ASSESSMENT REPORT

On

Survey Grid Preparation

And

Geophysical Work

Performed On

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
May 26th, 2007

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 claim area is primarily vacant Crown Land with the exception of sevaral waterfront cottages located on the northern shore of North Lake, which drains into Agamemnon Channel 500 meters to the west. 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. The claim area is surrounded on the east, north and west boundaries by vacant Crown Land.

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 and the claim area is surrounded on three sides by deep saltwater approaches. Triple phase power follows alongside Highway 101 between Earl's Cove and Egmont, 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 '08.

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, numerous inclusions or pendants of volcanic and sedimentary units occur as 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.

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

The local history of the general area in proximity 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. claims to the Tacoma Smelter. The ore was all taken from the still visible beach pits, some reportedly mined 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, which lies within the Dancer Claim boundaries.
- 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, geologic mapping and IP surveying, and recommended a drilling and trenching program which never materialized due to slumped market conditions and Blue Chip's financial condition.
- 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 (J.Jenks, P.Eng 1995) was prepared on the basis of the currently known 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 large footage significant massive pyrite / marcasite drill intersections were encountered in drilling, the gold values were not economic. High values in gold are always associated with this same type of marcasite mineralization anywhere within the area 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 - 05 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 economic 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

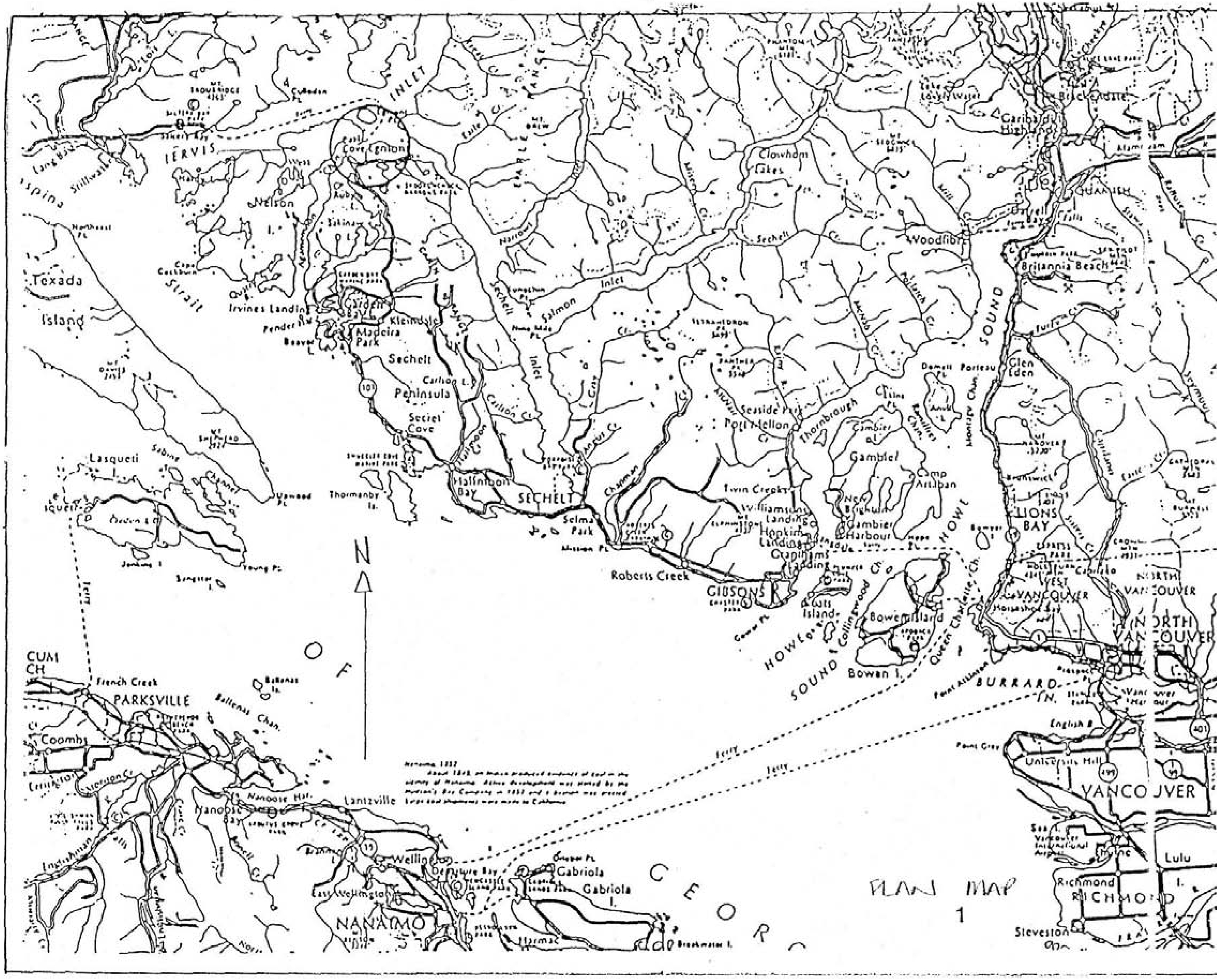
physical boundaries of a large un-explored 150 meter by 200 meter magnetic high (originally identified in Assessment Report 14736) is physically / geographically correlative and nearly identical in shape to IP Frequency Effect and Resistivity Highs, and is also associated with an intersecting VLF-EM anomaly and co-incidental with anomalous Self-Potential readings taken during surveys conducted over the property in 1994 by the author and his wife.

