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Ministry of Energy and Mines
BC Geological Survey

Assessment Report
Title Page and Summary

TYPE OF REPORT [type of survey(s)]: Geological Mapping Program

TOTAL COST: 5328.50

AUTHOR(S): Douglas Anderson **SIGNATURE(S):** DA

NOTICE OF WORK PERMIT NUMBER(S)/DATE(S): None **YEAR OF WORK:** 2012

STATEMENT OF WORK - CASH PAYMENTS EVENT NUMBER(S)/DATE(S): 5450801 Work done July 14 through October 10,2012

PROPERTY NAME: Prize

CLAIM NAME(S) (on which the work was done): 1006842

COMMODITIES SOUGHT: Gold

MINERAL INVENTORY MINFILE NUMBER(S), IF KNOWN: None

MINING DIVISION: Fort Steele **NTS/BCGS:** BCGS 082G023

LATITUDE: 49 ° 14 ' 6 " **LONGITUDE:** 115 ° 30 ' 38 " **(at centre of work)**

OWNER(S):
1) Douglas Anderson 2)

MAILING ADDRESS:
#100 - 2100 13th St. South
Cranbrook, B.C. V1C 7J5

OPERATOR(S) [who paid for the work]:
1) Douglas Anderson 2)

MAILING ADDRESS:
As Above

PROPERTY GEOLOGY KEYWORDS (lithology, age, stratigraphy, structure, alteration, mineralization, size and attitude):
The Prize property is underlain by Mesoproterozoic sedimentary rocks of the Sheppard through Roosville Formations. These are argillites, siltstones, and lesser carbonate rocks. The property is bounded on the west by the Nicol Creek volcanics. The rocks are cut by NNW and NE trending normal faults. An intense white alteration (silica rich) occurs at several locales along the NNW fault. Gold is known in the creeks of the region.

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS: None exist.

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TYPE OF WORK IN THIS REPORT	EXTENT OF WORK (IN METRIC UNITS)	ON WHICH CLAIMS	PROJECT COSTS APPORTIONED (incl. support)
GEOLOGICAL (scale, area)			
Ground, mapping			5328.50
Photo interpretation			
GEOPHYSICAL (line-kilometres)			
Ground			
Magnetic			
Electromagnetic			
Induced Polarization			
Radiometric			
Seismic			
Other			
Airborne			
GEOCHEMICAL (number of samples analysed for...)			
Soil			
Silt			
Rock			
Other			
DRILLING (total metres; number of holes, size)			
Core			
Non-core			
RELATED TECHNICAL			
Sampling/assaying			
Petrographic			
Mineralographic			
Metallurgic			
PROSPECTING (scale, area)			
PREPARATORY / PHYSICAL			
Line/grid (kilometres)			
Topographic/Photogrammetric (scale, area)			
Legal surveys (scale, area)			
Road, local access (kilometres)/trail			
Trench (metres)			
Underground dev. (metres)			
Other			
		TOTAL COST:	5328.50

Prize Property

Geological Mapping Program

Fort Steele Mining Division

Claims: 1006842 527.3198 hectares

Good to date: June 29,2013

Centre of Property: 5455000N 608500E

49° 14′ 6″N 115° 30′ 38″

1:20,000 Trim Maps: 082G023

Claim Owner:

Douglas Anderson
#100 – 2100 13th St. South
Cranbrook, B.C.
V1C 7J5

Operator:

Same as above

Report by:

Douglas Anderson, P.Eng.
Geological Consultant
Anderson Minsearch Consultants
#100 – 2100 13th St. South
Cranbrook, B.C.
V1C 7J5

Date: May 27,2013

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Prize Property – Geological Mapping Program

1.0 Introduction

The Prize consists of 25 claim units located about 20 air-kilometres southeast of Cranbrook, B.C. They are on BCGS mapsheet 082G023 and can be reached by highway 3 then logging roads either through Gold Creek or from the highway at Jaffray, B.C. Crossing Lake Kookanusa, one follows the Teepee Creek road to the Jim Creek turnoff heading south. The property is in an area of low relief with a low percentage of outcrop which has been increased by extensive logging roads.
The claims are owned by Douglas Anderson (100583) with the work done by the owner. The claims were staked to cover potential for gold in a Proterozoic sedimentary rock sequence. A preliminary geological map was prepared for all of the property at 1:20000 scale.

