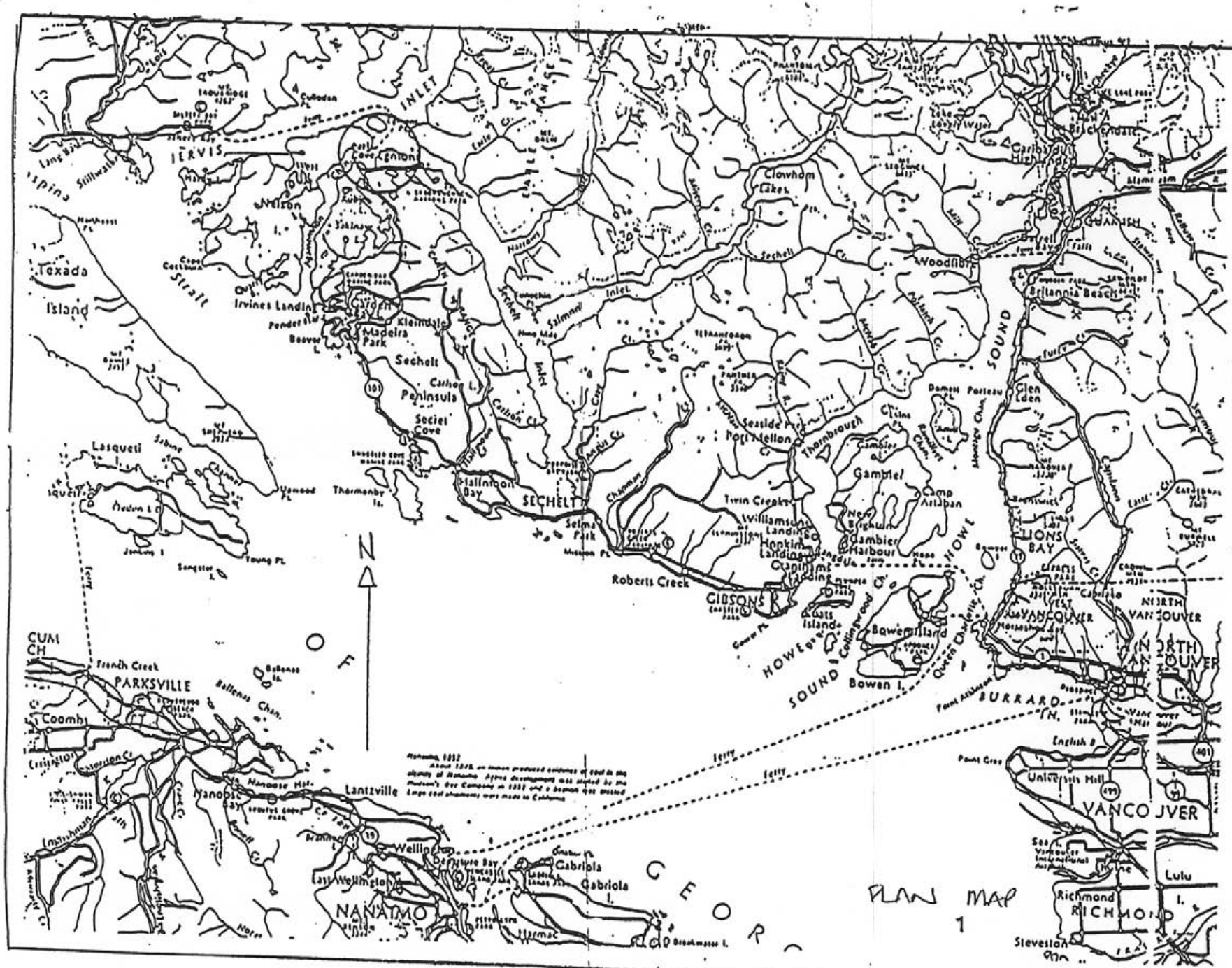
  Additional work of particular significance completed during the 2004 exploration season was a re-contouring of the original IP Frequency Effect and Resistivity Data from the 1983 Geophysical Surveys conducted by Chalice Mining Inc. In re-examining this data, it became apparent that Resistivity values taken during the IP Survey had never been contoured, and that the threshold for anomalous IP Frequency Effect values as contoured, was higher or greater than FE% readings associated with other known gold showings themselves. The FE% data was re-contoured to reflect 6.5% FE as being anomalous on the basis that this same geophysical signature is associated with known mineralization at the 3V, JR and NL showings, each of which is associated with high gold values. After correlating the new contoured IP data, it became apparent that the physical boundaries of a large 150 meter by 200 meter magnetic high (originally identified in Assessment Report 14736) is physically / geographically correlative and nearly identical in shape to IP Frequency Effect and Resistivity Highs, and is also associated with an intersecting VLF-EM anomaly and co-incidental with anomalous Self-Potential readings taken during surveys conducted over the property in 1994 by the author and his wife.

Several important precious metal showings occur within the DANCER Mineral Claim Group (See accompanying MinFile Master Reports). The following is taken from E.W. Grove, Ph.D., P.Eng.'s 1985 Geological Report and Work Proposal on the CHALICE MINING INC. Egmont Property (MEMPR Assessment Report 14,736): "Gold and silver bearing mineralization on the property generally comprises quartz-sulphide veins, quartz-sulphide stockwork systems, massive sulphide veins and vein stockworks, and disseminated sulphides in porphyry like situations...Together, several of the vein stockworks and porphyry zones could form a potentially commercial deposit...All geological indicators suggest that the Chalice gold mineralization represents a widespread, high level epithermal (low temperature) volcanically related type of mineralization. The mineralogy, and the geologic environment are unique in this setting and compare to a variety of low temperature gold-silver deposits in the western United States." Reference Plan Map # 6

(iii) A summary of the exploration work performed on the Dancer Claims between April 15th - May 13th 2006 is as follows:

- A GPS Survey of the Dancer LCP location posts was completed to record the position of these Legacy Claim Posts.
- 1.6 km of Survey Grid was established over portions of Dancer 1,2 & 4 in preparation for the Magnetometer Survey.
- 1.6 km of Magnetometer Survey was completed for a total of 67 readings with stations established at 25 meter intervals on 3 lines 100 meters apart.
- An additional day was spent at the original discovery showings on the Coast of Agamemnon Channel approximately 2 km west, and the DF Vein located just west of the Dancer 1 Claim boundary, with the focus of viewing and sampling the host rock alteration envelope immediately associated with the known economic veins and stockwork systems.

(iv) Exploration during the 2005 - '06 season was of a basic reconnaissance nature. Purpose of the GPS Survey was to provide an accurate location of the Legacy Claim Dancer LCP's. and the focus of the Magnetometer survey was an attempt to map and delineate a suspected discreet volcanic (pendant?) unit associated with all of the major known economic showings. Exploration was conducted over portions of Dancer 1, 2 and 3 and focused on perhaps 20% of the claim group area All work on the claim group was conducted by Justin LaRue, owner / operator of the claims of Vancouver, BC. and by John and Tammy LaRue of McBride, BC.



