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GEOLOGICAL AND GEOCHEMICAL REPORT

ON THE

BC Geological Survey Assessment Report 29715

BRANCH

CANIM SOUTH MINERAL CLAIM (Tenure Number 504752)

CLINTON MINING DIVISION

CANIM LAKE AREA BC

NTS 092P086, 092P076

BY

D.W. RIDLEY

JANUARY 2008 JURVEY

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APPENDIX

Rock Sample Description Sheets Sample Analysis Certificates

FIGURES

FIG. 1 Property LocationFIG. 2 Claim LocationFIG. 3 Regional GeologyFIG. 4 Property GeologyFIG. 5 2007 Rock Sample Locations

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SUMMARY

The Canim south property is situated on the southeast side of Canim Lake, approximately 35 kilometers northeast of 100 Mile House on BC highway 97. The claims are readily accessible via paved and all season gravel roads. The property consists of 24 contiguous cell units held by RD Black and jointly owned by DW Ridley. The claims were first located in 2005 following discovery by Black of gold-bearing quartz-carbonate vein float. Subsequent work in 2006 led to discovery of in situ mineralization at the Black vein immediately above the mineralized float (A.R. #28383). Highlights of the 2007 work program include a 5 cm quartz-carbonate vein, with similar attitude and on apparent strike with the Black vein, outcropping in the creek about 200 east, returned 428 ppb gold (#184304) whereas a parallel vein about 100 meters further uphill to the northeast returned 667 ppm antimony (#184303).

The property is underlain by volcaniclastic sediments of upper Triassic-Jurassic Nicola Group which are intruded by coeval Canim stock, composed of monzonite to diorite, along the north claim boundary. Gold-bearing quartz-carbonate veins and/or stockwork zones locally cut the sediments and may represent conjugate shearing between two northerly trending faults. Limited sampling to date on the Black vein system has returned up 6500 ppb gold, with elevated mercury and lesser antimony-arsenic values, across a true width of 25 centimeters. Geochemical values coupled with the general appearance of the veins suggest an upper level, cooler portion of the hydrothermal plume. It is believed the Canim South property has good potential to host larger and better mineralized veins at depth. Additional work is recommended for the property in the form of grid-based prospecting, geological mapping, soil geochemistry and geophysical surveys. In addition, the apparent strike extension of the Black vein should be hand trenched and sampled.

LOCATION AND ACCESS

The Canim South property is located approximately 35 kilometers northeast of 100 Mile House, BC, and is easily accessible via paved and all season gravel roads. Access from BC highway 97 is via the northeast trending Canim-Hendrix road which leaves the highway about 2 kilometers north of 100 Mile House. The Canim-Hendrix road is followed approximately 30 kilometers to the junction with the Canim South road which is followed about six kilometers to the parking area on the east side of the road. Here an old road runs up the hill to the north providing access to this portion of the claims. An old horse trail leaves the parking area and heads easterly up the slope eventually passing within 150 meters of the Black vein outcrop, situated about 300 vertical meters above the parking area.

The claims are adjacent the west side of the Interior Wet Belt bio-climatic zone and within Quesnel Highlands physiographic region. Topography on the property is moderate to steep with elevations ranging from 760 meters at Canim lake to over 1200 meters along the eastern claim boundary. The area is densely forested with mature and juvenile stands of Douglas fir, lodgepole pine, and lesser white spruce, western red cedar, aspen,

and white birch. Underbrush is light on the steeper slopes and heavier on the lower and wetter slopes. Some heli-logging has taken place here and there on the property and might provide openings for heli set-outs.

CLAIM STATUS

The Canim South property consisting of 24 contiguous cell units, covering approximately 500 hectares, are held by RD Black and jointly owned by DW Ridley. Pertinent claim information is presented below.

Claim NameRecord #Date Located***Good To Date***Canim South5047522006/Jan/242009/Jan/24

pending assessment report approval

PROPERTY HISTORY

The Canim South property, covering the Black vein system, is a new discovery (2005) and no historic work is documented for the area of the claims. A prospecting report submitted last year for assessment credit is the first recorded mention of any mineralization in this area. Further north around Howard lake lies the old RK or Sleeping Giant property which was the site of several exploration programs between 1968 to 1990 (BC Minfile #092P128). These programs were mainly targeted on porphyry copper potential of the Pond and Pat lake zones. The Canim stock, straddling the north boundary of the claims, contains several widely spaced quartz veins cutting monzonitic rocks. They are variably mineralized with chalcopyrite, pyrite, molybdenite and contain anomalous gold-silver values (BC Minfile #092P158).