- During the 2005 – 06 exploration season, the Legacy Claim LCP's were plotted with a GPS for exact location and 1.6 km of Magnetometer Survey was completed

(iii) A summary of the exploration work performed on the Dancer Claims between May 18th - May 24th 2007 is as follows:

- 1.5 km of Survey Grid was established over portions of Dancer 1,2 & 4 in preparation for the Self-Potential Survey. This grid was established in the same location as last years Magnetometer Survey, but the entire grid had to be re-flagged at 25 meter intervals as few ribbons remained from the previous survey. Blazes were not used as the area is in a juvenile tree plantation. A total of 75 survey stations were located in the grid.
- 875 meters of Self-Potential Survey was completed for a total of 43 readings with stations established at 25 meter intervals on 2 lines 100 meters apart. The survey was terminated prematurely due to equipment malfunction at 375 North on Line 100E as readings had become erratic with difficult final resolution and a re-checking of results from preceding stations proved the readings not able to be duplicated. Due to the nature of the survey and because each reading taken at each station is relative and directly 'in reference' to the self-potential of the Base Station, the survey results are displayed for assessment purposes only and cannot be considered accurate.

(iv) Exploration during the 2006 – '07 season was of a basic reconnaissance nature. Focus of the Self-Potential 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.



INLET
JERVIS
Stillwater
Nelson I.
Texada Island
Strait
Irvines Landing
Pender Hbr
Garden Bay
Kleindale
Madeira Park
Sechelt Peninsula
Secret Cove
Salmon Inlet
Sechelt Inlet
Halfmoon Bay
SECHELT
Selma Park
Roberts Creek
GIBSONS
Clowhom Lakes
Woodfibre
Britannia Beach
SQUAMISH
SOUND
Glen Eden
Porteau
Seaside Park
Port Mellon
Twin Creeks
Williamsons Landing
Hopkins Landing
Granthams Landing
Gambier Harbour
Gambier I.
Camp Artaban
HOWE
LIONS BAY
WEST VANCOUVER
NORTH VANCOUVER
Keats Island
Bowen Island
Bowen I.
Queen Charlotte Ch.
Collingwood Ch.
BURRARD
VANCOUVER
University Hill
Richmond
RICHMOND
Lulu I.
Steveston
Lasqueti I.
Thormanby Is.
CUMBERLAND
French Creek
PARKSVILLE
Coombs
Nanoose Hbr.
Nanoose Bay
Lantzville
Wellington
East Wellington
NANAIMO
Departure Bay
Gabriola
Gabriola I.
Harmac
OF
GEORGIA
N
Ferry
PLAN MAP
1


KHARTOUM LA
HOTHAM SOU
MT. CALDER
SAUMAREZ BLUFF
FREIL L.
HARMONY IS.
REACH
ST. VINCENT BAY
JUNCTION I.
GOLIATH BAY
DACRES PT.
FOLEY
SYDNEY I.
SYKES I.
FOLEY HD.
CULLODEN POINT
CAPTAIN I.
MILLER ISLET
JERVIS INLET
VANGUARD BAY
SKOOKUMCHUCK
EARL COVE
NORTH L.
WAUGH L.
NARROWS
WEST L.
KLEIN L.
RUBY LAKE
NELSON
CHANNEL
MT. HALLOWELL
SAKINAW LAKE
AMEMNON
SECHELT

Scale 1 0 1 2 3 4 5 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

3 Mainly conglomerate, greywacke, sandstone, argillite; greenstone

2 Metavolcanic rocks; metasedimentary rocks; metadiabase

1 Gneiss

Geological boundary
- defined
- approximate
- assumed

Attitude of bedding
- inclined
- vertical

Fault with dip

Prospect (number refers to text)