PLAN MAP 1

PLAN MAP 1

Scale ——— Miles

Contour interval 500 feet

Approximate magnetic declination 24° 30' East

PLAN MAP 2 - REGIONAL GEOLOGY

LEGEND

Drift and valley-fill

JURASSIC (?) OR LATER

COAST INTRUSIONS

- Mainly coarse-grained hornblende granodiorite
- Medium-grained biotite granodiorite
- Main batholithic mass: mainly quartz diorite, granodiorite
- Quartz-feldspar porphyry

AGE UNKNOWN

JARVIS GROUP

- 4 — Basalt, andesite and associated pyroclastic rocks; minor limestone, dolomitic limestone, chert, argillite
- Mainly conglomerate, greywacke, sandstone, argillite; greenstone
- Metavolcanic rocks; metasedimentary rocks; metadiabase
- Gneiss

Geological boundary
- defined
- approximate
- assumed

Attitude of bedding
- inclined
- vertical

Fault with dip

x8 Prospect (number refers to text)

Main road

Secondary road

CONDENSED

GEOLOGICAL MAP OF LOWER JERVIS INLET

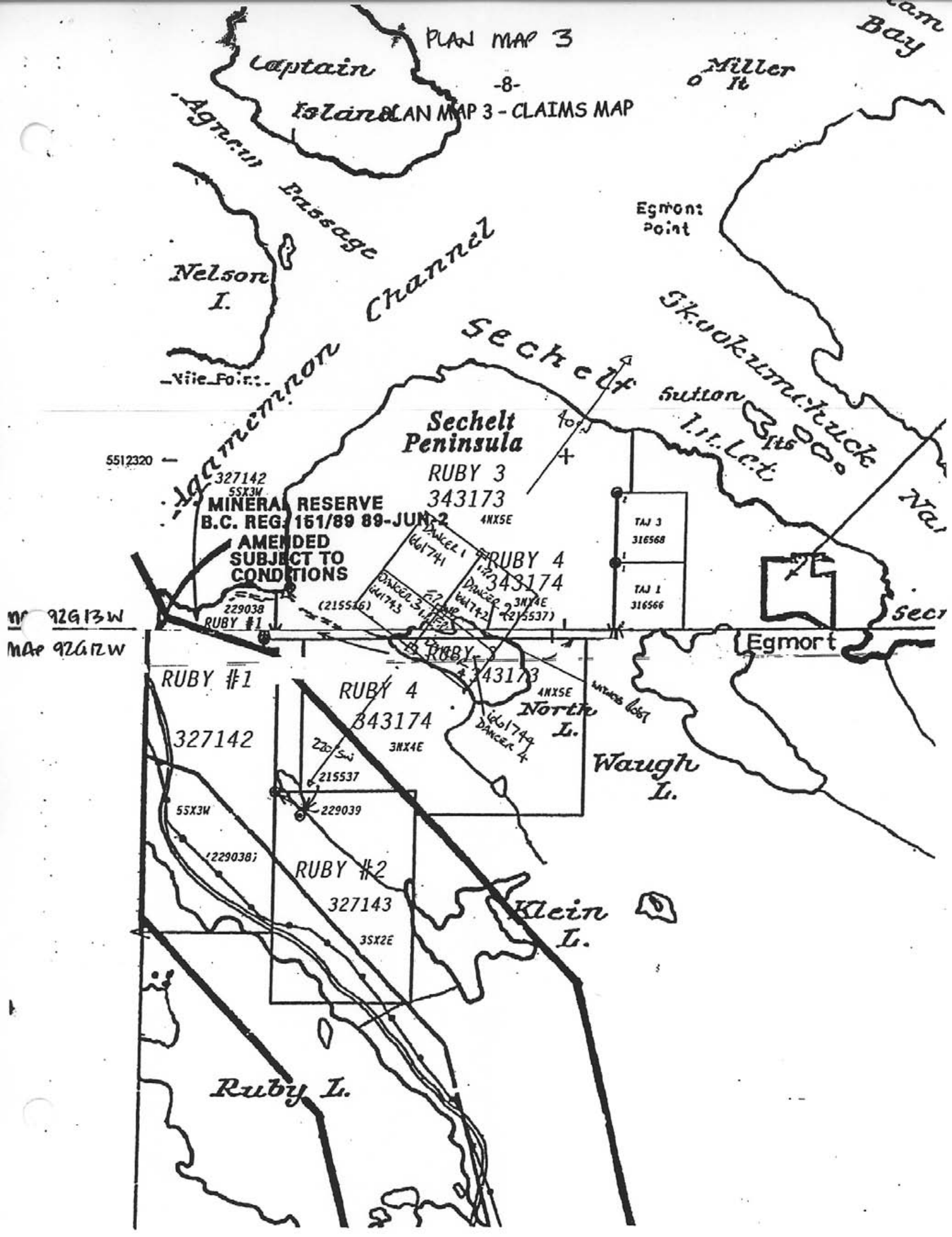
1957

Geology by W.R. Bacon

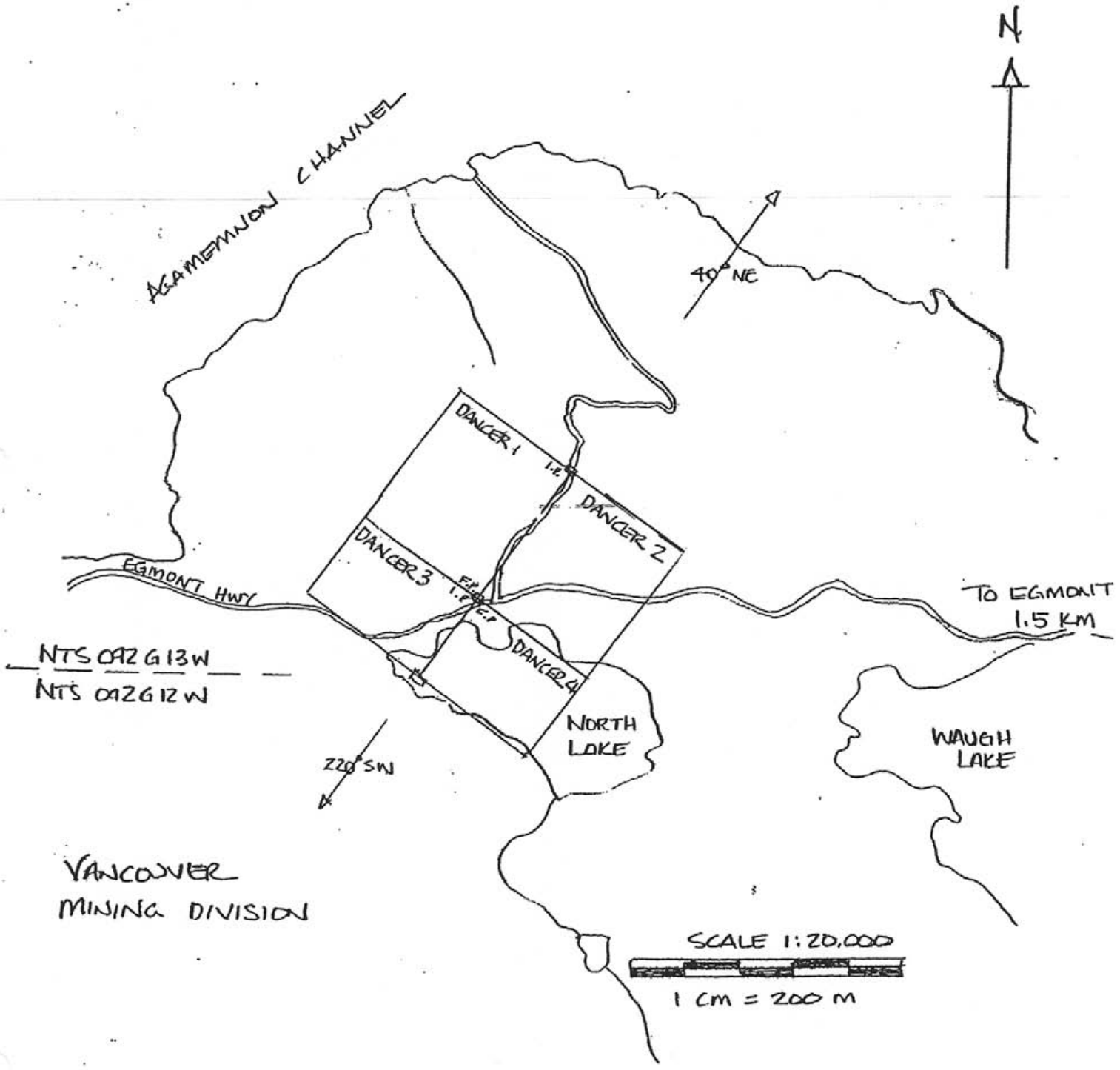
-7-

B. R.C.
9. VIRGO
10. RED JACKET
11. CHALICE

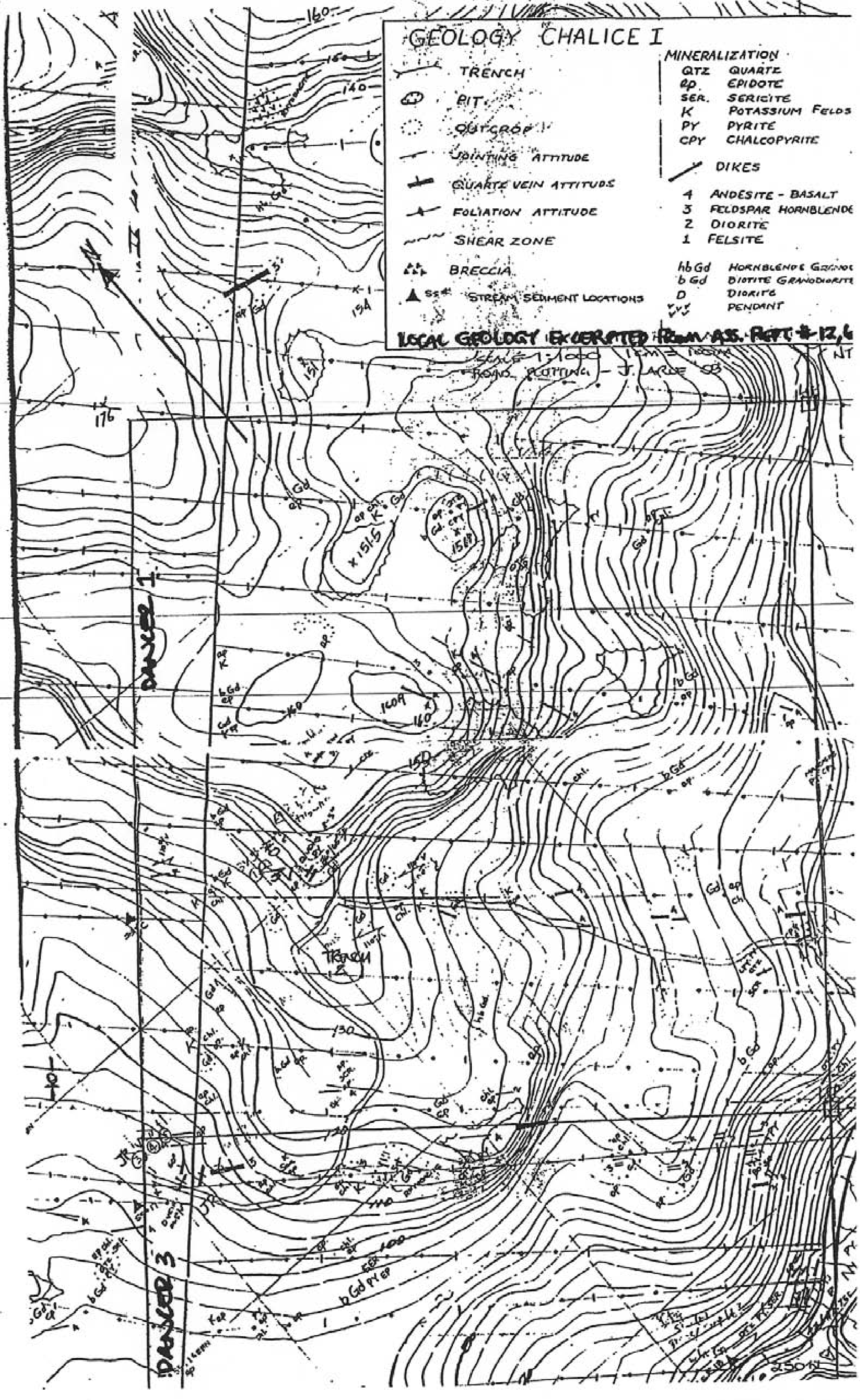
1. Mt. Diadem
2. Linda
3. Linda
4. Copper
5. Cambrian Chieftain
6. King Midas
7. 'No Mans Creek'


PLAN MAP 3
PLAN MAP 3 - CLAIMS MAP
Captain Island
Agamemnon Channel
Nelson I.
Egmont Point
Sechelt
Skwakumchuck Inlet
Sechelt Peninsula
RUBY 3
343173
4NX5E
MINERAL RESERVE
B.C. REG. 151/89 89-JUN-2
AMENDED
SUBJECT TO
CONDITIONS
RUBY 4
343174
3NX4E
RUBY #1
327142
5SX3W
229038
RUBY #2
327143
3SX2E
215537
229039
TAJ 3
316568
TAJ 1
316566
Egmont
North L.
