GEOCHEMICAL ASSESSMENT REPORT

On the

FRIENDLY LAKE PROPERTY

Kamloops Mining Division

For

Electrum Resource Corporation

510 West Hastings St.
Suite 912
Vancouver, BC
V6B 1L8

Covering: Friendly Lake Property
Work performed: October 3-5, 2000

LOCATION: 28 KM. NW OF LITTLE FORT, BC
NTS MAP NO. 92P/9 & 92P/10
UTM COORDINATES (NAD 27):
10U 0678300E, 5719000N

PREPARED BY:

Rob Montgomery, B.Sc. Geologist

For

Geoquest Consulting Ltd.
8055 Aspen Rd.
Vernon, BC

January 12, 2001
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SUMMARY

The Friendly Lake Property is situated in south-central British Columbia approximately 28 kilometers northwest of Little Fort, BC. Highway 24 and all-weather logging roads provide access to the property.

The property consists of 28 mineral claims (246 units) recorded in the Kamloops Mining Division. Electrum Resource Corporation is the registered owner of the claims. Local infrastructure is excellent. The CP railway and high capacity power lines are located approximately 60 road kilometers to the east along the North Thompson River valley.

The claims are situated in the Quesnel Trough, a 2000 kilometer-long northwesterly trending belt of Mesozoic volcanic rocks, sediments, and intrusives. The Quesnel Trough hosts many substantial porphyry copper-gold deposits including Copper Mountain, Afton, Mount Polley, and Kemess. The QR deposit is located approximately 100 kilometers north of Friendly Lake. This porphyry-related gold deposit is believed to occur in a similar geological setting as the Friendly Lake Property.

Alkaline volcanic and sedimentary rocks of the Nicola Group underlie the Friendly Lake Property. These rocks are often intruded by comagmatic diorite to syenite and have been subject to intense block faulting. Hydrothermal activity believed to be related to these intrusives has altered and mineralized the Nicola volcanic rocks in the Friendly Lake area.

At least three types of mineralization have been discovered on the property. Copper-molybdenum mineralization occurs in the form of veins and disseminations. Lead-silver mineralization is associated with fracture-controlled metasomatic alteration. Gold mineralization occurs in quartz-carbonate veins in the volcanic and intrusive rocks. An unusual type of gold mineralization, found in syenite, occurs with quartz veinining and potassium feldspar flooding.

The Friendly Lake Property has had an extensive exploration history dating back to 1965. Old hand trenches found by Anaconda American Brass attest to unrecorded work prior to 1965. Several companies including Anaconda American Brass, Vangulf Exploration Company & Imperial Oil Limited, G.H. Rayner and Optionees, Lomex Mining Corp., and Placer Dome have worked on the property. In the 1960's and 1970's the primary exploration targets were porphyry copper and molybdenum deposits. Since the 1980's, gold and porphyry copper-gold deposits, which may be associated with a porphyry system, have been the main targets.

In October 2000, a small stream sediment survey was undertaken in the eastern section of the property near Little More and Friendly Lakes. Two samples were also collected north of Lost Horse Lake (off the property) to determine the potential of unstaked ground in this area.
INTRODUCTION

This report has been prepared for Electrum Resource Corporation and summarizes a stream sediment geochemistry program conducted on the Friendly Lake Property in October of 2000. Samples were collected in the vicinity of Little More Lake, Friendly Lake, and Jim Creek. Visible gold was found in a pan concentrate sample collected on a small tributary of Jim Creek. Sampling upstream was conducted in an attempt to find the source of this gold.

LOCATION AND ACCESS

The Friendly Lake Property is situated twenty-eight kilometers westerly of the community of Little Fort in south-central BC (Figure 1). Taweel Forest Service road heads northerly from Hwy. 24 for approximately seven kilometers. From here a four-wheel drive road intersects the eastern section of the property at approximately five kilometers. Good all-season logging roads also access the property from further west along Hwy. 24. Geographic co-ordinates for the property are 51° 36' north latitude and 120° 24.5' west longitude on NTS maps 92P9 & 92P10.