Main road

Secondary road

CONDENSED

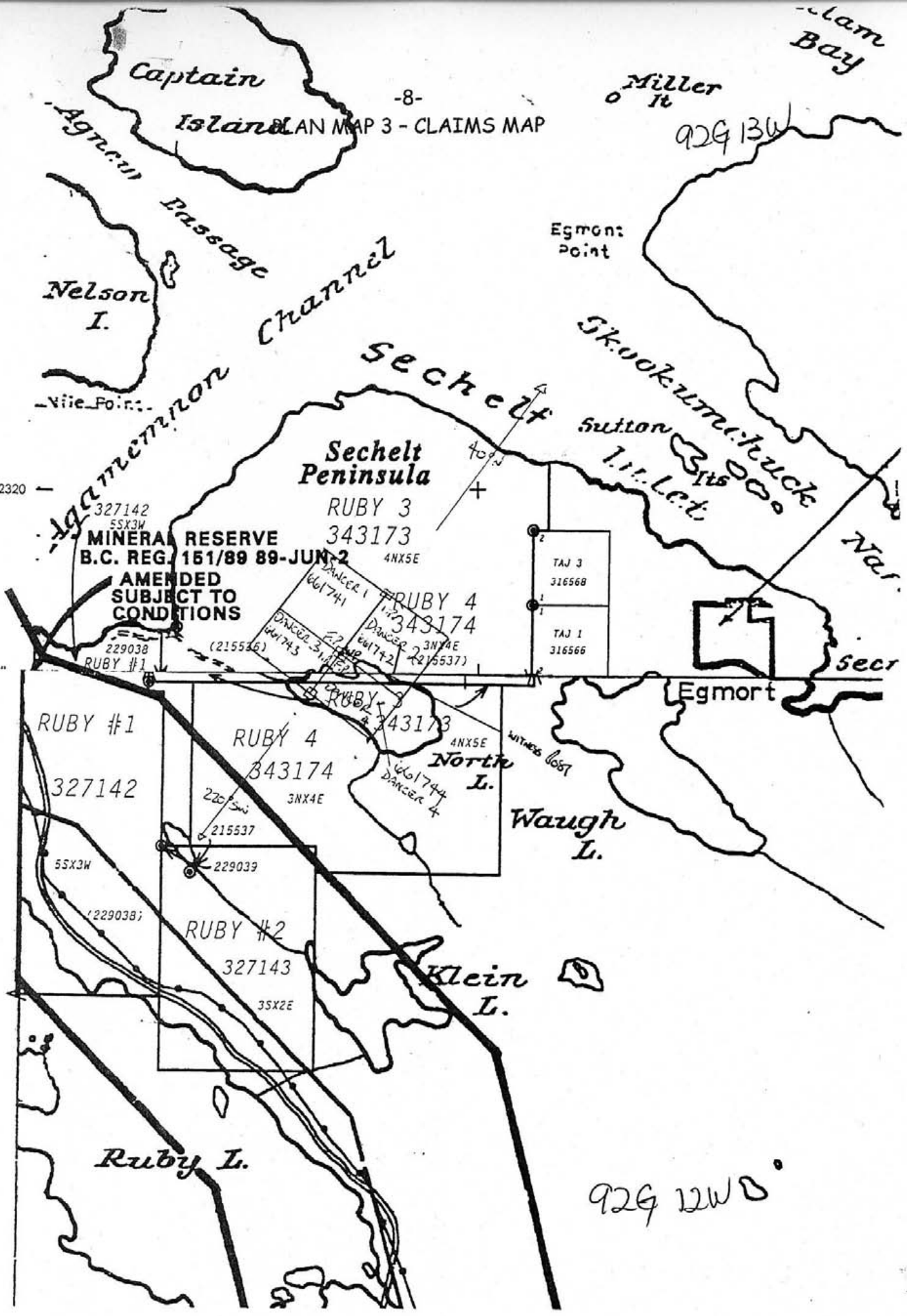
GEOLOGICAL MAP OF LOWER JERVIS INLET

1957

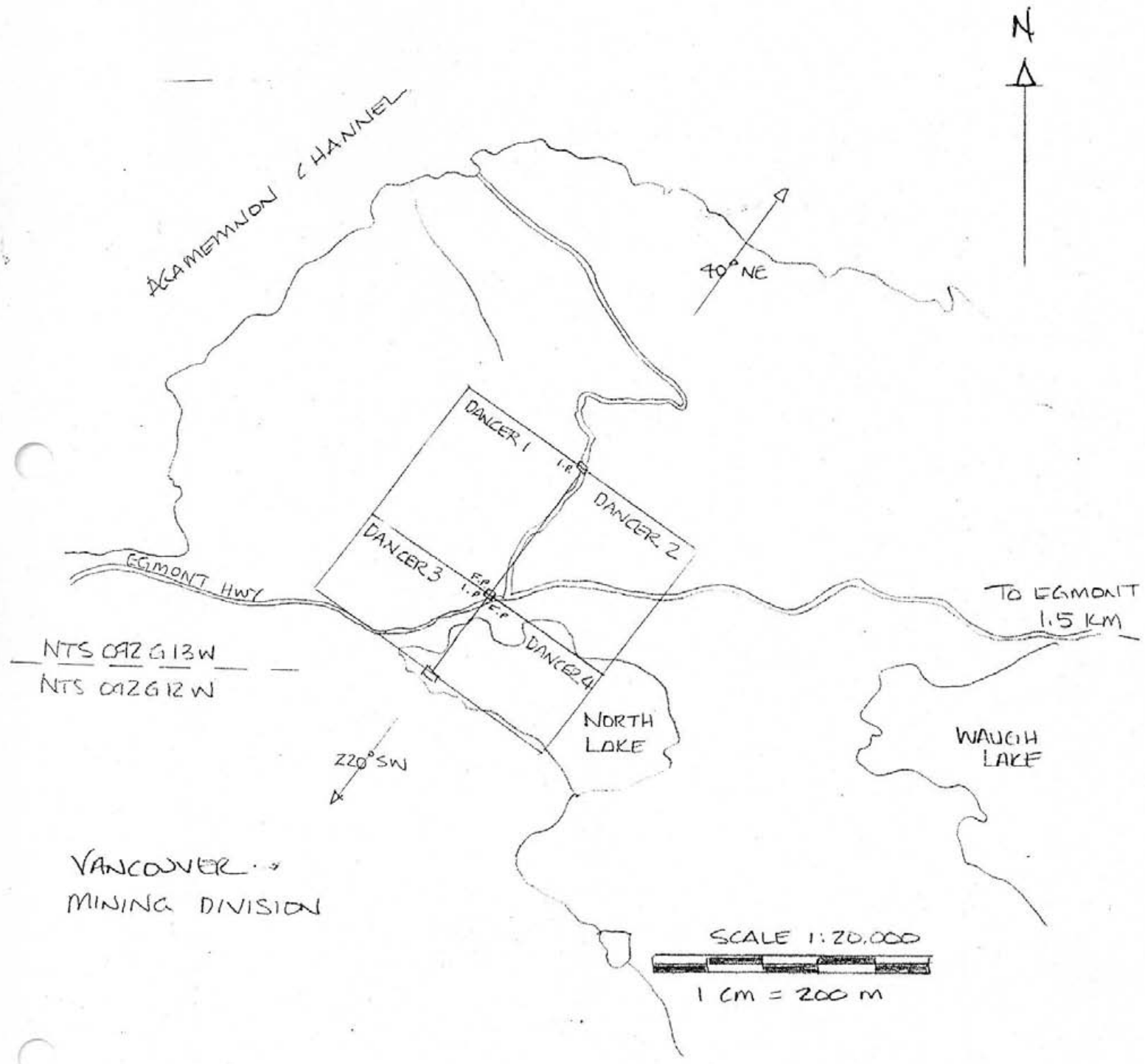