Waugh L.
Klein L.
Ruby L.
5512320
92G13W
92G12W

PLAN MAP 4
LOCATION MAP



PLAN MAP 5


GEOLOGY CHALICE I
TRENCH
PIT
OUTCROP
JOINTING ATTITUDE
QUARTZ VEIN ATTITUDS
FOLIATION ATTITUDE
SHEAR ZONE
BRECCIA
STREAM SEDIMENT LOCATIONS
MINERALIZATION
QTZ QUARTZ
ep EPIDOTE
SER. SERICITE
K POTASSIUM FELDS
PY PYRITE
CPY CHALCOPYRITE
DIKES
4 ANDESITE - BASALT
3 FELDSPAR HORNBLENDE
2 DIORITE
1 FELSITE
hb Gd HORNBLENDE GRANOD
b Gd BIOTITE GRANODIORITE
D DIORITE
PENDANT
LOCAL GEOLOGY EXCERPTED FROM ASS. RPT #12,6
DANCER 1
DANCER 3
TRENCH 2
160
140
130
176
1515
1609

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MINFILE / pc
MASTER REPORT
GEOLOGICAL SURVEY BRANCH - MINERAL RESOURCES DIVISION
MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES

PAGE: 1
REPORT: RGEN0100

MINFILE NUMBER: 092GNW008 NATIONAL MINERAL INVENTORY: 092G13 Au1

NAME(S): CHALICE, SKOOKUM, RC,
BEACH PIT, S. EGMONT, EARL COVE

STATUS: Prospect MINING DIVISION: Vancouver
NTS MAP: 092G13W UTM ZONE: 10
LATITUDE: 49 45 34 NORTHING: 5512130
LONGITUDE: 123 59 01 EASTING: 429158
ELEVATION: 0004 Metres
LOCATION ACCURACY: Within 500M
COMMENTS: Drill hole 1 in Beach Pit zone (Assessment Report 14736, Figure AI-1).

COMMODITIES: Gold Silver Copper

MINERALS
SIGNIFICANT: Marcasite Pyrite
ASSOCIATED: Quartz
MINERALIZATION AGE: Unknown
ISOTOPIC AGE: DATING METHOD: Unknown MATERIAL DATED:

DEPOSIT
CHARACTER: Vein Stockwork
CLASSIFICATION: Hydrothermal Epigenetic
DIMENSION: 0230 Metres STRIKE/DIP: 045/40W TREND/PLUNGE:
COMMENTS: Attitude of veins in beach exposures.