Travel time from Little Fort is approximately 45 minutes.

TERRAIN

The Friendly Lake Property is situated within the interior plateau of BC. Rolling hills are typical with elevations ranging from approximately 1100 to 1600 meters. Depressions are often swampy or boggy with swamp grasses common. Vegetation on the property consists predominately of spruce, pine, fir, and balsam. Willow thickets are occasionally present in wet areas. Small shallow lakes are common. Streams average one to three meters in width and are usually quite shallow. Smaller creeks exhibit strong seasonal flow variations. On these creeks active silt is usually obtained only in sections of steeper gradient.

The winter snow pack averages two to four meters.
**PROPERTY**

The Friendly Lake Property consists of 28 mineral claims (246 units) all recorded in the Kamloops Mining District (See Figure 2). The following chart shows details of these claims:

<table>
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<tr>
<th>CLAIM NAME</th>
<th>RECORD NO.</th>
<th>NO. OF UNITS</th>
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The registered owner of the claims is Electrum Resource Corporation of Vancouver, BC. All claims are situated on Crown Land. There are no privately held properties in the vicinity of the claims.
## HISTORY

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<tr>
<th>DATE</th>
<th>COMPANY</th>
<th>DESCRIPTION OF WORK</th>
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<tbody>
<tr>
<td>Pre 1965</td>
<td>Unknown</td>
<td><em>Unrecorded prospecting (old hand trenches found by Anaconda)</em></td>
</tr>
<tr>
<td>1965</td>
<td>Anaconda American Brass</td>
<td><em>Anaconda staked 178 two-post daims and collected 250 samples for biogeochemical analysis</em></td>
</tr>
<tr>
<td>1966-1968</td>
<td>Anaconda American Brass</td>
<td><em>Property increased to 194 claims. Soil and stream sediment survey consisting of approximately 3034 soil samples and 128 stream sediment samples. Samples were analyzed for Cu, Pb, Zn, Mo.</em>&lt;br&gt;*999 meters of diamond drilling (19 holes)&lt;br&gt;*bulldozer trenching, IP surveys&lt;br&gt;*53 kilometers of ground magnetic survey</td>
</tr>
<tr>
<td>1970</td>
<td>Anaconda American Brass</td>
<td><em>17 bulldozer trenches</em></td>
</tr>
<tr>
<td>1972</td>
<td>Vanguard Exploration Company and Imperial Oil Ltd.</td>
<td><em>Geological mapping</em>&lt;br&gt;<em>Collected 1144 soil samples and analyzed for Cu, Pb, Ag, Mo</em>&lt;br&gt;<em>Magnetometer and IP surveys (kilometers unknown)</em>&lt;br&gt;<em>Prism Resources optioned the claims and carried out geological mapping</em></td>
</tr>
<tr>
<td>1973-1975</td>
<td>Cities Services Mineral Corp., Imperial Oil Ltd.</td>
<td><em>In 1974 Imperial Oil drilled 24 percussion holes (1002 meters). Results are not in public domain.</em>&lt;br&gt;<em>1973-1975 Cities optioned the Bogg claims as a porphyry target. Work included: geological mapping, trenching, soil sampling, rock chip sampling, 87 kilometers of IP survey, 537 m. of diamond drilling (4 holes) and 673 m. of percussion drilling (15 holes)</em></td>
</tr>
<tr>
<td>1978-1983</td>
<td>Commonwealth Minerals Limited, SMD Mining Co. Ltd., Lornex Mining Corporation</td>
<td><em>Commonwealth collected 656 soil samples and conducted an 18.3 kilometer VLF-EM survey.</em>&lt;br&gt;<em>In 1981, SMD collected 1608 soil samples, 488 rock samples, and carried out an unstated amount of ground magnetometer and VLF-EM surveys.</em>&lt;br&gt;<em>In 1982, SMD ran 100 kilometers of grid; collected 1974 soil samples, 775 rock samples, 82 stream sediment samples, ran 80 kilometers of geophysical surveys (IP, resistivity, magnetics, VLF), conducted 1:5000 geological mapping, and trench 631 meters.</em>&lt;br&gt;<em>In 1983, Lornex drilled 39 percussion holes (21 holes appear to have been drilled on the present property)</em></td>
