STATEMENT OF EXPLORATION AND DEVELOPMENT

PROPERTY: LIBRARAT

COMMODITIES PRESENT

B.C. MINERAL INVENTORY NUMBER(S), IF KNOWN

MINING DIVISION: NEW WESTMINSTER

LATITUDE: 49° 00'

LONGITUDE: 122° 00'

NAMES and NUMBERS of all mineral tenures in good standing (when work was done) that form the property (Examples: TAX 1-4, FIRE 2 (12 units); PHOENIX (Lot 1706); Mineral Lease M 123; Mining or Certified Mining Lease ML 12 (claims involved)):

LIBRARAT 1-8 (8 units total)

OWNER(S)

(1) John H. Savage
(2) 

MAILING ADDRESS

311 Spruce Street, P.O. BOX 237
Cultus Lake, B.C. V0X 1H0

OPERATOR(S) (that is, Company paying for the work)

(1) John H. Savage
(2) 

MAILING ADDRESS

as above

SUMMARY GEOLOGY (lithology, age, structure, alteration, mineralization, size, and attitude): The claims are underlain by argillite, quartz conglomerates or carboniferous argillite, chalk and intercalated volcanics.

REFERENCES TO PREVIOUS WORK
January, 1987

LILBRAT CLAIMS 1 - 8

Introduction

The following report is prepared by:

John H. Savege
c/o P.O. Box 237
Cultus Lake, B.C.
VOX 1HO

I have been a part-time prospector for some twenty-five years.

I attended the B.C. and Yukon Chambers of Mines Prospectors School 1969.

I have been involved in contract placer mining in the Barkerville area 1973.

Prospecting has been an avocation whenever I have been able to pursue it.

The investigations I commenced a year and one half ago led me to stake these claims.

I designed and built a crusher and milling device and hoped to practise with my equipment on something more than country rock. Thus the following report.
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Property Description

This ore bearing anomaly lies situated in Columbia Valley south of Cultus Lake. Cultus Lake lies in South Western British Columbia approximately ninety kilometers due east of Vancouver close to the International Boundary of the United States.

The mineralized area is exposed on the southern side of Columbia Valley where the mountain side meets the valley floor.

The North East, South West lie of these eight claims cover the exposed mineralization between Watt Creek and Frost Creek.

The northern most claim number eight borders the International Ridge Recreation Park.

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Lost Statement

Physical work:

- Backpack: 500.
- Bulldozer: 660.
- Chainsaw: 80.
- Bulk sampling: 400.
- Prospecting & assaying: 1694.25

Total: 3334.25
Physiography

The ore zone, or more correctly the rock hosting the mineral values, appears as an argillite material. This material appears on the exposed mountain side. The old logging road directly south of Frost Creek Road is constructed directly on this material. This argillaceous material is extremely hard and durable to weathering, thus explaining its existence and current exposure. I estimate this agrillaceous material to be relatively thin (10 - 20 metres thick). It stands near to vertical along claims 4, 3, 2, and appears to alter this inclination on claims 1, 5, 6, 7, 8, to somewhat less than vertical. This arigillite type material appears stratified at approximately (with many variations) at 30° from horizontal dipping into the mountain side.

It is intruded by a near vertical, silicaceous type vein. The veins exposed are between 50cm - 1 metre in thickness and are always present with the argillaceous material.

The mixture of magma type rocks, ie. granites, hornblends, diorites, appear to be close into the side of the mountains and are exposed here and there through the thin argillaceous material.
Physiography "Vertical"

MAGMA TYPE MATERIAL
GRAVITES
DIORITES
HORNBLENDES

STRATIFIED TYPE OF OROILACEOUS ROCK

SILICAEOUS TYPE VIEWS

LOGGING ROAD AT INITIAL POST LILBRAT #3

NEAR VERTICAL 150 METRES

VALLEY FLOOR

SCALE 1-50 M
Physiography "Horizontal"

- Top of ore zone
- Frost Creek Road
- Logging Road
- Bulk sample
- Frost Creek

"A" microscopic traces

SCALE 1CM = 50 M
Access

The group of claims is readily accessed from Frost Creek Road and directly unto the vein structure on the old logging road.

Previous Work

This author is not knowledgeable of any previous claims on this type of formation in this area. The geological survey map is reasonably accurate.
Object of Present Work

The work undertaken has been to re-establish the logging road. It was overgrown and inundated with slides and rock falls.

A bulk sampling technique has been employed to demonstrate values. The argillaceous type material along with its encased silica type veins have been ripped up, loaded, hauled, crushed, ground then concentrated. The value (or the results) of this processing, to date, has varied because of the use of a variety of personnel and equipment employed. Economic values have been demonstrated on all processes employed to date. A proven system has evolved for processing this ore. The process can be as valuable as the ore potential.

Bulk sampling has been the only way to prove values. Due to the stratification in the argillaceous type material it has proved impossible to date to demonstrate precisely where these values are hosted.

I have spent many man hours studying with a 30 power lens the vein and supporting argillaceous rock. We have located trace values along all these claims. Upon bulk sampling crystals to nugget size are found.

We further plan to extend the bulk sample locations and produce at an economic level.