HOST ROCK
DOMINANT HOST ROCK: Plutonic

STRATIGRAPHIC AGE	GROUP	FORMATION	IGNEOUS/METAMORPHIC/OTHER
Upper Jurassic			Coast Plutonic Complex

LITHOLOGY: Granodiorite

GEOLOGICAL SETTING
TECTONIC BELT: Coast Crystalline PHYSIOGRAPHIC AREA: Fiord Ranges (Southern)
TERRANE: Plutonic Rocks

RESERVES

ORE ZONE: BEACH PIT

CATEGORY: Assay YEAR: 1966
SAMPLE TYPE: Bulk Sample

COMMODITY	GRADE	
Silver	14.0000	Grams per tonne
Gold	11.0000	Grams per tonne
Copper	0.0800	Per cent

COMMENTS: 95 tonne bulk sample.
REFERENCE: Assessment Report 11129, page 16

CAPSULE GEOLOGY

A zone of high grade gold mineralization is exposed along the southeast side of Agamemnon Channel, 1.1 kilometres southwest of the northern tip of Sechelt Peninsula.

The Chalice prospect is comprised of a zone of vein and stockwork mineralization traced discontinuously northeastward along the shore of Sechelt Peninsula for 230 metres. The zone is hosted in granodiorite of Upper Jurassic age, within the Jurassic to Tertiary Coast Plutonic Complex.

Several pits excavated in beach exposures reveal numerous discontinuous veins of quartz, marcasite and pyrite up to 0.5 metres wide in granodiorite and basaltic dykes. The veins strike 045 degrees and dip 40 to 90 degrees west. A sample from one of the pits assayed 213 grams per tonne gold and 219 grams per tonne silver (Bulletin 39, page 39). A bulk sample of 96 tonnes shipped by Adacon Mineral Explorations Ltd. in 1966 averaged 11 grams per tonne

CAPSULE GEOLOGY

gold, 14 grams per tonne silver and 0.08 per cent copper (Assessment Report 11129, page 16).

One hundred and fifty metres to the northeast, a 7 by 2 metre cliff exposure reveals a series of marcasite veinlets 4 to 6 centimetres wide cut by several basaltic dykes in granodiorite. The veins strike 055 degrees and dip 75 degrees west. A 20 metre wide stockwork of quartz and marcasite veinlets outcrops between these two exposures. The stockwork zone trends 110 degrees and dips 60 degrees east to 75 degrees west.

BIBLIOGRAPHY

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EMPR 2722, #11129, #12641, #14736, 17941
EMPR PF (Hoalinson, F.C. (1969): Report on R.C. Group of Mineral Claims; Howell, W.A. (1988): Report on Egmont Property, in Prospectus - Blue Chip Resources Inc.)
EMPR BULL 39, p. 39
GSC P 90-1F, pp. 95-101
GSC MAP 42-1963, 1069A; 1386A
GSC OF 611
GCNL #197, 1984; #16,#18,#23,#227, 1985
IPDM May-June 1985
Ditson, G.M. (1978): Metallogeny of the Vancouver-Hope Area, British Columbia, M.Sc. Thesis, University of British Columbia

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MASTER REPORT
GEOLOGICAL SURVEY BRANCH - MINERAL RESOURCES DIVISION
MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES

MINFILE NUMBER: 092GNW061

NATIONAL MINERAL INVENTORY:

NAME(S): STEIN

STATUS: Showing
NTS MAP: 092G13W
LATITUDE: 49 45 03
LONGITUDE: 123 59 46
ELEVATION: 0005 Metres
LOCATION ACCURACY: Within 500M
COMMENTS: Centred on portal of adit (Assessment Report 12641).

MINING DIVISION: Vancouver
UTM ZONE: 10
NORTHING: 5511170
EASTING: 428250

COMMODITIES: Gold, Silver

MINERALS
SIGNIFICANT: Pyrite, Marcasite
ASSOCIATED: Quartz
MINERALIZATION AGE: Unknown
ISOTOPIC AGE: DATING METHOD: Unknown MATERIAL DATED:

DEPOSIT
CHARACTER: Vein
CLASSIFICATION: Hydrothermal, Epigenetic
DIMENSION: Metres STRIKE/DIP: 120/ TREND/PLUNGE:
COMMENTS: Zone trends 120 to 130 degrees.

HOST ROCK
DOMINANT HOST ROCK: Volcanic

STRATIGRAPHIC AGE	GROUP	FORMATION	IGNEOUS/METAMORPHIC/OTHER
Upper Triassic	Vancouver	Karmutsen	
Upper Jurassic			Coast Plutonic Complex

LITHOLOGY: Rhyodacite Cherty Breccia
Quartz Breccia

GEOLOGICAL SETTING
TECTONIC BELT: Coast Crystalline PHYSIOGRAPHIC AREA: Fiord Ranges (Southern)
TERRANE: Wrangellia Plutonic Rocks
COMMENTS: Hosted in roof pendant in the Coast Plutonic Complex.

RESERVES

ORE ZONE: STEIN

CATEGORY: Assay YEAR: 1983
SAMPLE TYPE: Grab

COMMODITY	GRADE
Silver	17.3000 Grams per tonne
Gold	40.1100 Grams per tonne

COMMENTS: Sample across 0.75 metres.
REFERENCE: Assessment Report 11333

CAPSULE GEOLOGY

At the Stein showing, an adit at Agamemnon Bay on the north end of Sechelt Peninsula exposes a quartz healed rhyodacitic chert breccia within a roof pendant of volcanics and sediments of the Upper Triassic Karmutsen Formation (Vancouver Group) in the Jurassic to Tertiary Coast Plutonic Complex. The breccia zone trends 120 to 130 degrees, similar to the trend of the roof pendant.

The quartz is mineralized with pyrite and marcasite. A grab sample of pyritic material taken two metres from the portal of the adit assayed 40.11 grams per tonne gold and 17.8 grams per tonne silver (Assessment Report 12641, page 25, Sample Ton).

The showing was explored by a 21 metre long adit in 1913.

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EMPR AR 1913-288

BIBLIOGRAPHY

EMPR ASS RPT 11333, 12641, 17941
EMPR BULL 39
GSC P 90-1F, pp. 95-101
GSC MAP 42-1963; 1069A; 1386A
SSC OF 611
Ditson, G.M. (1978): Metallogeny of the Vancouver-Hope Area, British Columbia, M.Sc. Thesis, University of British Columbia

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MASTER REPORT
GEOLOGICAL SURVEY BRANCH - MINERAL RESOURCES DIVISION
MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES

PAGE: 3
REPORT: RGEN0100

MINFILE NUMBER: 092GNW050

NATIONAL MINERAL INVENTORY:

NAME(S): NL, NORTH LAKE, TY, CHALICE

STATUS: Showing
NTS MAP: 092G13W 092G12W
LATITUDE: 49 45 03
LONGITUDE: 123 58 22
ELEVATION: 0045 Metres
LOCATION ACCURACY: Within 500M
COMMENTS: Drill hole 9 in NL zone (Assessment Report 14736, Fig. A1-1).

MINING DIVISION: Vancouver
UTM ZONE: 10
NORTHING: 5511149
EASTING: 429920

COMMODITIES: Gold, Silver, Copper

MINERALS
SIGNIFICANT: Marcasite, Pyrite, Chalcopyrite
ASSOCIATED: Quartz
ALTERATION: Silica
ALTERATION TYPE: Silicific'n
MINERALIZATION AGE: Unknown
ISOTOPIC AGE: DATING METHOD: Unknown MATERIAL DATED:

DEPOSIT
CHARACTER: Vein, Stockwork
CLASSIFICATION: Epithermal, Hydrothermal, Epigenetic
DIMENSION: 0030 x 0001 Metres
STRIKE/DIP: 050/65N TREND/PLUNGE:
COMMENTS: Main vein in NL zone.