Geology by W. R. Bacon

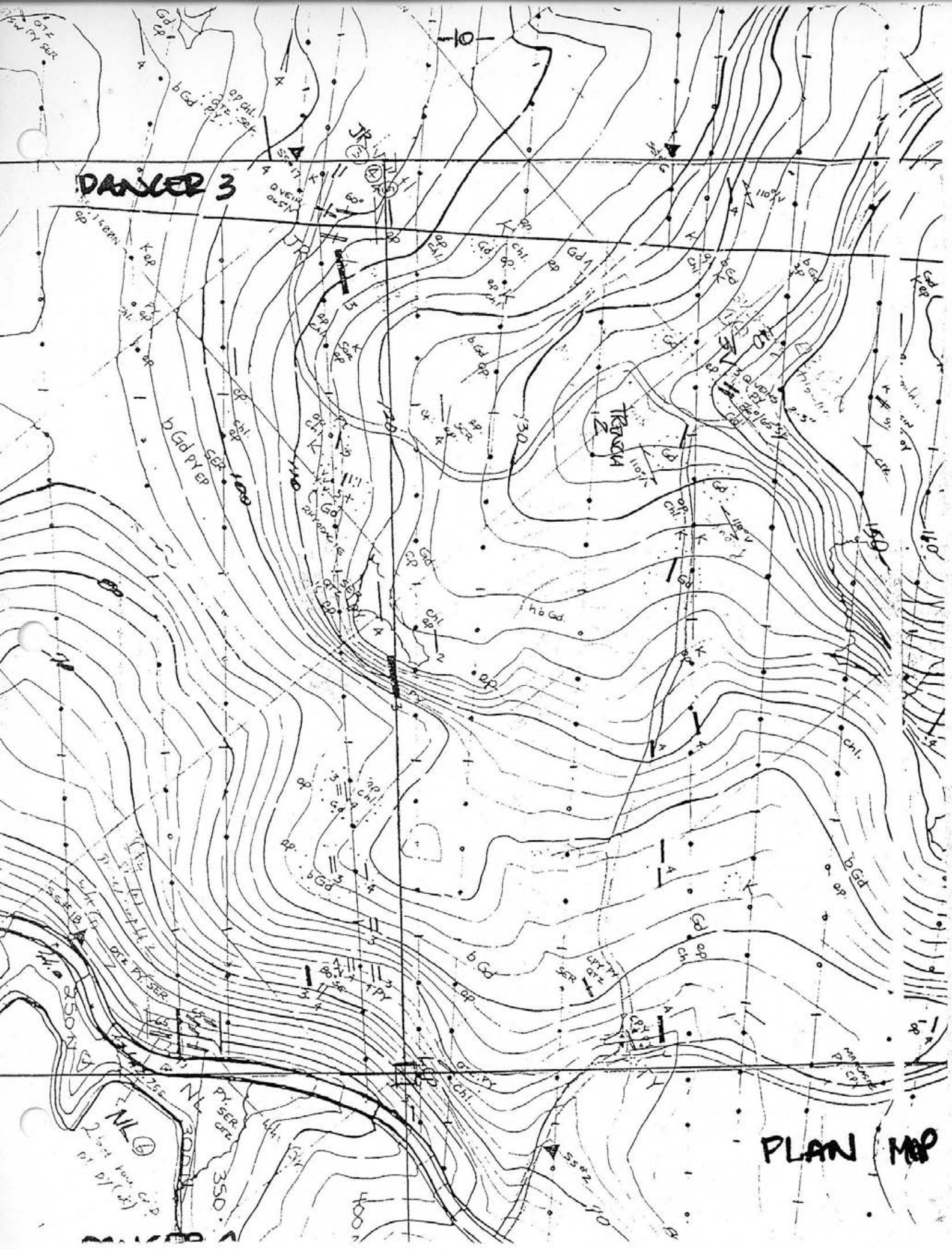
1. Mt. Diadem
2. Linda
3. Linda
4. Copper
5. Cambrian Chieftain
6. King Midas
8. R.C.
9. VIRGO
10. RED JACKET
11. CHALICE