2.0 Claims

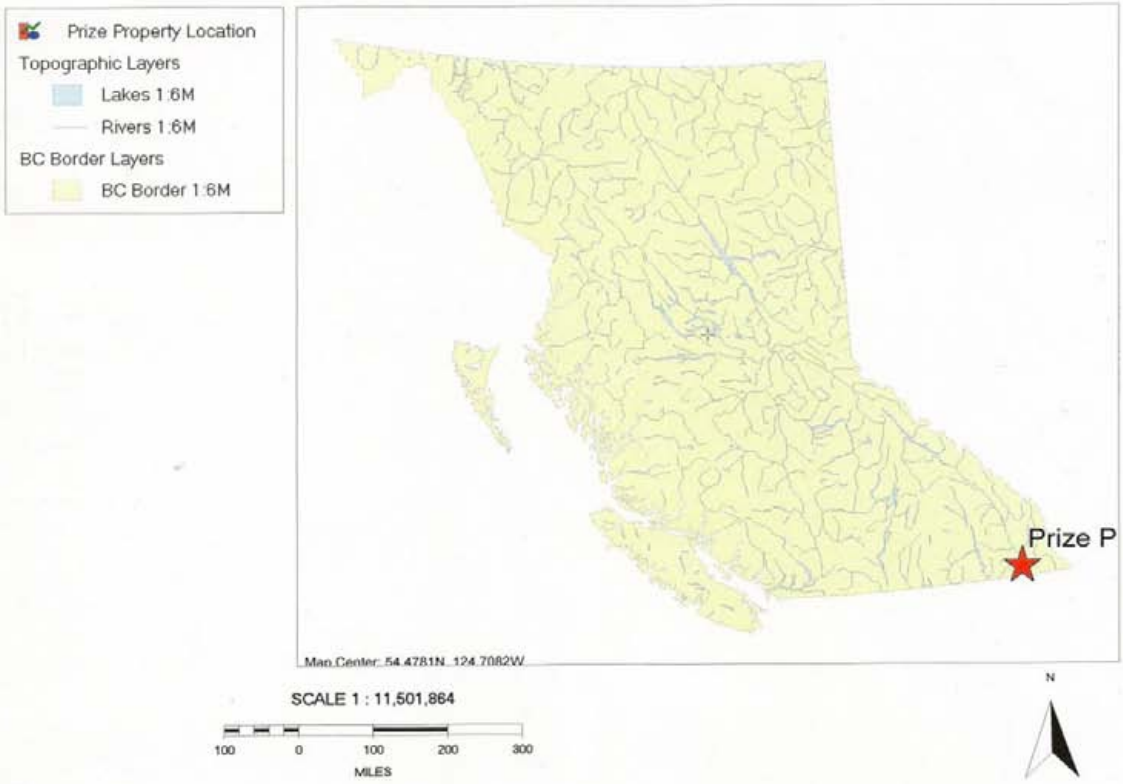
The 25 units comprising the property were staked in June, 2012 after preliminary work indicated potential for gold. They cover minor drainages which drain both north and south. Many of the creeks shown on topographic maps are not recognizable on the ground due to the low relief of the area. There are numerous roads and clearcuts which provide ease of access and provided additional exposures of rocks not previously seen.