</tr>
<tr>
<td>1984-1985</td>
<td>BP Resources Canada Limited, G.H. Rayner and Optionees</td>
<td><em>BP Resources cut 184 kilometers of grid, collected 1431 soil samples and 507 rock samples</em>&lt;br&gt;*ran 34.5 kilometers of IP survey&lt;br&gt;<em>1840 meters of trenching (31 trenches) -only one trench is on the current property</em>&lt;br&gt;<em>In 1985 a regional stream sediment survey was conducted</em></td>
</tr>
<tr>
<td>1987-1990</td>
<td>Geotech Capital Corporation, Rat Resources Ltd., Cameco (SMD Mining Co. Ltd.)</td>
<td><em>Geotech Capital conducted an IP survey, carried out 810 meters of diamond drilling, and collected and analyzed 2 256 soil samples as part of a geochemical survey.</em>&lt;br&gt;<em>In 1987 Rat Resources conducted 310 meters of diamond drilling (3 holes). In 1986(?) they drilled an additional 457 meters (4 holes) southeast of the current property.</em>&lt;br&gt;<em>In 1989 Cameco carried out a 120 sample soil survey on or slightly off the edge of the current property.</em></td>
</tr>
<tr>
<td>1990-1991</td>
<td>Placer Dome Inc.</td>
<td><em>Collected 3 446 soil samples altogether but it is unclear how many samples were actually collected on the present property (It is estimated that at least 2 000 samples were taken on the current property)</em>&lt;br&gt;*Machine excavation of 4 trenches totaling 700 meters&lt;br&gt;*183 rock chip samples were taken from the trenches</td>
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<tr>
<td>1996</td>
<td>Electrum Resource Corporation</td>
<td>*27 rock samples analyzed for gold and multi-element&lt;br&gt;<em>6.1 kilometers of geophysics (VLF, electromagnetics)</em></td>
</tr>
<tr>
<td>1997</td>
<td>Midland Exploration Corporation</td>
<td>*Geophysics including: induced polarization, electromagnetics and magnetics&lt;br&gt;*Collected 585 soil samples</td>
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</table>
GEOLOGY AND MINERALIZATION

a) Regional Geology

The Friendly Lake Property is located within the Quesnel Trough. This 2,000 kilometer-long northwesterly trending sequence of rocks is comprised of Upper Triassic to Lower Jurassic volcanic rocks, volcaniclastics, and intrusives. The Quesnel Trough consists of a volcanic core of Triassic subaqueous flows, tuffs, and breccias. Interbedded sediments include argillite, siltstone, chert, and limestone. On the eastern and western peripheries of the volcanic core is an overlying sequence of Lower Jurassic volcaniclastic breccias with peripheral epiclastic sediments (conglomerate, greywacke and argillite). To the east, fine sediments such as siltstone, shale and argillite seem to form the base of the Triassic sequence.

Nicola Group volcanic and sedimentary rocks that have been intruded by abundant comagmatic diorite to syenite stocks underlie the property area. Hydrothermal activity, likely associated with these intrusions, shattered and introduced volatiles and metals into the Nicola volcanics.

The Friendly Lake Property is situated in an area of strong block faulting west of the North Thompson Fault.

b) Property Geology

Rocks observed on the property generally belong to the Nicola Group volcanics. Typical rock types include andesite flows, andesitic tuffs, siltstone, argillite, volcanic conglomerate, dolomite, and greywacke. Intrusive rocks are granites, syenites, microdiorites and the Thuya batholith of intermediate composition.