HOST ROCK
DOMINANT HOST ROCK: Plutonic

STRATIGRAPHIC AGE	GROUP	FORMATION	IGNEOUS/METAMORPHIC/OTHER
Upper Jurassic			Coast Plutonic Complex

LITHOLOGY: Granodiorite

GEOLOGICAL SETTING
TECTONIC BELT: Coast Crystalline
TERRANE: Plutonic Rocks
PHYSIOGRAPHIC AREA: Fiord Ranges (Southern)

RESERVES

ORE ZONE: NL

CATEGORY: Assay YEAR: 1982
SAMPLE TYPE: Chip

COMMODITY	GRADE	
Silver	54.5000	Grams per tonne
Gold	50.3900	Grams per tonne

COMMENTS: Sample along 1.8 metre length; sample R-NL-I-5.
REFERENCE: Assessment Report 11123

CAPSULE GEOLOGY

The NL showing outcrops along Highway 101, 300 metres northeast of the west end of North Lake on Sechelt Peninsula.

A road cut along the highway reveals a vein (NL zone) hosted in granodiorite of Upper Jurassic age, within the Jurassic to Tertiary Coast Plutonic Complex. The vein strikes 045 to 050 degrees for an exposed length of 30 metres and dips 65 degrees north. The vein varies up to 0.27 metres in width. Diamond drilling indicates the vein continues downdip for at least 55 metres. Six subsidiary tension veins ranging from 3 to 15 centimetres in width are developed in the granodiorite along the northwest side of the main vein over a distance of 20 metres. The tension veins strike 080 to 100 degrees for up to 8 metres and dip 65 degrees north.

The veins are comprised of marcasite in a gangue of quartz. A chip sample of the main vein taken across a width of 0.46 metres

CAPSULE GEOLOGY

assayed 23.6 grams per tonne gold and 40.1 grams per tonne silver, while a sample of a tension vein taken over a length of 1.8 metres assayed 50.39 grams per tonne gold and 54.5 grams per tonne silver (Assessment Report 11129, p. 24, Samples R-ML-1, R-ML-X-5). An angled diamond drill-hole (DDH-10) cored a 0.91 metre section grading 37.0 grams per tonne gold and 27.5 grams per tonne silver (Assessment Report 14736, p. 20).

A silicified shear zone (TY zone) striking 110 degrees and dipping steeply north, outcrops 240 metres northeast of the ML zone. Quartz veins ranging from 20 to 50 centimetres in width are developed in the hanging wall of the shear. The veins are mineralized with pyrite and minor chalcopyrite. Grab samples have yielded assays of up to 6.99 grams per tonne gold and 175.5 grams per tonne silver (Assessment Report 14736, p. 21).

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GSC P 90-1F, pp. 95-101
GSC MAP 42-1963; 1069A; 1386A
GSC OF 611
GCNL #197, 1984; #16,#18,#23,#227, 1985
IPDM Feb.-March 1985; May-June 1985
Ditson, G.M. (1978): Metallogeny of the Vancouver-Hope Area, British Columbia, M.Sc. Thesis, University of British Columbia

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GEOLOGICAL SURVEY BRANCH - MINERAL RESOURCES DIVISION
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MINFILE NUMBER: 092GNW063

NATIONAL MINERAL INVENTORY:

NAME(S): JR, 3V, DF, CHALICE

STATUS: Showing
NTS MAP: 092G13W
LATITUDE: 49 45 14
LONGITUDE: 123 58 37
ELEVATION: 0105 Metres
LOCATION ACCURACY: Within 500M
COMMENTS: Centred on collar of hole 9 in JR zone (Assessment Report 14736, Figure A1-1).

MINING DIVISION: Vancouver
UTM ZONE: 10
NORTHING: 5511506
EASTING: 429619

COMMODITIES: Gold, Silver, Lead, Copper, Zinc

MINERALS
SIGNIFICANT: Marcasite, Electrum, Pyrite, Galena, Chalcopyrite, Tetrahedrite
ASSOCIATED: Quartz, Epidote
MINERALIZATION AGE: Unknown
ISOTOPIC AGE: DATING METHOD: Unknown MATERIAL DATED:

DEPOSIT
CHARACTER: Vein, Stockwork, Massive
CLASSIFICATION: Hydrothermal, Epigenetic
DIMENSION: 0020 x 0001 Metres STRIKE/DIP: 065/90 TREND/PLUNGE:
COMMENTS: JR zone.

HOST ROCK
DOMINANT HOST ROCK: Plutonic

STRATIGRAPHIC AGE	GROUP	FORMATION	IGNEOUS/METAMORPHIC/OTHER
Upper Jurassic			Coast Plutonic Complex

LITHOLOGY: Granodiorite, Andesitic Dyke

GEOLOGICAL SETTING
TECTONIC BELT: Coast Crystalline PHYSIOGRAPHIC AREA: Fiord Ranges (Southern)
TERRANE: Plutonic Rocks

RESERVES

ORE ZONE: JR

CATEGORY: Assay YEAR: 1985
SAMPLE TYPE: Drill Core

COMMODITY	GRADE	
Silver	21.7000	Grams per tonne
Gold	31.3000	Grams per tonne

COMMENTS: Sample over core length of 2.7 metres.
REFERENCE: Assessment Report 14736

CAPSULE GEOLOGY

A zone of precious metal bearing mineralization (JR zone) is exposed 770 metres east of Agamemnon Bay, 500 metres north of the west end of North Lake on Sechelt Peninsula.

The zone consists of a series of subparallel quartz-marcasite-epidote stringers in altered and sheared granodiorite of Upper Jurassic age within the Jurassic to Tertiary Coast Plutonic Complex. The zone strikes 065 degrees over an exposed length of 20 metres and dips nearly vertical. Exposed widths vary up to 1.5 metres. The zone is cut by several narrow andesitic dykes.

Surface samples have yielded assays of up to 6.86 grams per tonne gold and 6.72 grams per tonne silver (Assessment Report 14736, p. 22). Diamond drilling encountered a section of massive marcasite with electrum in quartz averaging 31.3 grams per tonne gold and 21.4

CAPSULE GEOLOGY

grams per tonne silver over a core length of 2.7 metres (Assessment Report 14736, page 22, Hole 9).

A quartz vein stockwork (3V zone) outcropping over a 30 by 5 metre area, lies 260 metres northeast of the JR zone. The stockwork consists of a number of subparallel anastomosing quartz-marcasite veins trending 080 to 090 degrees. Individual veins vary from 0.06 to 0.3 metres in width. Samples from the showing have assayed up to 183.2 grams per tonne gold and 347.6 grams per tonne silver (Assessment Report 14736, page 21).

A second quartz vein stockwork (DF zone) is exposed for a length of 25 metres, 300 metres northwest of the JR zone. The showing consists of quartz veins with sporadic to abundant pyrite and marcasite, occasional galena and chalcopyrite, and minor tetrahedrite developed in a faulted andesitic dyke and altered granodiorite. A chip sample taken across 2 metres assayed 46.96 grams per tonne gold and 83.0 grams per tonne silver (Assessment Report 14736, page 21).

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GSC MAP 42-1963; 1069A; 1386A
GSC OF 611
GCNL #197, 1984; #16,#18,#23,#227, 1985
IPDM May-June 1985
Ditson, G.M. (1978): Metallogeny of the Vancouver-Hope Area, British Columbia, M.Sc. Thesis, University of British Columbia

RUN DATE: 02/13/93
RUN TIME: 14:21:21

MINFILE / pc
MASTER REPORT
GEOLOGICAL SURVEY BRANCH - MINERAL RESOURCES DIVISION
MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES

PAGE: 1
REPORT: RGEN0100

MINFILE NUMBER: 092GNW012

NATIONAL MINERAL INVENTORY:

NAME(S): WALLY, WALLY 3, BACON

STATUS: Showing
NTS MAP: 092G13W
LATITUDE: 49 45 11
LONGITUDE: 123 56 57
ELEVATION: 0116 Metres
LOCATION ACCURACY: Within 500M
COMMENTS: Trench (Assessment Report 14264).