Prospecting by Black in early 2005 discovered numerous pieces of quartz-carbonate vein float which returned anomalous gold values. Subsequent prospecting uncovered the Black vein and located several other areas of anomalous float and/or outcopping veins. This work was recorded as a prospecting report and filed for assessment credit in March 2006 (A.R. #28383). Work in 2007 was targeted around the Black vein in an effort to extend the strike length and get a better idea of the overall geological environment of the vein system.

REGIONAL GEOLOGY

The Canim South property is situated within the Quesnel Trough, a subdivision of the Intermontane Belt, which is composed of Triassic-Jurassic volcanic and related sedimentary rocks intruded by various plutons ranging in age from Triassic to Cretaceous. The oldest rocks in the area comprise augite-andesite-basaltic flows, breccias, agglomerate, tuff, argillite, greywacke, and black to grey limestone of the





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Conim South claim Regional Geology FIG3 Marloo



Figure 2. Generalized geology of the Canim Lake map area, based mainly on 2005 fieldwork.

from Geological Fieldwork 2005, Paper 2006-1

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Triassic-Jurassic Nicola Group. To the northwest these are extensively intruded by late Triassic-Jurassic Takomkane batholith, a composite granodiorite intrusion with hornblende diorite, monzonite, gabbro, and hornblendite. Recent mapping and age dating by government geologists have confirmed the Canim stock, near the north edge of the property, is older than previously thought and may be related to Takomkane batholith (Schiarizza P; 2006).

Cretaceous stocks, dykes and plugs cut earlier sequences along the eastern margin of Takomkane batholith as well as several satellite intrusions further east. These rocks typically consist of biotite-hornblende quartz monzonite and granodiorite. The former Boss Mountain molybdenum mine lies about 35 kilometers north of the Canim south property. The past producing mine was predominately molybdenite-bearing breccia of Cretaceous age intruded into the eastern margin of Takomkane batholith.

The higher hills south and west of Canim Lake are underlain by generally fault bounded blocks of Eocene Kamloops Group volcanic and volcaniclastic rocks. Typical rocks include andesite, basalt, volcanic breccia, conglomerate and sandstone. Outcrops often form prominent ridgelines and substantial cliffs marking bounding fault traces. Light grey microcrystalline chalcedony and coarsely crystalline calcite veins with weakly anomalous gold values cut these rocks at the Skull showing, immediately south of the Canim South property (A.R. #24706). Correlative rocks in other parts of the province host substantial epithermal gold deposits such as the Blackdome mine west of Fraser River and Wolf and Tommy prospects on the Interior Plateau.

Late Tertiary plateau basalts and olivine basalt breccia and flows of the Chilcotin Group cover low-lying areas including the Canim Lake outlet and a vast expanse of country to the south and west onto the Interior Plateau. Glacial alluvium and outwash gravels cover all rocks forming extensive blankets, particularly in low-lying areas and those with little topographic relief. Lower slopes also can have thick accumulations of colluvium and talus which can render traditional soil sampling methods in-effective at this level.

PROPERTY GEOLOGY AND 2007 ROCK SAMPLING

A total of eleven rock samples were collected on the Canim South claim during the 2007 field season. Sample locations are depicted on Figure 5 whereas sample description sheets and analysis certificates are included in the appendix. Areas of quartz-carbonate vein outcrop and /or angular float rubble areas were targeted for sampling in an effort to outline the area of the Black vein mineralized zone. The Black vein system can be traced sporadically by outcrop, subcrop, and angular float over a minimum strike length of 200 meters along the north side of the creek. The ground below the Black vein is completely covered by a thick blanket of glacial debris with overlying talus and landslide debris which obscures outcrop below this level.

The Canim South property is underlain by volcaniclastics of the upper Triassic Nicola Group consisting primarily of volcanic sandstone, finely laminated siltstone, and lesser





tuff and basalt flows. Beds generally strike north with moderate to steep easterly dips. The volcaniclastic succession is cut by late Triassic to early Jurassic quartz monzonite, monzonite, and diorite of the Canim stock along the northern claim boundary. The stock hosts sporadic, low grade Cu-Au-Ag mineralization at the Canim showing about one kilometer north of the property (Minfile #092P158).