3.0 History of Exploration

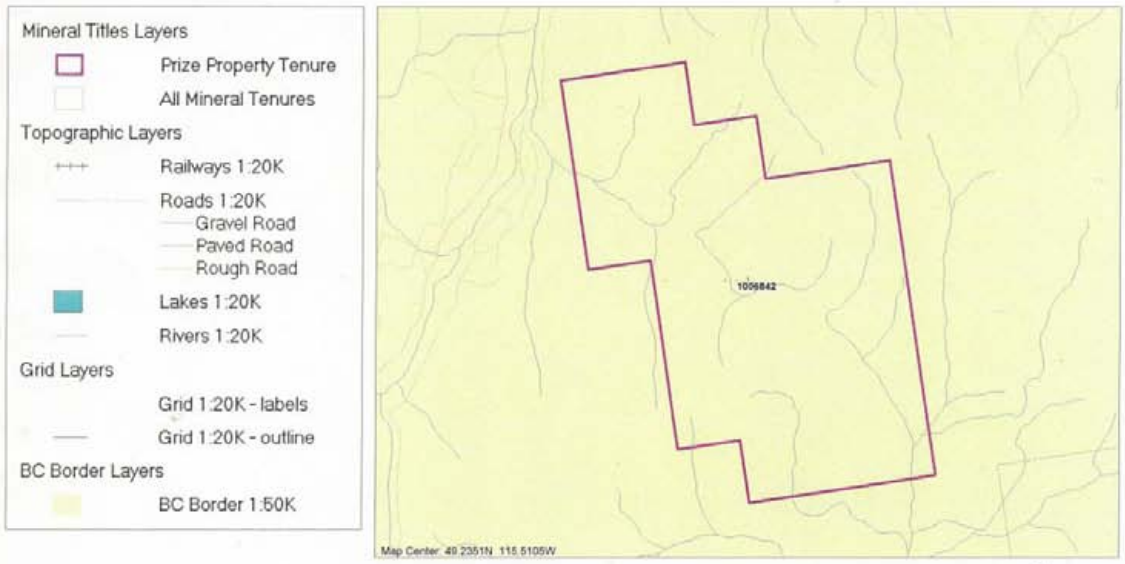
The immediate area of the claims has not been subjected to mineral exploration in the past probably because of limited access and minimal outcrop. This changed with the logging of the area. Exploration in the entire area south of Teepee creek to the border has been very limited with the main activity around the Gill mercury showing about 20 kilometres southeast of the Prize. This area was pursued with stream sampling (silt and heavies); rock sampling; small soil grids and IP; with four holes drilled around the showing producing anomalous mercury but only weak gold values in brecciated siltstones and carbonates of the Gateway Formation.

A second occurrence of cinnabar and orpiment occurs along a roadcut on the northeast edge of the claim group. It has not been pursued other than prospecting of the immediate area.

Prize Property Location Map



Prize Property Claims 082G023



SCALE 1 : 38,743

2,000 0 2,000 4,000 6,000

FEET

N

4.0 Regional Geology

Mapping by the Federal and Provincial governments has been limited. G.B. Leech of the GSC mapped the Fernie Map Area, West Half, Paper 58-10 and Map 11-1960. Provincially, Hoy and Diakow produced Geology of the Moyie Lake Area, Preliminary Map 49 in 1982. These maps document the broad geological setting as Proterozoic sediments of the Gateway through Roosville Formations which generally strike north and dip east. The rocks are described as siltstones and argillites with varying amounts of carbonate in the sequence. At least two regional normal faults are shown cutting through the area of the claims. On the west the sediment package is underlain by the Nicol Creek volcanics, andesitic to basaltic flows with some intermixed sediments. The scale of the mapping and the lack of access and outcrop determined the lack of detail resulting from these efforts.

5.0 Property Geology and Summary of Work Done

The claims cover an area underlain by Proterozoic sediments but preliminary visits indicated the presence of faults and alteration and rocks not previously mapped. Mapping was initiated at 1:20000 to provide a framework for the property without getting too detailed.

6.0 Geological Mapping Results

Mapping results were enhanced by the abundant roads and clearcuts which were not present when government mapping was completed. The percentage outcrop is very low to low but the principal drainage has not been traversed yet making the geological framework tentative at this stage. As a first pass, it was decided to get information across the entire property to get an overall impression of potential.

The Prize overlies Mesoproterozoic sedimentary rocks of the overarching Dutch Creek Formation, part of the rift cover sequence of the Purcell Supergroup. Here the Dutch Creek is divisible into four formations from oldest to youngest – Sheppard, Gateway, Phillips, and Roosville. These are described as:

Sheppard Fm. – A varied section of thin bedded argillite,dolomite (can be stromatolitic) and limestone, siltstone and quartzite near the top. A variety of colors range from limonitic orange carbonates to dark grey argillites. The basal conglomerate recognized at other locales was not found.