Rocks noted in the survey area are predominately sedimentary and range from argillite to coarse heterolithic sediments (chaotic and unsorted). Greywacke, fine to medium-grained sandstone and siltstone are also observed. Sediments occasionally have a limonitic rind, and may contain quartz/carbonate veinlets. The second most common rock type is fine-grained to medium-grained, occasionally porphyritic, Nicola volcanics. Locally, relatively high proportions of quartz vein material are noted in sieved creek sediments.

c) Mineralization

Four main types of mineralization have been identified on the Friendly Lake Property. The first type is copper-molybdenum (gold) mineralization in veins and disseminations. The second type is lead-silver mineralization associated with fracture-controlled metasomatic chlorite-carbonate-pyroxene-richer+ite+chalcocody +albite alteration. The third type is gold mineralization in syenite associated with quartz veining and potassium feldspar flooding. The fourth type is gold in quartz/carbonate veins that have been identified in more recent work by Electrum Resource Corporation.
Three Minfile occurrences are situated within the Friendly Lake claim block. Two are found in the eastern portion of the property where the current survey was conducted (See Figure 3). These are the RO (Cu, Mo, Ag, Pb) and the FL (Cu, Mo, Pb) showings.

**GEOCHEMISTRY**

On October 3-5, 2000, a brief geochemical stream sediment survey was conducted in the eastern section of the property. Thirteen silt samples and thirteen pan concentrates were collected from drainages in this area. All samples were shipped to Assayers Canada Labs in Vancouver for gold, mercury and 30-element ICP analysis. Analytical lab procedures and assay results are found in Appendix B. Figures 3 and 4 indicate sample locations and geochemical data for gold, mercury and anomalous indicator elements.

Silt samples consist of 400-500 grams of active stream sediment screened to minus 10 mesh. Silt samples were collected in kraft paper envelopes and labeled with field coordinates.

Pan concentrates were obtained by panning down approximately 10 kilograms of active stream sediment to a 15-30 gram heavy mineral sample. Pan concentrates were collected in plastic vials and subsequently logged using a binocular microscope before being sent for assay. All sample sites are topographically and GPS located.

The highest gold value obtained is 312 ppb (silt sample FS-06). This sample is situated on Jim Creek in the northeast corner of the property. The second highest gold assay is 265 ppb (silt sample FS-03). This sample is located in a creek flowing into Little More Lake. Silt sample FS-04 is situated on a small tributary approximately 40 meters west of FS-03, and yielded an anomalous gold value of 92 ppb. The highest gold assay obtained in a pan concentrate is 63 ppb (FPC-01). This sample is situated north of Lost Horse Lake (off the Friendly Lake Property).

A fragment of visible gold was observed in sample FPC-07. This gold fragment appears to have been lost when the sample was transferred from the gold pan to the plastic vial. This is reflected in a low gold assay value for FPC-07. Furthermore, this fragment of gold could not be found when the sample was logged with a microscope.

ICP analysis indicated a correlation between gold and various anomalous indicator elements. There appears to be a relationship between gold and zinc in silt sample FS-03. This sample had the highest zinc value, 455 ppm, and a gold value of 265 ppb. The corresponding pan concentrate, FPC-03, had a zinc value of 313 ppm and a low gold value of 23 ppb.

The highest copper value obtained was 108 ppm in silt sample FS-01. All other copper values were background to very weakly anomalous. The only anomalous arsenic values, 100 ppm and 30 ppm, were found in samples FS-01 and FPC-01 respectively.
Sample FS-04 had the highest mercury value, 250 ppb, and a coincident gold anomaly of 92 ppb. Sample FS-01 had the second-highest mercury assay, 235 ppb, along with a coincident gold anomaly of 89 ppb. Sample FS-12 had an anomalous mercury value of 160 ppb. The remaining mercury assays were background to weakly anomalous.