The volcaniclastic succession is further overlain by fault bounded blocks of Eocene Skull Hill Formation consisting of andesite, basalt, and volcanic breccia with lesser conglomerate and sandstone. These form the high steep-sided hills around the southern leg of Canim Lake and outcrop immediately east of the claim boundary. The Skull Hill Formation is overlain by flat-lying "plateau basalt flows" of the Quaternary Chilcotin Group consisting of monotonous olivine basalt flows.

The Canim South property is situated between two converging northerly trending faults separating Eocene Skull Hill Formation from underlying upper Triassic Nicola Group volcaniclastic rocks. Movement along these structures, possibly during extensive Tertiary volcanism, created brittle fracturing which were filled by quartz-carbonate vein systems with local gold mineralization. These vein systems typically cross cut the volcaniclastic stratigraphy and show no preference for rock type.

The Black vein is exposed by shallow hand trenching near 1022 meter elevation on the north side of a small westerly trending creek gully. The vein is 25 centimeters wide, striking 108 with vertical dip, composed of more quartz than calcite, brecciated wall rock fragments, and minor pyrite. In 2005 a grab sample across the vein returned 6500 ppb gold, 2.1ppm silver, and 0.42 ppm mercury (A.R. #28383).

The 2007 work program extended the strike length of the Black vein 200 meters eastwards (FIG. 5). A grab sample from parallel quartz-carbonate veinlets in light greengrey volcanic siltstone outcropping in the creek returned 428 ppb gold and 0.8 ppm antimony (185304). This is on apparent strike with the Black vein. Further up the creek to the northeast a sample from poorly exposed subcrop rubble consisting of quartzcarbonate vein material carrying minor pyrite and stibnite(?) returned 5.1 ppb gold, 667 ppm antimony, and 146 ppm arsenic (185303). A 15 centimeter quartz-carbonate vein with minor pyrite cutting light grey siltstone about halfway between the Black vein and sample 185304 returned 250 ppb gold, 0.12 ppm mercury, and 2.1 ppm antimony (185388). A grab sample of angular quartz-carbonate float, taken about 70 meters south of 185388, returned 213 ppb gold, 30 ppm arsenic, and 6.6 ppm antimony (185389). Three samples were taken from a subcrop rubble pile approximately 50 meters southeast of the Black vein consisting of quartz-carbonate vein material returned a highest value of 57 ppb gold (185384, 185385, 185386).

Four samples were collected from the south fork of the creek and south east of the Black vein. The first was an outcrop grab of a 10 centimeter quartz-pyrite vein cutting light green-grey siltstone, trending 108/70S, returned 1.3 ppb gold, 48 ppm arsenic, 528 ppm barium and 6.2 ppm antimony (185306). A second sample was taken approximately 25 meters upstream and consisted of quartz-carbonate stringers with minor pyrite returned

11 ppb gold, 14 ppm arsenic, and 5.5 ppm antimony (185305). Two samples were taken from a single locale just above the creek forks and approximately 160 meters southeast of the Black vein. One consisted of a grab sample from a 4 centimeter quartz-carbonate vein in light grey siltstone returned 24 ppb gold, 16 ppm arsenic, and 1.3 ppm antimony (185391). The other sample was taken of angular quartz-pyrite vein material with chloritic siltstone wallrock returned 46 ppb gold, 69 ppm arsenic, 3.0 ppm antimony, and 0.9 ppm mercury (185390).

CONCLUSIONS

The Canim South mineral claim is underlain by volcanoclastic sediments of Upper Triassic Nicola Group which are intruded, along the north property boundary, by quartz monzonite, monzonite and diorite of the Late Triassic-Early Jurassic Canim stock. The property is situated between two converging northerly trending faults separating Eocene Skull Hill Formation from underlying upper Triassic Nicola Group volcaniclastic rocks. Movement along these structures, possibly during extensive Tertiary volcanism, created brittle fracturing which were filled by quartz-carbonate vein systems with local gold mineralization.

The Black vein system can be traced sporadically by outcrop, subcrop, and angular float over a minimum strike length of 200 meters along the north side of the creek. Individual veins are up to 25 centimeters wide although most are less than 10 centimeters ranging to stringers and hair-line fracture fills forming stockwork zones. The Black vein is tentatively modeled as an upper level mesothermal vein based on overall geochemistry and general geological environment.

