GEOLOGICAL REPORT
ON THE
PROPERTY OF
WHIPSASH MINES LIMITED (N.P.L.)

PRINCETON AREA
SIMILKAMEEN MINING DIVISION
B.C.

49° 16' N. Lat.
120° 45' W. Long.

4170

ASSessment Report
NO. 4170 MAP

by

PHILLIP ANDERSON
B. Sc.
geologist

PANASCO RESEARCH LIMITED

SUMMARY

1. Whipsaw Mines' Ltd property near Princeton covers a contact environment in the Nicola Group which is favourable to the localization of economic mineralization.

2. Porphyry dyking along the contact area has preceeded development of intensely fractured (breccia) zones in which copper-molybdenum-gold-silver-lead-zinc mineralization has been localized.

3. Two breccia zones, each about a mile long and with several hundred feet potential width, have been outlined and another is indicated to the east.

4. The breccia zones comprise intersecting vein-alteration structures and network fracturing which contain varying proportions of pyrite, sphalerite, chalcopyrite, molybdenite, galena, argentite, native silver and native gold. Massive sulphides occur in the centre of these structures with disseminated mineralization in the alteration envelopes.

5. Assays from two diamond drill holes in the Metestoffer (creek) showing averaged $13 rock with values up to $20, $40 and $80 combined metals. These encouraging intersections, as well as disseminated sulphides north along the structure warrant an active drill program to evaluate the ore potential in the zone.

6. A two-stage program designed to concurrently explore and evaluate these breccia zones by sequential exposing, percussion drilling and diamond drilling is recommended.

7. The potential and favourability of the Whipsaw property for a combined precious and base metal mine warrants the expenditure of $180,000.00, which has been budgeted, for a primary evaluation program.
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- in pocket
INTRODUCTION

Whipsaw Mines Ltd (N.P.L.) owns 123 contiguous mineral claims near the head of Whipsaw Creek, approximately 16 miles southwest of Princeton, B.C. A list of the valid claims is given in Appendix I and their disposition is shown on the claims map (in pocket).

Data on the location, access, topography, history and previous work of the property is given in two Geological and Geochemical reports by Stokes Exploration Management Co. Ltd. In these 1970 reports an account is given of the regional geology as well as property geology and geochemistry and is therefore not repeated here.

Work on the property since 1970 has consisted of a more detailed investigation of the size and extent of economic mineralization. The present report summarizes the work between July 1st, 1972 and February 28th, 1973, carried out along those lines recommended by the writer in the Semco report of September 30th, 1970. The work program consisted of detailed geologic mapping of showings in conjunction with cat trenching and diamond drilling.
1. Introductory

The Whipsaw property covers an area where Nicola Group volcanic rocks contact the Eagle "Granodiorite" (part of the Coast Range Intrusives) to the west. This type of environment is well known in the Princeton area to be favourable for the localization of mineralization. Volcanic rocks, within 1 mile of the Eagle contact, have been reconstituted to schists and gneisses.

In addition, a swarm of porphyry dykes have intruded along this contact zone, causing intense fracturing, disseminated mineralization and alteration. Following the porphyry event, the same zones where porphyry intruded were subjected to re-brecciation and copper-lead-zinc-silver-gold-molybdenum mineralization. This has resulted in several structurally complex, intensely fractured, altered and mineralized "breccia" zones* which are elongated in a true north-south direction.

Two major breccia zones have been established by geology, geochemistry, photogeology and exposure to lie on the western part of the property, but there is evidence that at least one more zone exists to the east of these. The western-most zone is known to be mineralized over a length of at least 4,500 feet; however, if continuity of mineralization can be established on the eastern zone across Whipsaw Creek, this zone may be over 5,500 feet long (see map in pocket).

Each breccia zone has been exposed in three places along its length and two showings on each zone are described in this report:

* sometimes referred to as "crackle" zones.
(a) Metestoffer and E2 - west breccia zone
(b) Knight & Day and Five Fissures - east breccia zone.
The S & M showing on the east breccia zone, north of Whipsaw Creek, is described in the September 1970 Semco Report.