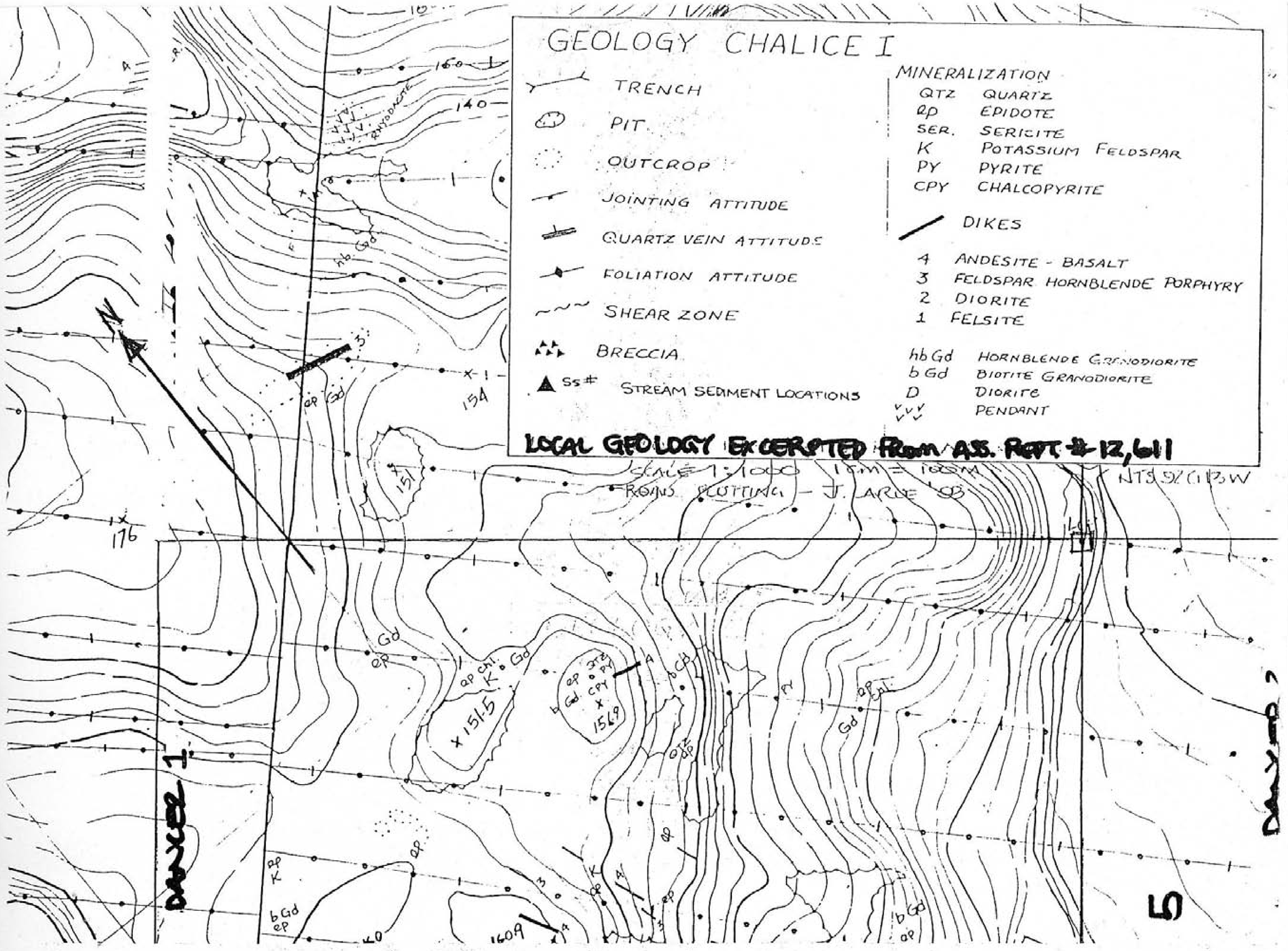
PLAN MAP 3 - CLAIMS MAP



PLAN MAP 4
LOCATION MAP




DANGER 3
PLAN MAP


GEOLOGY CHALICE I
TRENCH
PIT
OUTCROP
JOINTING ATTITUDE
QUARTZ VEIN ATTITUDE
FOLIATION ATTITUDE
SHEAR ZONE
BRECCIA
SS# STREAM SEDIMENT LOCATIONS
MINERALIZATION
QTZ QUARTZ
ep EPIDOTE
SER. SERICITE
K POTASSIUM FELDSPAR
PY PYRITE
CPY CHALCOPYRITE
DIKES
4 ANDESITE - BASALT
3 FELDSPAR HORNBLENDE PORPHYRY
2 DIORITE
1 FELSITE
hb Gd HORNBLENDE GRANODIORITE
b Gd BIOTITE GRANODIORITE
D DIORITE
PENDANT
LOCAL GEOLOGY EXCERPTED FROM ASS. REPT. # 12,611
SCALE 1:1000 1cm = 10M
ROAD SLOTTING - J. LARUE '08
NTS 92 G 13W
RHYODACITE
DANCER 1
DAY 7
N
176
154
151
151.5
156.9
160.9

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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
NTS MAP: 092G13W
LATITUDE: 49 45 34
LONGITUDE: 123 59 01
ELEVATION: 0004 Metres
LOCATION ACCURACY: Within 500M
COMMENTS: Drill hole 1 in Beach Pit zone (Assessment Report 14736, Figure A1-1).

MINING DIVISION: Vancouver
UTM ZONE: 10
NORTHING: 5512130
EASTING: 429158

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

.352

96 Ton Bulk Sample.

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 Abacon 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 GEM 1970-230
EMPR 2722, *11129, *12641, *14736, 17941
EMPR PF (Tomlinson, 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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DATE REVISED: 900608 REVISED BY: PSF FIELD CHECK: N

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

PAGE: 1
REPORT: RGEN0100

MINFILE NUMBER: 092GNW061 NATIONAL MINERAL INVENTORY:

NAME(S): STEIN

STATUS: Showing MINING DIVISION: Vancouver
NTS MAP: 092G13W UTM ZONE: 10
LATITUDE: 49 45 03 NORTHING: 5511170
LONGITUDE: 123 59 46 EASTING: 428250
ELEVATION: 0005 Metres
LOCATION ACCURACY: Within 500M
COMMENTS: Centred on portal of adit (Assessment Report 12641).

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

GRAB of 8.8 OZS/TON.

ORE ZONE: STEIN

CATEGORY: Assay YEAR: 1983
SAMPLE TYPE: Grab

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

— 1.28 OZ/TON OVER .75 meters

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

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EMPR BULL 39
GSC P 90-1F, pp. 95-101
GSC MAP 42-1963; 1069A; 1386A
GSC 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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DATE REVISED: REVISED BY: FIELD CHECK:

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

MINFILE NUMBER: 092GNW050 NATIONAL MINERAL INVENTORY:

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

STATUS: Showing MINING DIVISION: Vancouver
NTS MAP: 092G13W 092G12W UTM ZONE: 10
LATITUDE: 49 45 03 NORTHING: 5511149
LONGITUDE: 123 58 22 EASTING: 429920
ELEVATION: 0045 Metres
LOCATION ACCURACY: Within 500M
COMMENTS: Drill hole 9 in NL zone (Assessment Report 14736, Fig. A1-1).