Molybdenum was the only other element demonstrating significant anomalous values. The highest molybdenum values were 14 ppm and 10 ppm for samples FS-10 and FS-04 respectively.

CONCLUSIONS AND RECOMMENDATIONS

This property has had an extensive exploration history and mineralization has been found in many portions of the property. The stream sediment survey conducted in October 2000 resulted in several samples containing anomalous gold, mercury and other indicator elements. These results suggest that further exploration in the eastern portion of the property may be warranted. Further reconnaissance work in this area would be relatively inexpensive and may yield valuable information regarding the source of gold mineralization.

Based on this survey, recommendations for further work include the following:

1. Prospecting, float mapping and reconnaissance geological mapping is recommended on the upper portions of the Jim Creek drainage as the source for visible gold in FPC-07 has not been identified. As well, the highest gold value (312 ppb in FS-06) was obtained in this area.

2. Research the historical sampling data—if any— in the vicinity north of Lost Horse Lake and northeast of Friendly Lake where previous work may have indicated anomalous gold in streams or rocks (Were historical samples analyzed for gold?). The coincident anomalous gold, mercury, arsenic and copper values of FS-01 may coincide with possible historical anomalous areas.

3. Follow-up stream sediment sampling north of Lost Horse Lake. If results warrant, this ground may be staked. Open ground is available in this region (at time of writing).

Respectfully submitted

Rob Montgomery, B.Sc.
January 12, 2001
## APPENDIX A

### FRIENDLY LAKE PAN CONCENTRATE LOGS

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<th>SAMPLE #</th>
<th>COMMENTS</th>
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<tr>
<td><strong>FPC-01</strong></td>
<td>Low magnetite. Numerous pyrite cubes in heavy fraction (.05-.1 mm average). Pale green apatite common. Larger grains of arenaceous sandstone common.</td>
</tr>
<tr>
<td><strong>FPC-02</strong></td>
<td>Very low magnetite. Noted one tarnished pyrite cube. Trace pink quartz. Pale green apatite crystals common.</td>
</tr>
<tr>
<td><strong>FPC-03</strong></td>
<td>Low fine-grained magnetite. Few larger tarnished pyrite grains. Few larger fragments of sandstone and grey siltstone.</td>
</tr>
<tr>
<td><strong>FPC-04</strong></td>
<td>Low to moderate magnetite. Numerous small tarnished pyrite cubes (.2 mm average). Pan concentrate quite limonitic and sample has an overall rusty red color.</td>
</tr>
<tr>
<td><strong>FPC-05</strong></td>
<td>Low fine-grained magnetite. Trace clear/pink quartz. Trace tarnished pyrite cubes. One small orange/red tabular crystal (?); heavier than rest of concentrate.</td>
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<tr>
<td><strong>FPC-06</strong></td>
<td>Low to moderate fine grained to medium grained magnetite. Magnetite is fresh looking; large black well formed crystals common. Minor pink quartz. Apatite common.</td>
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<tr>
<td><strong>FPC-07</strong></td>
<td>Moderate magnetite. Noted several red garnets (highest of the pan concentrates). Minor pink quartz. Few larger pyrite cubes (.5-.7 mm). Noted one flat, sub-rounded to sub-angular &quot;shoe shaped&quot; grain of gold in pan.</td>
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<td><strong>FPC-08</strong></td>
<td>Low to moderate fine-grained magnetite. Trace tarnished pyrite cubes. Minor apatite.</td>
</tr>
<tr>
<td><strong>FPC-09</strong></td>
<td>Low to moderate magnetite. One .5mm tarnished 12 sided (pentagon faceted) metallic crystal (?). Trace small tarnished pyrite cubes. Trace pink quartz. Minor apatite.</td>
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<tr>
<td><strong>FPC-10</strong></td>
<td>Moderate fine-grained magnetite. Small tarnished pyrite cubes common. Minor clear and pink quartz.</td>
</tr>
<tr>
<td><strong>FPC-11</strong></td>
<td>Low fine-grained magnetite. (overall low heavy fraction). Noted several small tarnished pyrite cubes. Yellow-clear-pink quartz common. Moderate apatite.</td>
</tr>
<tr>
<td><strong>FPC-12</strong></td>
<td>Low to moderate fine-grained magnetite. Few larger .5 mm fragments. Noticeable less pyrite.</td>
</tr>
<tr>
<td><strong>FPC-13</strong></td>
<td>Low magnetite, but coarser grained than previous samples (.2 mm average). Noted a few .2 to .3 mm tarnished pyrite cubes. One large (.5 mm) deep red garnet.</td>
</tr>
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APPENDIX B