2. Metestoffer Showing

The Metestoffer showing is the most actively explored on the Whipsaw property and was first exposed through erosion by Whipsaw Creek. It displays the internal structure of the breccia zone, and recent drilling has given an indication of the type and grade mineralization to be found.

The showing consists of numerous intersecting sulphide-vein-carbonate-alteration structures varying from 1 foot to 10, 20 and 30 feet in width. These structures are randomly oriented but commonly their intersections parallel either the breccia zone or a NE trend (see plan). Visible mineralization at surface is confined to 1 or 2 foot widths but, at 100 to 200 foot depths, major disseminated mineralization was encountered over 10 to 30 foot widths, whereas minor disseminated sphalerite and pyrite were present throughout the whole core. At least two bodies of altered feldspar-porphyry are involved in the Metestoffer mineralized zone and appear to be moderately north-west dipping.

The vein-alteration structures have vein centres which consist of massive or semi-massive sulphides (sphalerite, pyrite, lesser chalcopyrite and minor galena). This is surrounded by a bleached alteration envelope (mainly quartz, carbonate, clays and sericite), up to 10 times the width of the vein, in which there is disseminated sphalerite, chalcopyrite and pyrite. Native gold is directly associated with yellowish cubic pyrite; therefore heavily pyritized sections carry the best gold values. The most common silver mineral is argentite (possibly some native silver) which is directly associated with sphalerite-chalcopyrite, rather than galena.
Whipsaw Mines Limited (n.p.l.)

DIAMOND DRILL HOLE
and
GEOLOGY PLAN
METESTOFFER SHOWING

O X3 - 1966 X-ray diamond drilling
OM3 - 1968 BQ diamond drilling
OS1 - 1972 SPO diamond drilling
OP2 - 1973 BQ diamond drilling

strike & dip of mineralised veins

drawn by P. ANDERSON 28 February 1973
PANADCO RESEARCH LTD.
The presence of disseminated pyrite and sphalerite throughout the core accounts for the consistent gold assays.

Chalcopyrite is intimately associated with sphalerite from which it always forms minor exsolution blebs. In some places chalcopyrite forms breccia fillings in sphalerite. Galena is only common in the centres of vein structures where it is associated with late carbonate.

Two recent diamond drill holes in the Metestoffer showing have produced encouraging results, even though neither hole intersected a central breccia structure (such as is well defined north of the creek) or high-grade copper mineralization encountered in an early X-ray diamond drill hole (X 2).

The assays appearing on the following page were taken of those mineralized-altered structures which were intersected. These values are entirely in accord with those obtained from similar structures exposed by surface trenching, although better results were found at depth. Since sludges were not taken in the drilling, an average of about 10% and, in places, possibly up to 50% sulphides have been lost.

The principal dollar value lies in gold, silver and zinc in these assays, but up to $30 in copper has been intersected earlier. The conclusion, therefore, that much of the rock value is "hidden" in sphalerite and pyrite is a very important consideration in evaluating the ore potential in these zones since pyrite and sphalerite are the most abundant minerals.

As the assays show, since ore-grade material was intersected in the first two holes, continuation of the drilling program north along the breccia zone is well justified.
## Diamond Drill Hole Assays