The bulk sample was taken off of the side of the logging road near claim #3 Initial Post.
Theory

The values found are Au., Ag., Pt., Pd. (the platinum metals) trace native copper, native iron. These values appear as crystals. The crystals are formed in the vertical siliceous veins and in the more horizontal argillaceous type material. The crystals are formed in occasional voids. This nuggeting type of occurrence does not readily appear, and takes great effort to detect with a 30 power lens. This may be in part due to weathering. The small crystals suggest rapid cooling or diminished fluid flows suggesting a proximity to the top of the mineralization. The gold released in bulk sampling is from micron size to small nuggets. The lack of sulfides or major metals such as iron, copper or zinc suggests a true chemical type of deposit hosted in a geological situation.

The theory I have evolved is that the platinum group was in suspension in a chloride form (possibly Sea Water) and was precipitated by sulphur dioxide gas or solutions. The gas as released along a submerged earth cracks or faults over a great length of time. The earth cracks occur in great variety; in this situation they have reoccurred at close intervals. Any sulfides have redissolved as acids, reacting with the surrounding rocks and redissolving and redpositing minerals. Thus they are no longer present.

Interpretation

The argillaceous type of material is not an argillite. It is a chemically dissolved and re-deposited rock, deposited in layers and thus described as an argillite for lack of a better description.
Procedure

The production of a concentrate has been accomplished as demonstrated by tabling a 20 mesh grind as shown by the Cominco assay.

An early attempt at centrifuge concentrate is demonstrated by the September 29, 1986 Quanta Trace assay indicating platinum group metals. Further an approximate 20 lb. sample taken from a thoroughly mixed 1 ton sample produced a 3.3 oz/ton of AU assay. This conclusion was obtained by Mr. Gerry Byerlay, 6295 Sumas Prairie Road, Sardis, B.C. by weighing the gold obtained and assay of the concentrate, middling and tailing, December '86, and shown by the Quanta Trace assay. A 60 mesh grind should release the majority of values.

Discussion

We are at present constructing our own processing and concentrating equipment. Our progress is slow as we operate on limited resources. Further, we have been attempting to locate a suitable plant to ship our ore to. Limiting factors are distance and suitable milling and recovery systems, suitable to this ore. Milling and concentrating will allow more extensive bulk sampling and direct future operations.

Conclusion

The further proposed bulk sampling could further support the microscopic findings. I believe that the deposit will prove to be a reasonably monolithic deposit for values. The volumes indicated are tremendous.

The conclusion that the above described deposit is a chemical deposit that is located in a geological formation has led this author to stake more claims in the Chilliwack River Valley. Values are readily proved to be present.
**CERTIFICATE OF ASSAY**

RESULTS TO: John Savege  
Box 237  
Cultus Lake, B.C.  
Ph: 858-9588

JOB NUMBER: X86-187

DATE: 19 November 1986

<table>
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<tr>
<th>SAMPLE NUMBER</th>
<th>Au F.A. oz/ton</th>
<th>Ag F.A. oz/ton</th>
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<td>JS#1</td>
<td>40.396</td>
<td>6.61</td>
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METHOD: Fire Assay - Gravimetric Finish  
1/2 A.T.

Certified Assayer, Province of B.C.

EW/sw
ANALYSIS OF GEOLOGICAL SAMPLES

To: Mr. John Savage
Box 237
311 Spruce Road
Cultus Lake, B.C.
V0X 1H0

Workorder: 5713
Received: 26-Sep-86
Completed: 29-Sep-86

Re: Chemical Analysis of Fire Assay Beads

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<td>Lab Reference #</td>
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<td>5713-002</td>
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Analyzed by Plasma Emission Spectroscopy (ICAP)
Method used | Fire assay | Fire assay |
Bead Weight | 6.20 | 6.21 |

Precious Metals

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<tr>
<th>Precious Metal</th>
<th>Results in</th>
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<tr>
<td>Silver (Ag)</td>
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<tr>
<td>Gold (Au)</td>
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<td>Palladium (Pd)</td>
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<tr>
<td>Rhodium (Rh)</td>
<td>0.0022</td>
<td>0.0005</td>
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Results in oz/T

NOTE: Results are calculated assuming a 1.0 assay ton sample was used.
Silver was obtained by difference.

Assayer: [Signature]

Assay of concentrate collected 9" (nine inch)
High G. Centrifuge & apparatus 10ton & tailing slurry
in August '86, tipping 600bbl sample
**ANALYSIS OF GEOLOGICAL SAMPLES**

To: Beaver Research Laboratories  
3250 262nd Street  
Aldergrove, B.C.  
VOX 1A0  

Attn: Mr. G. Byerlay

Re: Chemical Analysis of Ore Samples

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<thead>
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<tbody>
<tr>
<td>Identification</td>
<td>JS Rock</td>
<td>Concentrate</td>
<td>Mids</td>
<td>Tailings</td>
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<tr>
<td>Lab Reference #</td>
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Analyzed by Plasma Emission Spectroscopy (ICAP)

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<td>Silver</td>
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<td>Rhodium</td>
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Results in oz/T

Bulk Sample APPROX. 20 Lbs

WEIGHED GOLD 2.9 Grams

SUGGESTED HEAD ORE VALUE 3.3 oz/ton

SAMPLE IMPACT MILLED TO MESH 20

TABLED ON GEMINI TABLE

BY GEORGE BYERLY, DEC 86