Gateway Fm. – Dominated by thin bedded, fine-grained, light colored grey, greenish, and brownish siltstones and argillites with some carbonate, minor quartzite. Diagnostic are salt crystal casts.

Phillips Fm. – Thin bedded, orange and maroon siltstones, quartzites, and argillites.

Roosville Fm. – Grey to black argillites, thin bedded with possible dolomite layers and stromatolites.

The Nicol Creek Volcanics occur just to the west under the lowermost exposures of Sheppard. The package of sediments youngs to the east but does so across several faults. Dips are generally moderate, locally steeper. There is insufficient information to determine thicknesses of any units and faulting complicates any such estimates.

The sedimentary package described above is disrupted by several faults as shown on Figure 3. There is a dominant NNW trend as identified regionally and on the Prize as well. At least one southwest-northeast trending fault is apparently older and is truncated. All faults appear to be normal faults but this is subject to more detailed information.The block faulting produces local bedding disruption and some folding apparent in the Sheppard.

Initial interest in the area was spurred by a series of hard, white alteration zones (see included photos) in the Gateway. These zones align along a NNW trend and a fault justaposing Gateway against Sheppard. The alteration is very fine-grained, hard but must contain some carbonate as upon exposure the rock breaks down to a fine sand. There are at least four occurrences along a 2.5 kilometre trend. Although likely silica based, the alteration awaits petrographic and or analytical data to qualify it. It is difficult to determine the extent of any individual occurrence of the white alteration but in the limited outcrop zones appear to impact at least five metres of sediments. The zones straddle a fault identified to the south and projected going north. The amount of stratigraphy encompassed by the individual alteration zones can only be estimated as significant, perhaps several hundred metres.

Also of interest are limonitic zones along the fault within the Sheppard Fm. with minor galena and pyrite noted. Abundant quartz vein float is present downslope from the fault within the Sheppard block.

Plate 1 - White alteration which completely replaces the original Gateway sediments – bedding can still be recognized.

Plate 2 – Another alteration location – some quartz veining is present – alteration affects several metres at each location at a minimum.

7.0 Summary and Conclusions

The Prize property is at a very early stage of exploration with only preliminary geological mapping. However, historical work does demonstrate potential for gold based on considerable fine-grained gold in the drainages of Gold Creek and the lower reaches of Teepee Creek. The RGS work did not sample the main creeks, just tributaries which in most cases are quite poor sampling media in the area of the claims.

Previous exploration also identified the presence of cinnabar and orpiment in brecciated Gateway sediments. The fine-grained sedimentary package with a mixed character of siltstones and argillites with some quartzites and the widespread presence of carbonate is similar to the host rocks of some of the Nevada gold deposits.

Plate 3 – Typical fine-grained alteration which when fresh is very hard.

7.0 cont'd.

The Prize property is underlain by the Mesoproterozoic sedimentary sequence from basal Sheppard Formation through the Roosville Formation. These are mostly shallow water sediments with varying oxidizing and reducing conditions evident. The greatest variation in lithologies occurs within the Sheppard which reflects the most variation in the sedimentary environment as it succeeds the volcanism of the Nicol Creek Formation beneath.

The structural setting is dominated by normal faults in two orientations – NNW and NE. The lack of detailed mapping and poor exposure limits the interpretation at this time but sufficient information indicates alteration and perhaps mineralizing fluids have used these faults to impact a significant section of Sheppard and Gateway sediments.

The RGS sampling is distal and the poor drainage from the property limits evaluation through silt sampling. Previous heavy mineral and silt sampling

(industry-based) down drainage to the north in the Teepee and Gold creeks indicates very anomalous, very fine grained gold is present.

The geological setting on the property reflects potential for gold based on the type and composition of the sedimentary rocks; presence of faults of at least two orientations; and alteration suggestive of fluids using the structures to access permissive rocks.