### Hole P1

<table>
<thead>
<tr>
<th>Interval</th>
<th>Au oz/t</th>
<th>Ag oz/t</th>
<th>Cu %</th>
<th>Pb %</th>
<th>Zn %</th>
<th>Footage</th>
<th>$ Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>30½ - 37½</td>
<td>.048</td>
<td>2.37</td>
<td>.10</td>
<td>.17</td>
<td>1.94</td>
<td>7'</td>
<td>19.55</td>
</tr>
<tr>
<td>37½ - 40½</td>
<td>.005</td>
<td>.27</td>
<td>.02</td>
<td>.01</td>
<td>.20</td>
<td>3'</td>
<td>2.23</td>
</tr>
<tr>
<td>81 - 85</td>
<td>.019</td>
<td>1.03</td>
<td>.03</td>
<td>.01</td>
<td>1.98</td>
<td>4'</td>
<td>12.50</td>
</tr>
<tr>
<td>85-101 selected</td>
<td>.007</td>
<td>.33</td>
<td>.07</td>
<td>.01</td>
<td>1.62</td>
<td>16'</td>
<td>8.77</td>
</tr>
<tr>
<td>101 - 112</td>
<td>.005</td>
<td>.23</td>
<td>.03</td>
<td>.02</td>
<td>.63</td>
<td>11'</td>
<td>4.00</td>
</tr>
<tr>
<td>126-160 selected</td>
<td>.050</td>
<td>2.69</td>
<td>.12</td>
<td>.01</td>
<td>1.52</td>
<td>34'</td>
<td>18.53</td>
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### Hole P2

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<th>Interval</th>
<th>Au oz/t</th>
<th>Ag oz/t</th>
<th>Cu %</th>
<th>Pb %</th>
<th>Zn %</th>
<th>Footage</th>
<th>$ Value</th>
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<tbody>
<tr>
<td>108 - 125</td>
<td>.039</td>
<td>2.51</td>
<td>.11</td>
<td>.07</td>
<td>1.98</td>
<td>17'</td>
<td>19.09</td>
</tr>
<tr>
<td>including:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>114 - 120</td>
<td>.094</td>
<td>6.18</td>
<td>.13</td>
<td>.17</td>
<td>3.05</td>
<td>6'</td>
<td>37.80</td>
</tr>
<tr>
<td>including:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>117 - 119</td>
<td>.210</td>
<td>15.15</td>
<td>.23</td>
<td>.08</td>
<td>4.80</td>
<td>2'</td>
<td>78.00</td>
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<tr>
<td>125 - 128</td>
<td>.008</td>
<td>.25</td>
<td>.02</td>
<td>.01</td>
<td>.18</td>
<td>3'</td>
<td>2.27</td>
</tr>
<tr>
<td>133½-134½</td>
<td>.007</td>
<td>.32</td>
<td>.05</td>
<td>.01</td>
<td>7.48</td>
<td>1'</td>
<td>31.90</td>
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<td>168-198 selected</td>
<td>.010</td>
<td>.24</td>
<td>.03</td>
<td>.01</td>
<td>.98</td>
<td>30'</td>
<td>5.73</td>
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**Average**

<table>
<thead>
<tr>
<th>Au oz/t</th>
<th>Ag oz/t</th>
<th>Cu %</th>
<th>Pb %</th>
<th>Zn %</th>
<th>Footage</th>
<th>$ Value</th>
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<tbody>
<tr>
<td>.0253</td>
<td>1.43</td>
<td>.072</td>
<td>.044</td>
<td>1.57</td>
<td>60'</td>
<td>13.10</td>
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</table>

Values calculated at approximate current metal prices:

Au = $85 per ounce, Ag = $2.50 per ounce, Cu = 60¢ per lb, Pb = 17¢ per lb, Zn = 20¢ per lb.
3. **BZ (Breccia Zone) Showing**

A geochemical soil-sample line along the length of the breccia zone showed the whole zone to be highly anomalous in copper. Two trenches were made across the structure (2,200 feet north of the Metestoffer) thereby revealing underneath a gossanous cap, a highly oxidized and leached breccia zone 100 feet or more in width, and flanked by strongly pyritized, fractured and silicified rock.

Throughout the 320 foot-length of the main trench, the presence of sphalerite, chalcopyrite and molybdenite was detected, visibly in the flanking rocks where leaching was not intense, and by limonite boxworks in the leached breccia zone.