ANALYTICAL LAB PROCEDURES AND GEOCHEMICAL/ASSAY DATA
**Geochemical Analysis Certificate**

**Company:** Barakso Consultants  
**Project:** Friendly Lake  
**Attn:** John Barakso

We hereby certify the following geochemical analysis of 13 silt samples submitted Oct-12-00 by Rob Montgomery.

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<th>Sample Name</th>
<th>Au PPB</th>
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<td>FS-13</td>
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Certified by [Signature]

OV-0466-LG1  
Nov-15-00
| Sample Number | Ag ppm  | Al % | As ppm  | Ba ppm  | Be ppm  | Bi ppm  | Ca % | Cd ppm  | Co ppm  | Cr ppm  | Cu ppm  | Fa % | K % | Mg ppm  | Mn ppm  | Mo ppm  | Na % | Ni ppm  | P ppm  | Pb ppm  | Sb ppm  | Sc ppm  | Sn ppm  | Sr ppm  | Ti % | V ppm  | W ppm  | Y ppm  | Zn ppm  | Zr ppm  |
|---------------|--------|------|---------|---------|---------|--------|------|--------|---------|---------|---------|------|-----|---------|---------|---------|------|---------|---------|---------|---------|---------|------|--------|---------|---------|---------|--------|------|
| FS-01         | 0.4    | 1.18 | 100     | 250     | <0.5   | <5     | 0.72 | <1     | 29      | 97      | 108     | 6.61 | 0.08 | 0.35    | 1890    | 4       | 0.01 | 74      | 1190    | 30      | 5       | 8       | 60     | 59      | 0.06   | 105    | <10    | 8      | 215     | 7      |
| FS-02         | 0.2    | 1.56 | 15      | 110     | <0.5   | <5     | 0.79 | 1      | 14      | 57      | 50      | 4.06 | 0.05 | 0.30    | 1135    | 2       | 0.01 | 36      | 990     | 22      | <5      | 4       | <10    | 47      | 0.11   | 100    | <10    | 5      | 121     | 5      |
| FS-03         | 0.2    | 1.36 | 5       | 50      | <0.5   | <5     | 0.77 | 4      | 13      | 88      | 44      | 3.54 | 0.14 | 1.42    | 545     | 2       | 0.01 | 58      | 870     | <5      | 4       | <10    | 39      | 0.12   | 92     | <10    | 6      | 455     | 4      |
| FS-04         | 0.4    | 1.12 | 5       | 220     | <0.5   | <5     | 0.66 | 2      | 25      | 67      | 58      | 6.43 | 0.04 | 0.60    | 2505    | 10      | 0.01 | 74      | 880     | 14      | 5       | 7       | <10    | 37      | 0.31   | 126    | <10    | 6      | 124     | 5      |
| FS-05         | <0.2   | 1.50 | 15      | 110     | <0.5   | <5     | 0.63 | <1     | 16      | 53      | 44      | 4.00 | 0.06 | 0.97    | 990     | 2       | 0.01 | 37      | 890     | 12      | <5      | 4       | <10    | 35      | 0.07   | 84     | <10    | 6      | 128     | 4      |