RECOMMENDATIONS

Further work is recommended for the Canim South property in the form of detailed prospecting, geological mapping, contour soil sampling and resistivity geophysical surveys. Shallow hand trenching should be conducted along strike of the Black vein system wherever practicable in order to fully expose the mineralized sections for detailed chip sampling and mapping.

COST STATEMENT

Wages: D. Black 3 days @ \$300/day)0.00 ;0.00
Transportation: Truck rental 3 days @ \$75/day \$ 7	5.00
Sample Analysis: 11 rock samples \$24	8.68
Supplies: \$ 12	2.00
Report Preparation: \$50	0.00
Total Expenditures:\$208	5.68

REFERENCES

BCRGS-4-1979; NTS 92P; Regional stream Geochemical Survey

BCRGS-5-1981; NTS 93A; Regional Stream Geochemical Survey

Campbell RB, Tipper, HW; 1971; Geology of the Bonaparte Lake Area GSC Memoir 363.

Campbell RB; 1978; Geology of the Quesnel Lake Area, 93A. GSC Open File 574.

GSC Geophysics Paper 5231; Canim Lake NTS 92P/15; Aeromagnetic Survey

GSC Geophysics Paper 5235; McKinley Creek NTS 93A/2; Aeromagnetic Survey

Ridley DW; 1996; Prospecting Report on the Skull 1-4 mineral claims; Ass. Rpt. #24706

Ridley DW; 2006; Prospecting Report on the Canim South claim; Ass. Rpt. #28383

Schiarizza P, Boulton A 2006; Geology and mineral occurances of the Quesnel Terrane, Canim Lake Area (NTS092P/15) in Geological Fieldwork 2005; Paper 2006-1

STATEMENT OF QUALIFICATIONS

- I, David Wayne Ridley, PO Box 77, Eagle Creek, BC, V0K1L0, do hereby certify;
- 1) I completed the "Mineral Exploration for Prospectors" course hosted by the BC Ministry of Mines at Mesachie Lake, BC in 1984.
- 2) I completed the short course entitled "Petrology for Prospectors" held in Smithers BC and hosted by Smithers Exploration Group in 1990 and 1994.
- 3) I attended several short courses hosted by Kamloops Exploration Group during the annual KEG convention and included "Metallogeny of volcanic arcs" (1998), "intrusion-hosted gold deposits"(1999), and "massive sulphide deposits"(2001).
- 4) I have prospected independently since 1982 and have been employed as a contract prospector by various exploration companies in BC, Alaska, and Yukon territory since 1984.
- 5) I participated in the 200% work program and conducted field work contained within this report.
- 6) I own a beneficial interest in the property.

Dave Ridley January 2008

ANIM SOUTH MINERAL CLAIM (#504752) ROCK SAMPLES 2007

imple #	easting	northing	elevation	EPE	
185384	648190	5738968	1009m	6m	12 cm qtz-carb breccia vein outcrop; 075/74N; minor pyrite
185385	@ 1	85384			subcrop? Dug out of hill above previous sample; minor pyrite; altered seds?
185386	@ 1	85384			subcrop? Carbonate-rich vein material; trace pyrite
185388	648256	5739036	1051m	10m	outcrop 15 cm qtz-carb vein; brecciated, minor pyrite
185389	648250	5738942		15m	15 cm qtz-carb vein float; more silicified than other veins; green alteration; sample 25 m north of GPS
185390	648257	5738872	1015m	14m	float in southern-most fork; qtz vein chloritic, minor pyrite
185391	@ 1	85390			float; 4 cm qtz-carb vein; minor pyrite
18 4 303	648423	5739052	1070m	10m	subcrop? Qtz-carb vein at least 15 cm wide; minor pyrite; grey metallic ineral (stibnite?)
185304	648348	5738985	1042m	15m	outcrop grab; 2 parrallel vein sets each about 6cm wide in creek; minor pyrite; possible extension of Black vein
185305	about 20	meters up	creek from	184306	outcrop grab; qtz-carb vein, minor pyrite; reddish silicification
185306	648315	5738819	1038m	11m	outcrop 10 cm qtz-py vein; 108/70S; minor py; abundant stockwork veining here not sampled