Assays from the trench (see Surface Assays) were of leached, oxidized and gossanous material and may be in the order of 1/10th of the grade of fresh rock at depth. Some assays show surprisingly high silver values for this leached rock; but in general the ratio of silver and copper to zinc is higher in the north part of the breccia zone than in the Metestoffer showing. The northward increase of chalcopyrite and silicification over sphalerite and carbonatization (part of the mineral zoning) is an important consideration in evaluating this breccia zone.

Results of the trenching clearly show that drilling of the breccia zone is necessary in order to evaluate a grade.
## SURFACE ASSAYS

<table>
<thead>
<tr>
<th>Description</th>
<th>Au oz/t</th>
<th>Ag oz/t</th>
<th>Cu %</th>
<th>Pb %</th>
<th>Zn %</th>
<th>Mo %</th>
<th>$ value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>METESTOFFER</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0-5' hangingwall alteration</td>
<td>.02</td>
<td>1.12</td>
<td>.16</td>
<td>.08</td>
<td>1.75</td>
<td>.003</td>
<td>13.70</td>
</tr>
<tr>
<td>5-8' vein structure</td>
<td>.039</td>
<td>2.72</td>
<td>.18</td>
<td>1.10</td>
<td>4.34</td>
<td>.003</td>
<td>35.20</td>
</tr>
<tr>
<td>earlier assaying:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4' footwall alteration &amp; vein</td>
<td>.02</td>
<td>1.85</td>
<td>.15</td>
<td>1.00</td>
<td>4.05</td>
<td></td>
<td>27.70</td>
</tr>
<tr>
<td>3' width, f.w. alteration</td>
<td>.01</td>
<td>.85</td>
<td>.15</td>
<td>Tr</td>
<td>.57</td>
<td></td>
<td>7.00</td>
</tr>
<tr>
<td>select sample</td>
<td>.005</td>
<td>4.56</td>
<td>1.14</td>
<td>Tr</td>
<td>5.35</td>
<td></td>
<td>47.00</td>
</tr>
<tr>
<td><strong>BZ (PRECCIA ZONE)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(all samples are highly oxidized, leached or gossenous material)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0 - 100'E averaged value</td>
<td>.005</td>
<td>.45</td>
<td>.04</td>
<td></td>
<td>.03</td>
<td>.002</td>
<td>2.65</td>
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<tr>
<td>100-200'E averaged value</td>
<td>.005</td>
<td>.22</td>
<td>.06</td>
<td></td>
<td>.02</td>
<td>.002</td>
<td>2.30</td>
</tr>
<tr>
<td>200-300'E averaged value</td>
<td>.005</td>
<td>.17</td>
<td>.07</td>
<td></td>
<td>.04</td>
<td>.003</td>
<td>2.60</td>
</tr>
<tr>
<td><strong>FIVE FISSURES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>earlier assaying:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>sheared leached rock</td>
<td>.005</td>
<td>.20</td>
<td>.04</td>
<td>.13</td>
<td>.47</td>
<td></td>
<td>3.80</td>
</tr>
<tr>
<td>select sample</td>
<td>.005</td>
<td>4.96</td>
<td></td>
<td>14.00</td>
<td>4.85</td>
<td></td>
<td>80.00</td>
</tr>
<tr>
<td><strong>KNIGHT &amp; DAY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 A select samples</td>
<td>.003</td>
<td>4.55</td>
<td>.20</td>
<td>5.30</td>
<td>3.97</td>
<td></td>
<td>48.00</td>
</tr>
<tr>
<td>1 B of galena-</td>
<td>.003</td>
<td>2.22</td>
<td>.13</td>
<td>3.04</td>
<td>1.68</td>
<td></td>
<td>24.30</td>
</tr>
<tr>
<td>1 C rich boulders</td>
<td>.005</td>
<td>4.10</td>
<td>.21</td>
<td>6.18</td>
<td>4.02</td>
<td></td>
<td>47.20</td>
</tr>
<tr>
<td>2 A oxidized piece of rock</td>
<td>.003</td>
<td>1.21</td>
<td>.12</td>
<td>1.23</td>
<td>3.05</td>
<td></td>
<td>21.10</td>
</tr>
<tr>
<td>2 B whole assays</td>
<td>.005</td>
<td>.88</td>
<td>.18</td>
<td>.75</td>
<td>7.04</td>
<td></td>
<td>35.50</td>
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<tr>
<td>2 C of boulders</td>
<td>.005</td>
<td>1.30</td>
<td>.13</td>
<td>1.68</td>
<td>9.16</td>
<td></td>
<td>47.60</td>
</tr>
</tbody>
</table>