| FS-06         | 0.2    | 1.40 | 10      | 150     | <0.5   | <5     | 0.63 | <1     | 1        | 50      | 10      | 4.34 | 0.04 | 0.62    | 3315    | 2       | 0.01 | 26      | 740     | 10      | <5      | 3       | 10     | 39      | 0.11   | 99     | <10    | 5      | 120     | 4      |
| FS-07         | 0.2    | 1.44 | 20      | 130     | <0.5   | <5     | 0.88 | 1      | 13      | 47      | 30      | 3.70 | 0.06 | 0.80    | 915     | 2       | 0.01 | 31      | 940     | 12      | 5       | 4       | <10    | 51      | 0.07   | 79     | <10    | 6      | 152     | 4      |
| FS-08         | 0.2    | 1.30 | 20      | 130     | <0.5   | <5     | 0.81 | 1      | 11      | 44      | 32      | 3.47 | 0.05 | 0.76    | 1030    | 2       | 0.01 | 29      | 720     | 10      | 5       | 3       | <10    | 46      | 0.06   | 76     | <10    | 4      | 145     | 3      |
| FS-09         | 0.2    | 1.42 | 10      | 140     | <0.5   | <5     | 0.59 | 1      | 13      | 52      | 28      | 3.94 | 0.05 | 0.59    | 1360    | 2       | 0.01 | 37      | 800     | 10      | <5      | 4       | <10    | 32      | 0.07   | 84     | <10    | 5      | 122     | 4      |
| FS-10         | 0.2    | 1.25 | 10      | 190     | <0.5   | <5     | 0.67 | 2      | 16      | 61      | 43      | 4.03 | 0.08 | 0.89    | 2990    | 14      | 0.01 | 52      | 830     | 16      | <5      | 4       | 10     | 40      | 0.08   | 83     | <10    | 6      | 97      | 4      |
| FS-11         | 0.2    | 1.42 | 5       | 150     | <0.5   | <5     | 0.91 | 1      | 14      | 60      | 63      | 3.95 | 0.07 | 0.94    | 1330    | 4       | 0.01 | 31      | 730     | 16      | 5       | 4       | <10    | 48      | 0.09   | 90     | <10    | 5      | 130     | 4      |
| FS-12         | 0.4    | 1.26 | 10      | 180     | <0.5   | <5     | 0.81 | 2      | 9       | 43      | 34      | 3.65 | 0.05 | 0.62    | 880     | 4       | 0.01 | 38      | 970     | 8       | <5      | 3       | 10     | 48      | 0.06   | 72     | <10    | 7      | 226     | 4      |
| FS-13         | 0.2    | 1.32 | 5       | 340     | <0.5   | <5     | 0.64 | 2      | 15      | 30      | 20      | 4.56 | 0.07 | 0.85    | 4080    | 4       | 0.01 | 30      | 940     | 8       | <5      | 3       | <10    | 42      | 0.07   | 92     | <10    | 4      | 189     | 4      |

A 5 gm sample is digested with 5 ml 3:1 HCl/HNO₃ at 95°C for 2 hours and diluted to 25ml with D.I. H₂O.
Assayers Canada  
6282 Sherbrooke St., Vancouver, B.C., V5X 4R6  
Tel: (604) 327-3436  Fax: (604) 327-3423