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 PHYSIOGRAPHIC AREA: Fiord Ranges (Southern)
TERRANE: Plutonic Rocks

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-X-5.
REFERENCE: Assessment Report 11123

— 1.612 OZS/TON over 1.8 meters

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 0.45 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-NL-1, R-NL-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 NL 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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EMPR BULL 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 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

DATE CODED: 850724 CODED BY: GSB FIELD CHECK: N
DATE REVISED: 900607 REVISED BY: PSF FIELD CHECK: N

RUN DATE: 02/13/93
RUN TIME: 14:12:00

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

PAGE: 5
REPORT: RGEN0100

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

JR .912 over 9'

ORE ZONE: JR

CATEGORY: Assay YEAR: 1985
SAMPLE TYPE: Drill Core

COMMODITY	GRADE	
Silver	21.4000	Grams per tonne
Gold	31.3000	Grams per tonne

3V 5.86 GPS/TON

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).

BIBLIOGRAPHY

EMPR ASS RPT 14264, *14736, *17941
EMPR BULL 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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DATE REVISED: REVISED BY: FIELD CHECK:

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 MINING DIVISION: Vancouver
NTS MAP: 092G13W UTM ZONE: 10
LATITUDE: 49 45 11 NORTHING: 5511400
LONGITUDE: 123 56 57 EASTING: 431630
ELEVATION: 0116 Metres
LOCATION ACCURACY: Within 500M
COMMENTS: Trench (Assessment Report 14264).

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

.213 OZS/TON

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.

BIBLIOGRAPHY

EMPR ASS RPT 11334, 12451, *14264, 14736, *15577, *18418
EMPR BULL 39
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DATE CODED: 860513 CODED BY: AFW FIELD CHECK: N
DATE REVISED: 900606 REVISED BY: DEJ FIELD CHECK: N

IV. Technical and Geophysical Work

- Survey Grid

  1.5 km of Survey Grid was established using hip chain and compass, for a total of 75 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

- Self-Potential Survey

  Focus of the Self-Potential Survey was to map the extension of the North Lake showings and determine if there were any areas of anomalous readings within the survey area which is believed to be underlain by 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.

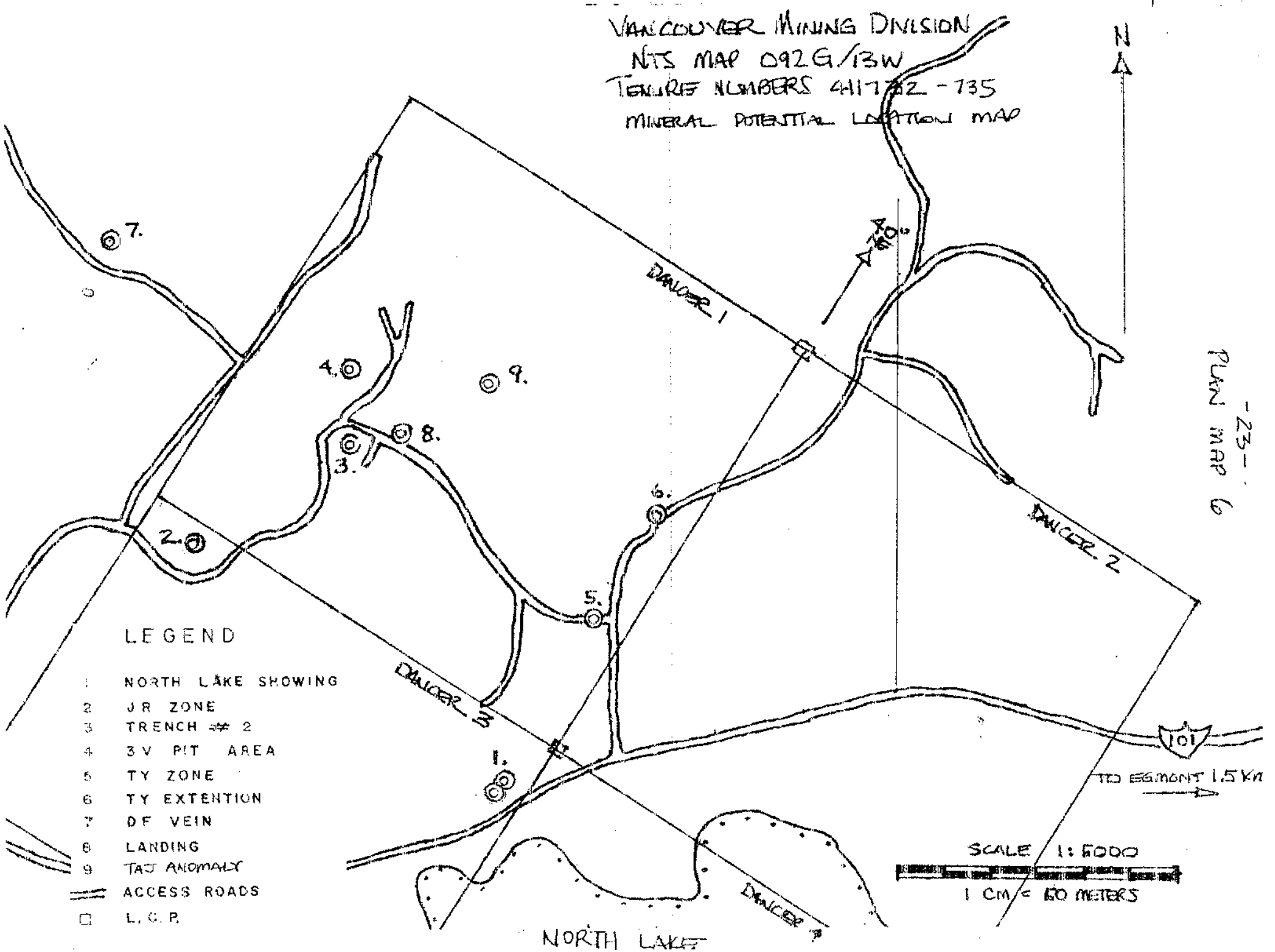
  A Fillion G-101 High-Impedance Self Potentiometer was used in the survey. The following quotes are taken from "A Guide to Prospecting by the Self-Potential Method: by S.V. Burr, Consulting Geologist-Geophysicist with the Ontario Geological Survey: "Most gold deposits are not good conductors, but do contain some sulphides which can be detected by the SP method. Natural SP anomalies, of negative sign by convention, are caused by the iron sulphides pyrite and pyrrhotite, the copper sulphide chalcopyrite, and the native element graphite. The SP method responds to good conducting sulphides (both oxidized and unoxidized bodies), graphite and nonconducting disseminated sulphides if these sulphides are oxidizing. The SP method does not determine secondary fields, so the survey results are much easier to interpret. It does not respond to subsurface valleys, wet clay, shears, or faults; and in the author's experience, the SP method does not provide