MINING DIVISION: Vancouver
UTM ZONE: 10
NORTHING: 5511400
EASTING: 431630

COMMODITIES: Copper, Silver, Gold, Molybdenum

MINERALS
SIGNIFICANT: Chalcopyrite, Pyrite, Molybdenite
ASSOCIATED: Quartz
ALTERATION: Sericite, Epidote, Chlorite
ALTERATION TYPE: Sericitic, Epidote, Chloritic
MINERALIZATION AGE: Unknown
ISOTOPIC AGE: DATING METHOD: Unknown MATERIAL DATED:

DEPOSIT
CHARACTER: Vein, Disseminated, Massive
CLASSIFICATION: Hydrothermal, Epigenetic
DIMENSION: 0012 x 0002 Metres STRIKE/DIP: 150/56W TREND/PLUNGE:
COMMENTS: Quartz vein.

HOST ROCK
~~DOMINANT HOST ROCK: Plutonic~~

STRATIGRAPHIC AGE	GROUP	FORMATION	IGNEOUS/METAMORPHIC/OTHER
Upper Jurassic			Coast Plutonic Complex

LITHOLOGY: Hornblende Biotite Granodiorite
Hornblende Biotite Quartz Diorite

GEOLOGICAL SETTING
TECTONIC BELT: Coast Crystalline PHYSIOGRAPHIC AREA: Fiord Ranges (Southern)
TERRANE: Plutonic Rocks

RESERVES

ORE ZONE: VEIN

CATEGORY: Assay YEAR: 1985
SAMPLE TYPE: Grab

COMMODITY	GRADE	
Silver	65.5000	Grams per tonne
Gold	6.6500	Grams per tonne
Copper	2.9600	Per cent

COMMENTS: Sample 1.
REFERENCE: Assessment Report 14264.

CAPSULE GEOLOGY

The Wally showing occurs on the north end of Sechelt Peninsula, 500 metres northwest of the north end of Waugh Lake.

A sulphidic quartz vein (Wally 3 Vein) is developed in hornblende biotite granodiorite of Upper Jurassic age, within the western margin of the Jurassic to Tertiary Coast Plutonic Complex. The vein strikes 150 degrees for at least 12.5 metres and dips 56 degrees southwest. Widths vary from 0.65 to 1.8 metres. The vein is truncated to the northwest and possibly also to the southeast by strike slip faults.

The vein is comprised of chalcopyrite, pyrite and molybdenite as disseminations, pods and bands up to 0.4 metres thick in a gangue of vuggy, milky white quartz. Total sulphide content varies from 8 to 20 per cent. These sulphides also extend into the wallrock, which

CAPSULE GEOLOGY

exhibits sericite-epidote-chlorite alteration up to 0.3 metres from the vein. A grab sample of the vein assayed 6.65 grams per tonne gold, 65.5 grams per tonne silver and 2.96 per cent copper (Assessment Report 14264, Appendix, Sample 1).

A second quartz vein (Wally 3a Vein), striking 130 degrees for 3 metres and dipping 30 to 50 degrees southwest, outcrops 150 metres south of the previous vein, within hornblende biotite quartz diorite. The vein pinches and swells to a width of 0.3 metres. Pyrite, molybdenite and chalcopyrite occur along fractures and as disseminations in the vein.

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GCNL #197, 1984; #16,#18,#23,#227, 1985
Ditson, G.M. (1978): Metallogeny of the Vancouver-Hope Area, British Columbia, M.Sc. Thesis, University of British Columbia

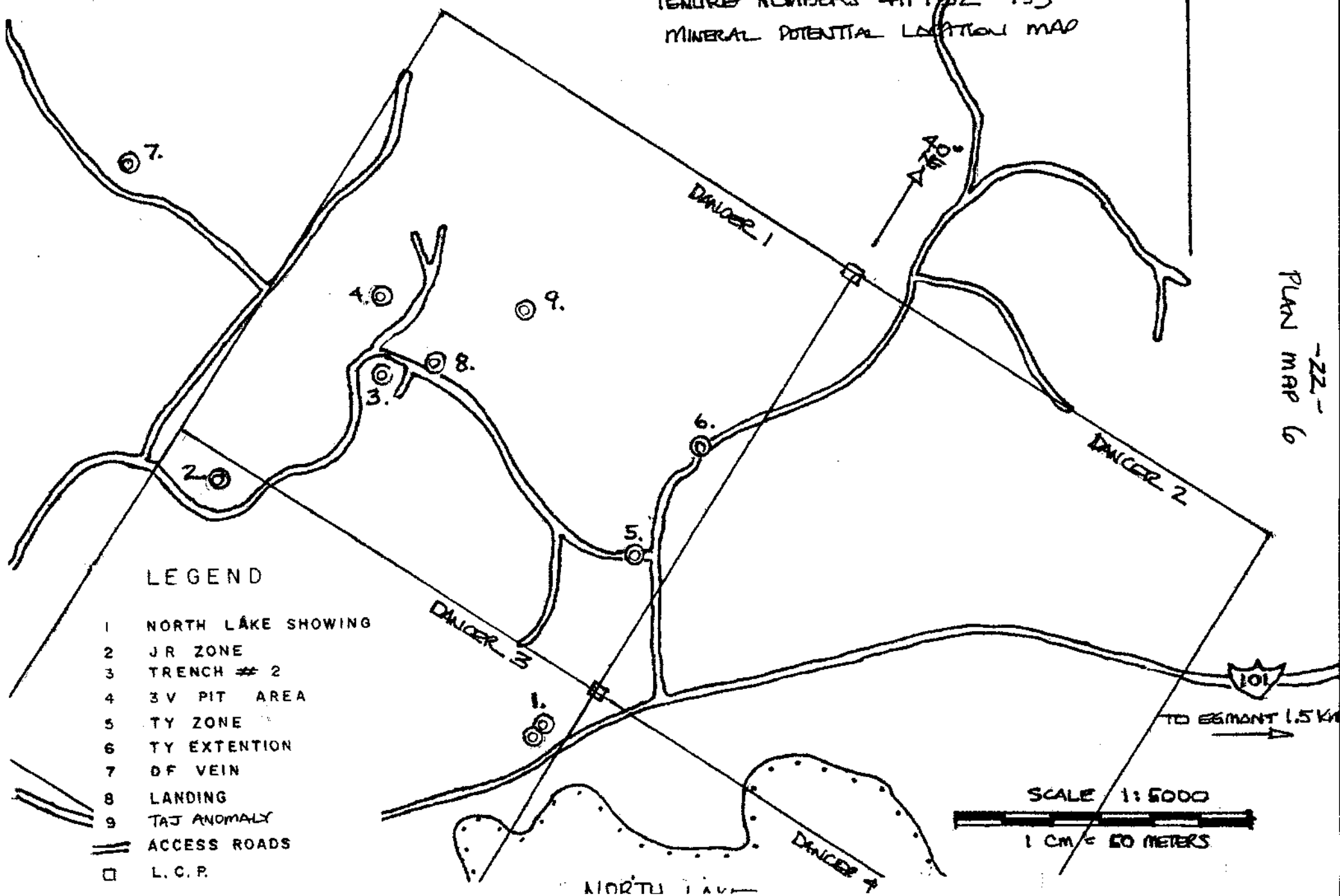
DATE CODED: 860513 CODED BY: AFW FIELD CHECK: N
DATE REVISED: 900606 REVISED BY: DEJ FIELD CHECK: N