Dollar value calculated using approximate current metal prices:

- Au = $85 per ounce, Ag = $2.50 per ounce, Cu = 60¢ per lb, Pb = 17¢ per lb, Zn = 20¢ per lb,
Department of
Mines and Petroleum Resources
Assessment Report
NO. 4170 MAP #3

T.G.S. BOUNDARY

Downslope transported soil anomaly

Apparent width of mineralized zone

French

+ 875 Copper values in ppm in soil

\| Fragmental breccia zone
\| oxidized & gaseous

Whipsaw Mines Limited (N.P.L.)

GEOLOGY AND GEOCHEMISTRY PLAN

'8Z'

BRECCIA ZONE SHOWING

Scale 1" = 200 feet.

Drawn by: P. Anderson  29 February 1978
Pawasco RESEARCH LTD.
4. **Five Fissures and Knight & Day Showings**

Trenching of both of these showings revealed mineralized vein networks and fault breccia zones with a common northerly trend. The present exposures are believed to be only a partial view of a larger breccia zone network extending north across Whipsaw Creek to the S & M showing.

The zone is a composite of several high-grade vein-alteration structures which supported small hand-mining at all three showings around 1910. The Five Fissures is an intersecting vein network causing mineralization over a 50-foot width at surface and a greater width at depth (in an old adit). Sphalerite, pyrite, galena, chalcopyrite, native silver, argentite and presumably native gold are the main vein constituents. Extensive carbonate, clay and sericite alteration and some shearing surrounds the veins.

Trenching of the Knight & Day showing exposed two unusual fault breccias whose widths were undetermined, but each greater than 100 feet. The breccia matrix is sheared clayey rock and gouge within which there are rock fragments from 1 inch to 10 feet in size. Many rock fragments consist of weathered massive and semi-massive sulphides — sphalerite, galena, pyrite, chalcopyrite (and argentite) with carbonate — which are remnants of very high grade vein structures several feet in width.

These boulders assay more than $40 per ton with most value in lead, silver and zinc. High silver assays, such as 15 oz/ton with sphalerite in Metestoffer drill core, 5 to 10 ounces in surface sampling, and 10 to 20 ounces in galena-rich samples are by no means unusual in these showings. In fact, galena samples were reported in 1911 by the GSC to assay as high as 151 and 325 ounces/ton silver where the old workings explored.
OF1 - 1968 BQ diamond drilling

- mineralized veins
- fault
- underground adit.

Whipsaw Mines Ltd. (NPL)

DIAMOND DRILL HOLE AND GEOLOGY PLAN
FIVE FISSURES SHOWING

drawn by P. Anderson
28 February 1972
SCALE: 1" = 50'
mineralized veins

attitude of boundary fault zone

Fault breccia zones

sericite shears

high-grade mineralized blocks of rock.

Whipsaw Mines Ltd. (N.R.L)

DIAMOND DRILL HOLE AND GEOLOGY PLAN

KNIGHT & DAY SHOWING

prepared by P. Anderson 28 February 1973 SCALE: 1' = 50'

Department of Mines and Petroleum Resources

ASSESSMENT REPORT

NO. 4170 MAP #5
5. **Geochemical Anomalies**

Geochemical soil anomalies III, IV, and V all lie to the east of the Five Fissures and Knight & Day showings and appear to be the surface expressions of a third mineralized north-trending structure, possibly a breccia zone. Preliminary exposure of Anomaly III by a 400 foot trench revealed highly oxidized pyrite-sphalerite veins underneath 10 feet of impermeable glacial clay. This clay cover is important because its blanketing effect may have prevented detection of other mineralized areas by the surface soil sampling.