8.00 Statement of Costs

Geology – mapping by DA for 6 days – includes preliminary prospecting/review of area and mapping at 1:20000 scale 6 days at $500/day (between July 14 and October 10/12)		$3000.00
Truck costs – 510 kilometres over 6 days at $75/d and 0.75 per kilometre		$ 832.50
Map preparation – geology map produced (Kevin Franck)		$ 246.00
Report preparation – 2.5 days at $500/day		$1250.00
Total Cost	=	$5328.50

9.00 References

Klewchuk, P. (1988) – Diamond Drilling of Gill and Flathead Mineral Claims; South Kootenay Goldfields Inc.; BCMEMPR; Assessment Report #18748; 52 pages.

Klewchuk, P. and Ryley, J.K. (1989) – Geochemistry,Geophysical, and Diamond Drilling Report on the Gold Creek Group; BCMEMPR Assessment Report #19822; 37 pages.

Klewchuk, P., Bapty,M., Ryley, J.K. (1990) – Geochemical, Geophysical, and Diamond Drilling Report on the Gold Creek Project; BCEMPR Assessment Report 19965; 349 pages.

Klewchuk, P. (1991) – Geological, Geochemical, Geophysical Report on the Gold Creek Property; BCMEMPR Assessment Report #21294, 33 pages.

Hoy, T. and Diakow, L. (1979-1980) – Geology of the Moyie Lake Area; BCMEMPR Preliminary Map No. 49.

Hoy,T. and Carter, G. (1988) – Geology of the Fernie W1/2 Map Sheet; BCMEMPR; Scale 1:100000; Open File Map #1988-14.

Appendices:

1.0 Statement of Qualifications

I, Douglas Anderson, Consulting Geological Engineer, have my office at #100-2100 13th St. South in Cranbrook, B.C., V1C 7J5.

I graduated from the University of British Columbia in 1969 with a Bachelor of Applied Science in Geological Engineering.

I have practiced my profession since 1969, predominantly with one large mining company, in a number of capacities all over Western Canada and since 1998 within southeastern B.C. as a mineral exploration consultant.

I am a Registered Professional Engineer and member of the Association of Professional Engineers and Geoscientists of B.C., and I am authorized to use their seal.

_DA_____
Douglas Anderson, P.Eng.

2.0 List of Mineral Tenures – Statement of Exploration and Development - attached

3.0 Prize Property Geology (1:20000) - attached

606000 607000 608000 609000 610000

5458000 5457000 5456000 5455000 5454000 5453000 5452000 5451000

Teepee Creek
Fine gold in heavies

N W E S

Jim Creek

No Flow

Highly altered white silica

RGS No Pb Zn
DAS15/20 Au

A salt casts

Gateway

Alteration

Nicol Creek

SF

Quartzite

Dolomite

Sheppard Fm.

T.b. Siltstones
Argillites
Minor quartzite

Gateway Fm.

Intense Alteration
-White silica
dolomite

Shaley rubble

Roosville Fm.

Grey shale

Green & buff Argillite siltstone

Phillips Fm.

Dolomite
pyrite
HG cinnabar

T.b. Siltstones

No flow

FeOx
Q-carb.
Bx
Bxs
Lst.
Dolomite
Bluish Arg.

Qv
FeOx
Carb.
Qtzite
End

Folding
A+SA
Carb.

Black calc. Arg.

NOC A
S+Argillite float
No carbonites

G float

Sheppard Fm.
FeOx
Strom
Tr
Mixed Lithologies
End

RGS 2 Au
NOC

Prize Property Geology

Legend

- Bedding
- Fault
- Float
- A Intense-Alteration in O/C
- Silt Samples
- NOC No outcrop
- Trails/Misc
- Paved Roads
- Unpaved Roads
- Roosville Fm.
- Phillips Fm.
- Gateway Fm.
- Sheppard Fm.
- Nicole Creek

Projection: Nad 83 Zone 11 UTM
1:20,000
400 200 0 400 Meters

Doug_Anderson\PrizePropertyGeology.mxd