IV. Technical and Geophysical Work

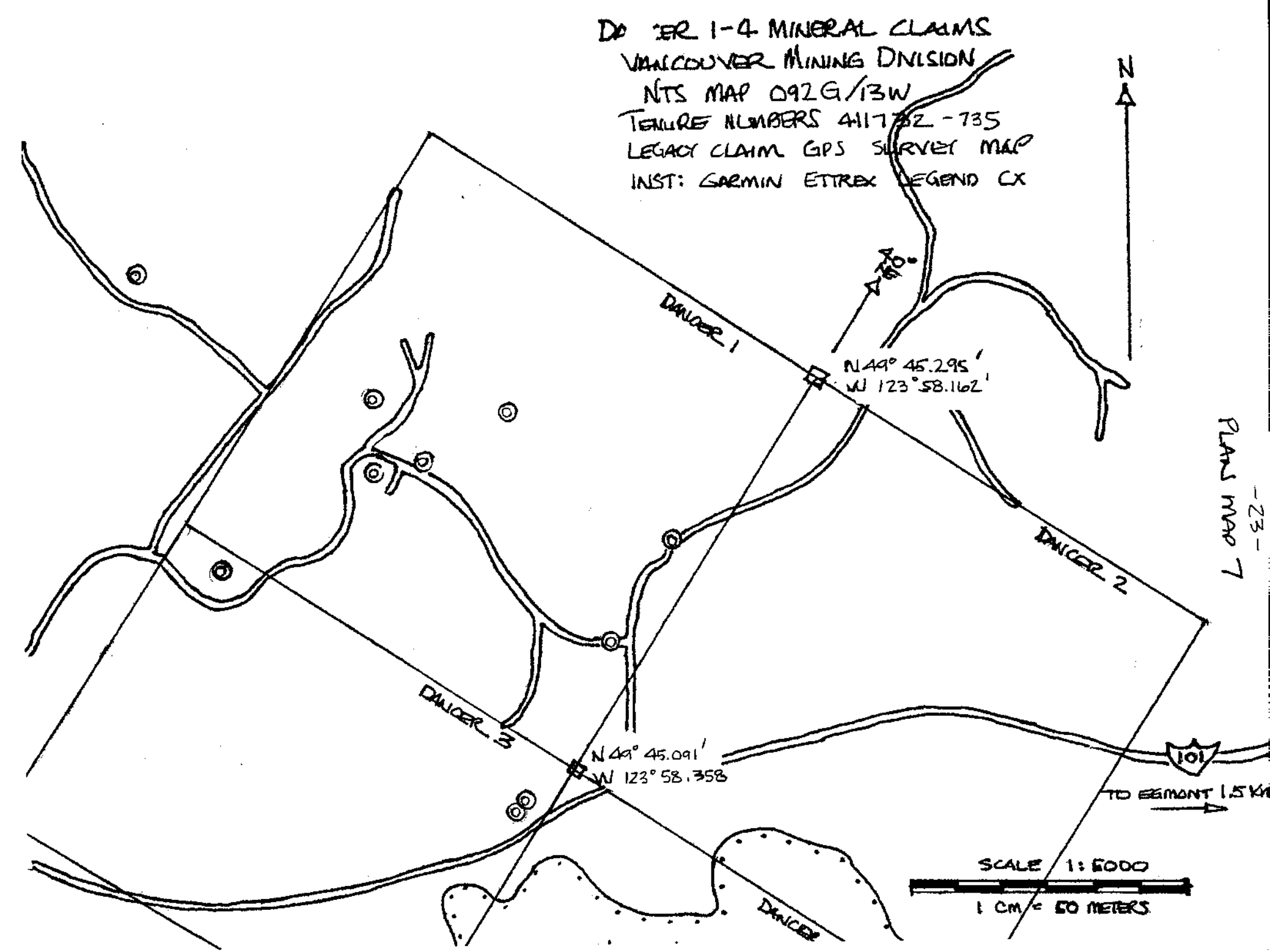
- GPS Survey
  Location of the Dancer 1 and 2 Initial Location Post and the common Dancer 1 and 2 Final Location Post / Dancer 3 and 4 Initial Location Post and Witness for the Final Location Post were located to provide an accurate location of these Legacy Claim Posts. The GPS used in the survey was a Garmin Ettrex Legend CX 2006 Model. Reference Plan Map #7
- Survey Grid
  1.6 km of Survey Grid was established using hip chain and compass, for a total of 64 stations. Stations were established at 25 meter intervals and identified with marked fluorescent flagging ribbon. The grid was established in a North - South orientation, with lines 100 meters apart, in order to cross the suspected underlying WNW trending volcanic pendant structure. Reference Plan Map #8
- Magnetometer Survey
  Focus of the Magnetometer Survey was to determine if this geophysical tool would be useful in delineating a suspected broad volcanic rock unit (pendant?) running WNW approximately 2 kms. in length between, and host to all of the major showings discovered to date including the North Lake and extension showings on the east through the Landing Zone, 3V, Trench II and JR showings in the middle and the various original Beach showings on Agamemnon Channel to the West. This same WNW trend is an evident physical lineation apparent in Aerial Photos and physiographic contouring / faulting and is typified in the strike direction of the Beach Showings C-3 Stockwork Zone, Ty Showing, and the large exposure of Rhyodacites lying just to the east of the Dancer Claims which was first identified by E.Groves in his original 1983 Report on the Chalice Property, and exhibits a parallel trend.

  A Geotronics G-110 Magnetometer was used in the survey. Readings were not corrected for diurnal variation because of negligible base shift, and are expressed in gammas /100 (i.e. reading value of 573 = 573 x 100 gammas = 57,300 gammas). Readings represent the total intensity of the magnetic field. Reference Plan Map #9

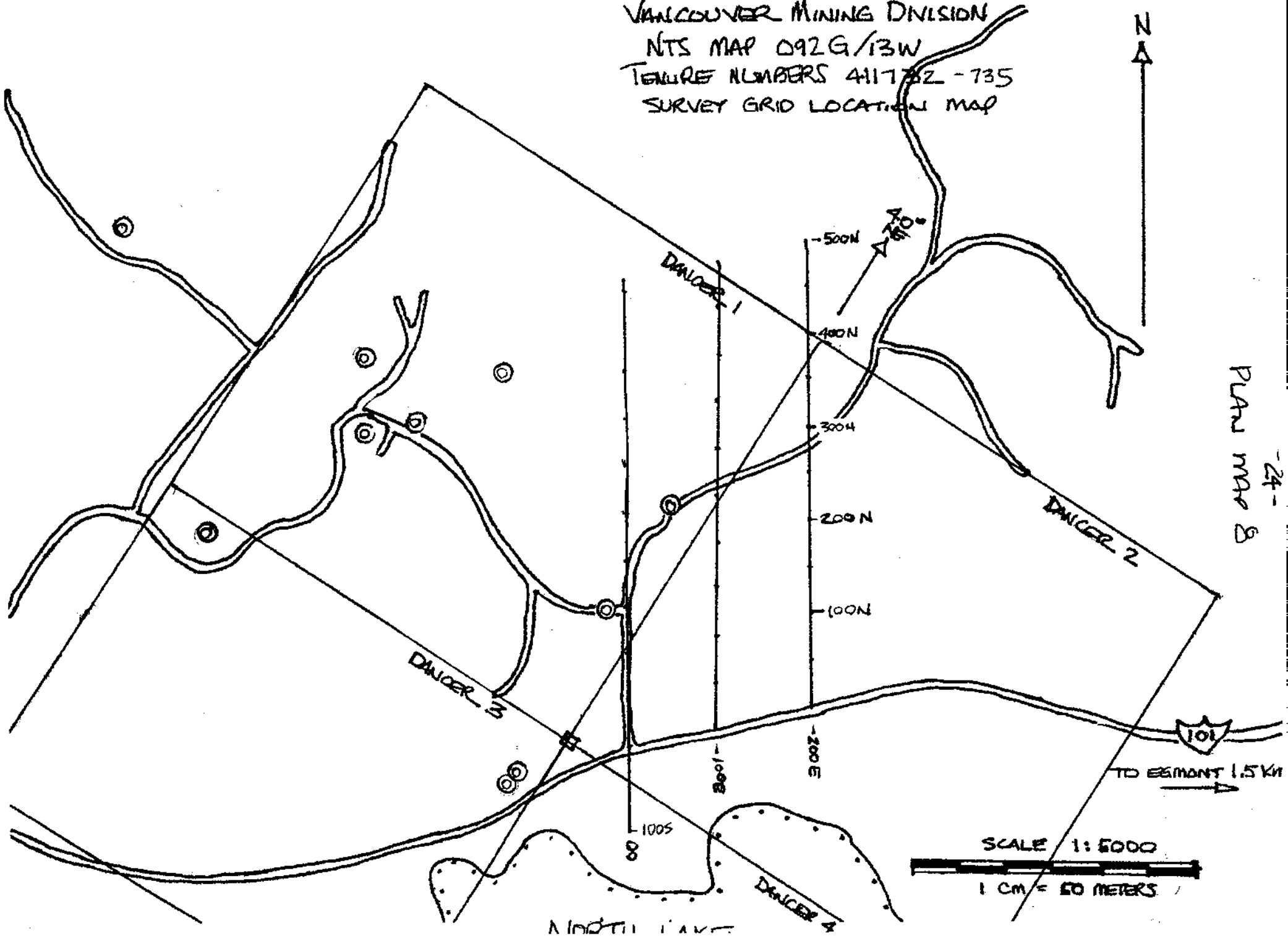
DANGER 1-4 MINERAL CLAIMS
VANCOUVER MINING DIVISION
NTS MAP 092G/13W
TENURE NUMBERS 411782 - 735
MINERAL POTENTIAL LOCATION MAP