results which could lead to a false anomaly. In over 500 anomalies which were stripped or drilled, the author always found the source of the SP anomaly to be sulphides and / or graphite in the underlying rock."

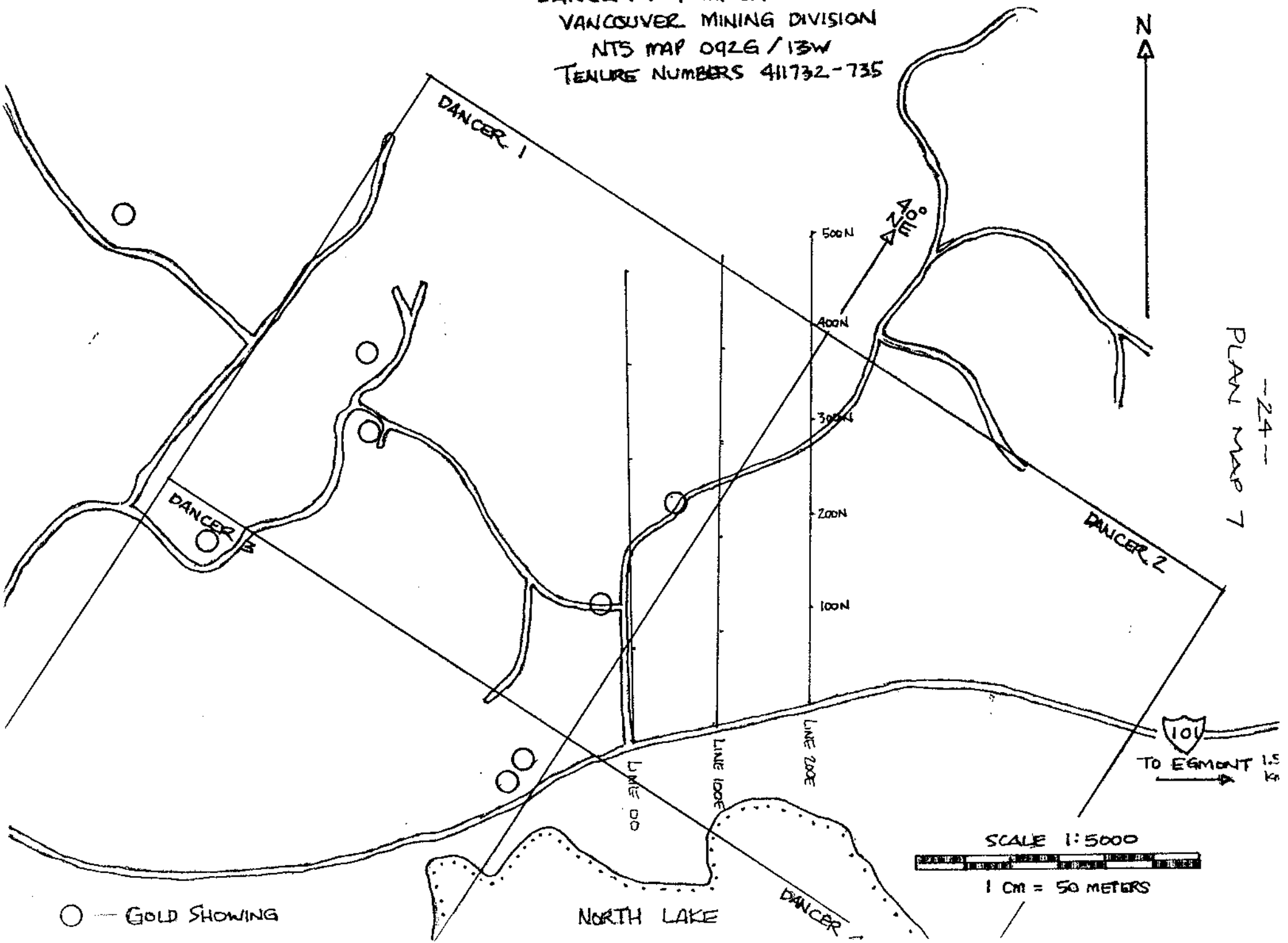
In the Self-Potential method, a millivoltmeter-potentiometer is connected to two porous clay pots by an insulated cable. The clay pots are filled with copper sulphate in solution, and are 'screwed' into the surface of the soil. The clay ppots act as electrodes and the millivoltmeter reads the 'potential' difference between the two pots, eeach at a designated station. This potential difference is caused by minute electrical charges that are spontaneously generated by groundwater or moisture reacting with a sulphide body; more positive values are encountered distal to the oxidizing sulphide body, with more negative values on top or over it. On the Dancer Property, a millivolt difference of -28 millivolts or greater (minimum geophysical signature associated directly with the mineralization at the Ty, 3V and JR gold showings) is considered anomalous and reflective of underlying sulphide mineralization.