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#	M pp	o Cu 1. pp1.	Pb ppm	Zn ppm	Ag ppm	Ni ppm	Co ppm	Mn ppm	Fe %	As ppm	U ppm	Au ppb	Th ppm	Sr ppm	Cd ppm	Sb ppm	Bi ppm	V ppni	Ca %	P %	La ppm	Cr ppm	Mg %	Ba ppm	Ti %	B ppm	A1 X	Na %	K %	W ppm	Hg ppm	Sc ppm	T1 ppm	S %	Ga ppm į	Se ppm
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184 38 38 38 38 38 38	9 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1.	4 19.6 3 22.7 3 22.0 7 16.4 2 28.2	1.9 1.8 1.8 3.1 2.1	27 34 27 41 8	<.1 .1 .5 .2	6.9 7.0 6.6 6.9 15.7	8.0 7.5 6.7 5.9 9.1	536 1 555 1 592 1 299 1 1445 1	1.83 1.96 1.55 2.19 2.08	9.9 10.9 7.4 26.3 30.6	.1 <.1 .1 2 .1 2	4.7 3.3 57.2 250.2 213.2	.1 .1 .1 .1 .1	102 107 135 50 401	.1 .1 .1 <.1 <.1	1.3 1.0 1.1 2.1 6.6	<.1 <.1 <.1 <.1 <.1	45 46 36 19 24	7.58 5.51 10.90 2.78 19.81	.024 .026 .023 .031 .037	2 3 3 2 6	13 14 12 10 19	.57 .69 .48 .25 1.12	22 20 19 33 159<	.004 .004 .004 .050 .001	2 2 1 2 1 1 2	.96 .03 .81 .02 .30	.002 .002 .002 .003 .003	.09 .10 .09 .09 .09	.1 <.1 .1 .1 <.1	.01 .01 .02 .12 .03	2.7 2.7 2.3 2.0 5.6	<.1 < <.1 < .1 < <.1 <.1	.05 .05 .05 .09 .60	3 3 2 2 1	<.5 .5 <.5 3.6 2.7
.389 F 15389 18539 18539 18539 18539	Re Re . Re Re .	2 28.1 2 27.8 5 22.0 3 17.7 9.109.0	2.1 3 1.8 3 3.1 7 1.3 5 71.0	7 8 23 24 411	.3 .2 <.1 <.1 .9	15.5 15.5 6.9 7.4 55.3	9.6 9.1 9.8 5.3 9.9	1483 1465 372 747 633	2.12 2.09 2.35 1.37 2.40	31.6 25.8 <u>69.3</u> 16.2 46.6	.1 .1 <.1 4.8	199.4 192.5 46.3 24.4 72.2	.1 .1 .2 4.4	408 392 108 93 69	<.1 <.1 <.1 .1 6.5	5.7 6.0 3.0 1.3 5.6	<.1 <.1 <.1 <.1 4.6	25 26 14 34 85	20.30 20.25 2.92 8.82 .93	.038 .040 .046 .026 .081	6 6 3 5 11	20 20 6 11 178	1.17 1.18 1.09 .26 1.07	163< 192 22 25 380	.001 .001 .001 .002 .116	2 2 3 1 39	.30 .32 .25 .60 .98	.002 .002 .003 .002 .082	.09 .10 .13 .10 .45	<.1 <.1 .1 .1 3.9	.04 .04 .09 .02 .20	5.7 5.6 4.4 2.0 2.5	<.1 <.1 <.1 <.1 < 4.3	. 62 . 54 . 95 . 05 . 20	1 1 <1 2 5	2.8 2.4 1.9 .7 3.7

GROUP 1DX - 0.50 GM SAMPLE LEACHED WITH 3 ML 2-2-2 HCL-HNO3-H2O AT 95 DEG. C FOR ONE HOUR, DILUTED TO 10 ML, ANALYSED BY ICP-MS. (>) CONCENTRATION EXCEEDS UPPER LIMITS. SOME MINERALS MAY BE PARTIALLY ATTACKED. REFRACTORY AND GRAPHITIC SAMPLES CAN LIMIT AU SOLUBILITY. - SAMPLE TYPE: DRILL CORE R150 Samples beginning 'RE' are Reruns and 'RRE' are Reject Reruns. MAY 0 1 2007

FA Data

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liabilities for actual cost of the analysis only.