-22-
PLAN MAP 6

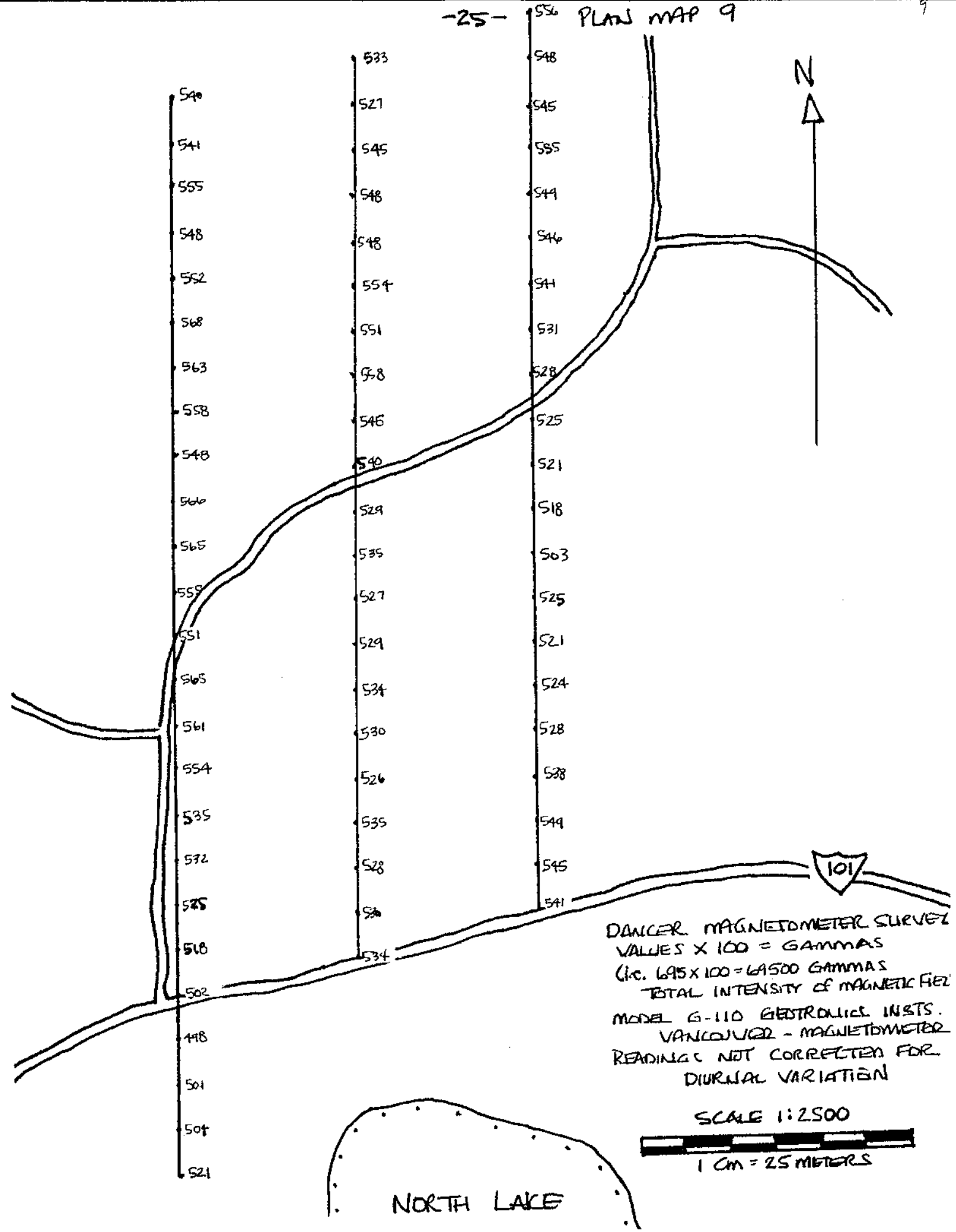

DANGER 1-4 MINERAL CLAIMS
VANCOUVER MINING DIVISION
NTS MAP 092G/13W
TENURE NUMBERS 411732 - 735
LEGACY CLAIM GPS SURVEY MAP
INST: GARMIN ETTREX LEGEND CX
N
DANGER 1
N 49° 45.295'
W 123° 58.162'
DANGER 2
DANGER 3
N 49° 45.091'
W 123° 58.358
DANGER 4
101
TO EGMONT 1.5 KM
SCALE 1:5000
1 CM = 50 METERS
PLAN MAP 7
-23-

DANGER 1-4 MINERAL CLAIMS
VANCOUVER MINING DIVISION
NTS MAP 092G/13W
TENURE NUMBERS 411782Z - 735
SURVEY GRID LOCATION MAP



PLAN MAP 6

PLAN MAP 9



DANGER MAGNETOMETER SURVEY
VALUES X 100 = GAMMAS
Eg. 695 X 100 = 69500 GAMMAS
TOTAL INTENSITY of MAGNETIC FIELD
MODEL G-110 GEOTRONICS INSTS.
VANCOUVER - MAGNETOMETER
READINGS NOT CORRECTED FOR
DIURNAL VARIATION

SCALE 1:2500

1 CM = 25 METERS

V. Detailed Technical Data and Interpretation

Due to the reconnaissance nature of the work completed during this exploration season, a definitive explanation of the results is not possible at this time.

Itemized Cost Statement

GPS Survey, Survey Grid Preparation, Magnetometer Survey 3 persons x $150 per day x 2 day	$900
Mob-de-mob from McBride, BC and Vancouver to/from Egmont	$740
Report Costs, mapping, typing, photocopy	$325
1 Day Regional Prospecting Beach Showings for comparative Geology. 3 persons x 1 day	
Total Costs Incurred '05 - '06 Season	$1965

MALASPINA COLLEGE

Statement of Course Completion

JOHN P. LARUE

has

Successfully Completed 180 Hours of Instruction

in

MINERAL EXPLORATION FOR PROSPECTORS

PRESENTED BY B.C. MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES
B.C. MINISTRY OF EDUCATION

APRIL 16 to 30, 1983 - MESACHIE LAKE, B.C.

MAY 2, 1983

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Director / Dean

Registrar

Instructor

Malaspina College