6. **Mineral Zoning**

There is a well defined mineral zoning throughout the Whipsaw property which is reflected in both the sulphide and gangue mineralogy of the showings. From a north-west point where pyrite, quartz, molybdenite and chalcopyrite predominate, going in a south-east direction, sphalerite increases rapidly to dominate over pyrite, galena increases rapidly when molybdenite goes, and chalcopyrite reaches its peak in the molybdenite-galena transition and then slowly decreases. The gangue changes from dominately quartz to dominately carbonate.

Such a mineral zoning sequence is observed in many mining camps outward from a central heat source.
CONCLUSIONS

Gold-silver-copper-lead-zinc-molybdenum mineralization occurs on the Whipsaw property in long breccia zones which internally consist of a network of intersecting sulphide-vein-alteration structures containing massive sulphides in their cores and disseminated sulphides in the alteration envelopes. Pyrite and sphalerite are the dominant sulphides with lesser chalcopyrite, molybdenite, galena, argentite, native silver and native gold.

Several showings on each breccia zone has given an indication of the type and grade of mineralization present. As continuity of the western breccia zone between the Metestoffer and BZ showings has been established, drilling along the length of the structure is now necessary to determine what widths, grades and depth potential is present in this zone. Since continuity of the eastern breccia zone between showings is not yet proven, this must be established before drilling can proceed here as on the western zone.

A further eastern series of geochemical anomalies suggests a similar zone to the others but its existence is not yet established. Primary exploration is therefore required in this area before an evaluation program can be planned.

Diamond drilling of the Metestoffer and trench sampling of the other exposures have shown that economic concentrations of gold-silver-copper-lead-zinc mineralization are present in both breccia structures, but their minability has not yet been determined.

On the northwest part of the property, most metal value lies in silver, copper, gold (and molybdenum); in the central area, in zinc, silver, gold and copper; and in the southeast area, in silver, lead and zinc.
PROPOSED EVALUATION PROGRAM

The presence of economically important mineralization on the Whipsaw property has been established since 1910. And it is not this fact, but it is rather the lack of exposure which presents a problem on the Whipsaw property. Prior to the present program, every showing of mineralization on the property existed where some natural agent (creeks, breaks in slope, etc) exposed the sulphide zones at the surface. Further, since less than 10% of the property area contains outcrop, the acuteness of this problem can be realized.

An extensive amount of trenching is therefore needed in areas where mineralization is suspected from either geochemical, geological or geophysical anomalies. The eastern most zone also requires exposure by trenching in order to determine its trend.

When mineralized zones have been defined, as has the western breccia zone, percussion drilling along the structure is recommended as a quick and inexpensive tool to determine the variations in grade and extent of mineralization along the length of the zone. Then, with this information, diamond drilling can be more accurately used across the structure to outline its width and depth.

A two-stage program is recommended for the Whipsaw property which will concurrently explore and evaluate all three areas. The first phase will evaluate the potential of the western breccia zone by percussion drilling; determine by trenching, the presence or absence of a unified eastern mineralized zone and expose by trenching, what mineralization exists in the area of Anomalies III, IV, and V.
Depending upon the results obtained from each of the three areas, the second phase of the program will evaluate a preliminary tonnage in the western breccia zone by diamond drilling and evaluate the other two areas by sequential percussion and diamond drilling.

At the present time, the potential on the Whipsaw property for a combined precious and base metal mine warrants an expenditure of $180,000.00 for the primary evaluation phase.