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.

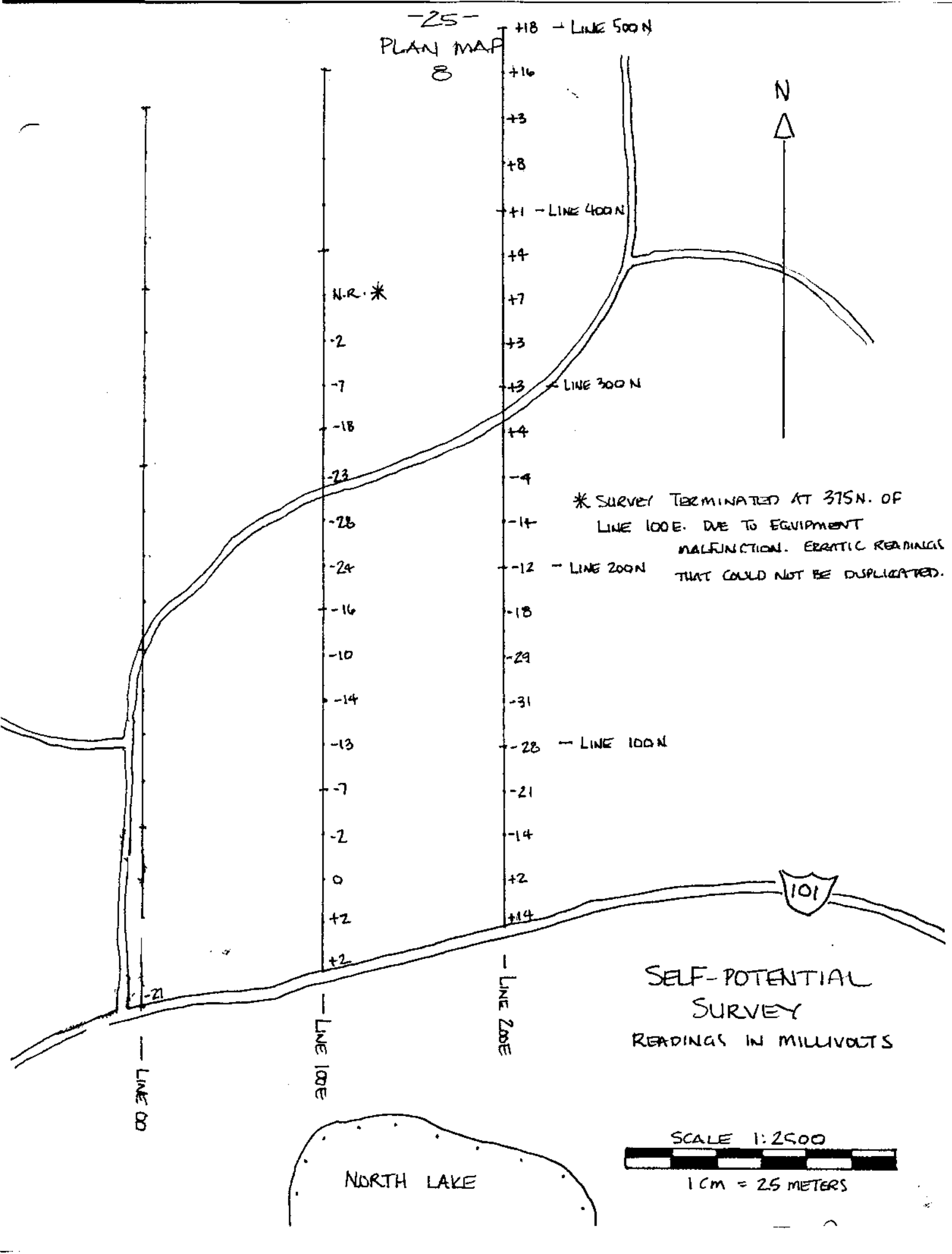

VANCOUVER MINING DIVISION
NTS MAP 092G/13W
TENURE NUMBERS 411732 - 735
MINERAL POTENTIAL LOCATION MAP
N
DANCER 1
DANCER 2
DANCER 3
DANCER 4
NORTH LAKE
TO EGMONT 1.5 KM
101
SCALE 1:5000
1 CM = 50 METERS
LEGEND
1 NORTH LAKE SHOWING
2 JR ZONE
3 TRENCH # 2
4 3V PIT AREA
5 TY ZONE
6 TY EXTENTION
7 DF VEIN
8 LANDING
9 TAU ANOMALY
ACCESS ROADS
L.C.P.

DANCER 1-4 MINERAL CLAIMS
VANCOUVER MINING DIVISION
NTS MAP 092G/13W
TENURE NUMBERS 411732-735



PLAN MAP 7

PLAN MAP 8



* SURVEY TERMINATED AT 375 N. OF LINE 100 E. DUE TO EQUIPMENT MALFUNCTION. ERRATIC READINGS THAT COULD NOT BE DUPLICATED.

SELF-POTENTIAL SURVEY

READINGS IN MILLIVOLTS

SCALE 1:2500

1 CM = 25 METERS

Itemized Cost Statement

Survey Grid Preparation, Self-Potential Survey 3 persons x $150 per day x 2 day	$900
Mob-de-mob from McBride, BC and Vancouver to/from Egmont (2300 kms @ $0.40 / km)	$740
Report Costs, mapping, typing, photocopy	$750
Total Costs Incurred '06 - '07Season	$2390

MALASPINA COLLEGE

Statement of Course Completion

JOHN P. LARUE

has

Successfully Completed 180 Hours of Instruction

in

MINERAL EXPLORATION FOR PROSPECTORS

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MAY 2, 1983

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British Columbia, Canada

Malaspina College

Director / Dean

Registrar

Instructor