Respectfully submitted

PANASCO RESEARCH LTD

PHILLIP ANDERSON, B.Sc,
Consulting Geologist.
BUDGET

PHASE I

(a) West Breccia Zone:
1. Trenching and access roads 2,000.00
2. Percussion drilling; 8 - 300' holes 7,200.00
3. Assaying ($15 per sample) 3,700.00
4. Geologist + 2 field men 3,000.00
5. Equipment and expenses 1,800.00

(a) $17,700.00

(b) East Breccia Zone:
1. Trenching and access roads 5,000.00
2. Exploratory percussion drilling; eight 300' holes 7,200.00
3. Assaying 4,000.00
4. Personnel - Geologist + 2 field men 5,000.00
5. Equipment and expenses 2,500.00

(b) $23,700.00

(c) Eastern Anomalies:
1. Trenching and access roads 5,000.00
2. Assaying 1,500.00
3. Geological mapping 2,200.00
4. Personnel 1,500.00
5. Equipment and expenses 1,300.00

(c) $11,500.00

Contingencies 5,000.00
Compilation and report 2,100.00

TOTAL PHASE I $60,000.00

PHASE II - Contingent upon the results of Phase I.

1. Diamond drilling - west breccia zone 32,000.00
   8 holes of 500' depth
2. Diamond drilling - east breccia zone 32,000.00
   8 holes of 500' depth
3. Percussion drilling - eight 300' holes 7,000.00
4. Personnel 11,000.00
5. Expenses, equipment etc. 7,000.00
6. Contingencies 10,000.00
7. Compilation and report 4,000.00
8. Assaying 17,000.00

TOTAL PHASE II $120,000.00

TOTAL PHASE I and PHASE II $180,000.00
CERTIFICATION

I, PHILLIP ANDERSON, do hereby certify that:

1. I am a Practising Consulting Geologist with office at 3429 West 41st Avenue, Vancouver 13, British Columbia.

2. I am a graduate of the University of British Columbia with an Honours Degree in Geology.

3. I have practised geology and mining exploration in the Province of British Columbia for 5 years.

4. I have worked on Whipsaw Mines' Ltd Princeton property for various periods in the past 3 years during which time I conducted the exploration programs and wrote three reports on the property for Stokes Exploration Management Co. Ltd.

5. In 1971, I completed my graduating thesis, which deals extensively with the geology and mineral deposits of the Whipsaw Creek area.

6. Data substantiating the conclusions in this report have been compiled over this three year period.

7. I am President of Panasco Research Ltd.

8. I neither have nor intend to receive any interest in the property or securities of Whipsaw Mines Ltd. (N.P.L.).

Vancouver, B.C.

PHILLIP ANDERSON, B.Sc,
Consulting Geologist.
REFERENCES


5. Annual Reports of the Minister of Mines:


### APPENDIX I

#### CLAIMS LIST

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APPENDIX II

LIST OF EXPENDITURES

1. D.8 H cat costs at $42.00 per hour $2,000.00
2. Swamping, slashing and clearing 500.00
3. Consulting Geologist
   Phillip Anderson, 36 days at $70.00 per day 2,520.00
4. Line cutting
   R. Bilquist, 7 days at $35.00 per day 245.00
5. Equipment rental and purchase 504.00
6. Expenses incurred in the field 711.00
7. 85 feet of 1-1/8 inch diameter diamond drilling 1,000.00
8. 502 feet of B.Q. wireline diamond drilling 4,610.00
9. J.D. 450 cat costs 720.00

TOTAL: $12,810.00
Mr E.J. Bowles
Chief Gold Commissioner
Dept Mines and Petroleum Resources
Victoria.

Dear Mr Bowles:

Please find enclosed two copies of the report entitled:

Geological Report on the Property of Whipsaw Mines Ltd (N.P.L.), Princeton Area Similkameen Mining Division, B.C.

to be used for the purpose of assessment work on the Mae, Pat, Kerry and Mike claims of Whipsaw Mines Ltd.

Part of this assessment work has been filed and part of it is still yet to be filed. However, all work has been done and filed on the claims in their respective anniversary dates.

Thank you very much.

Yours Sincerely,  

Phillip Anderson

15th March 1973