MULTI-ELEMENT ICP ANALYSIS  
Aqua Regia Digestion

| Sample Number | Ag ppm | Al %  | As ppm | Ba ppm | Be ppm | B ppm | Ca ppm | Co ppm | Cr ppm | Cu ppm | Fe ppm | K ppm | Mg ppm | Mn ppm | Mo ppm | Na %  | Ni ppm | P ppm | Pb ppm | Sb ppm | Sc ppm | Sn ppm | Sr ppm | Ti ppm | V ppm | W ppm | Y ppm | Zn ppm | Zr ppm |
|---------------|--------|-------|--------|--------|--------|-------|--------|--------|--------|--------|--------|-------|-------|--------|-------|-------|-------|-------|-------|--------|-------|-------|-------|-------|-------|-------|-------|
| FPC-01        | 0.2    | 1.44  | 33     | 370    | 0.5    | <5    | 0.72   | <1    | 17     | 173    | 55     | 4.41  | 0.22  | 3.08  | 680    | 4     | 0.07  | 44    | 1150  | 16    | 5     | <10   | 53    | 0.10  | 117  | <10   | 7     | 122   | 9     |
| FPC-02        | <0.2   | 1.93  | 5      | 80     | 0.5    | <5    | 0.81   | <1    | 16     | 115    | 25     | 4.43  | 0.12  | 1.32  | 660    | 2     | 0.04  | 34    | 510   | 10    | 5     | <10   | 48    | 0.20  | 129  | <10   | 4     | 99    | 8     |
| FPC-03        | 0.2    | 1.31  | 5      | 70     | 0.5    | <5    | 0.80   | 4     | 17     | 115    | 31     | 3.66  | 0.18  | 1.16  | 695    | 2     | 0.05  | 49    | 720   | 10    | 5     | <10   | 80    | 0.17  | 101  | <10   | 6     | 313   | 5     |
| FPC-04        | <0.2   | 1.26  | 5      | 130    | 0.5    | <5    | 0.98   | 1     | 20     | 119    | 36     | 5.03  | 0.12  | 0.88  | 900    | 6     | 0.06  | 52    | 660   | 12    | 5     | <10   | 35    | 0.12  | 113  | <10   | 4     | 104   | 5     |
| FPC-05        | <0.2   | 1.36  | 5      | 120    | 0.5    | <5    | 0.67   | 1     | 13     | 223    | 30     | 4.18  | 0.17  | 1.28  | 560    | 2     | 0.04  | 34    | 770   | 10    | 5     | <10   | 34    | 0.13  | 104  | <20   | 6     | 104   | 7     |
| FPC-06        | <0.2   | 1.72  | 5      | 100    | 0.5    | <5    | 0.63   | <1    | 13     | 120    | 18     | 4.77  | 0.12  | 1.16  | 800    | <2    | 0.04  | 29    | 430   | 10    | 5     | <10   | 34    | 0.18  | 123  | <10   | 5     | 106   | 7     |
| FPC-07        | <0.2   | 1.53  | 10     | 100    | 0.5    | <5    | 0.75   | <1    | 18     | 155    | 21     | 5.24  | 0.12  | 1.17  | 630    | <2    | 0.04  | 32    | 670   | 10    | 5     | <10   | 37    | 0.24  | 156  | <10   | 6     | 123   | 8     |
| FPC-08        | <0.2   | 1.56  | 10     | 110    | 0.5    | <5    | 0.65   | <1    | 14     | 144    | 19     | 4.40  | 0.13  | 1.07  | 560    | 2     | 0.04  | 30    | 560   | 10    | 5     | <10   | 35    | 0.28  | 123  | <10   | 6     | 116   | 7     |
| FPC-09        | <0.2   | 1.59  | 5      | 120    | 0.5    | <5    | 0.69   | <1    | 14     | 133    | 17     | 4.35  | 0.12  | 1.13  | 605    | 2     | 0.04  | 31    | 550   | 8     | <4    | <10   | 35    | 0.17  | 116  | <10   | 5     | 104   | 7     |
| FPC-10        | <0.2   | 1.24  | 5      | 90     | 0.5    | <5    | 0.83   | <1    | 14     | 253    | 25     | 6.52  | 0.15  | 0.85  | 635    | 2     | 0.04  | 33    | 630   | 16    | 5     | <10   | 46    | 0.23  | 220  | <10   | 5     | 74    | 9     |
| FPC-11        | <0.2   | 1.50  | <5     | 100    | 0.5    | <5    | 0.75   | 1     | 20     | 179    | 30     | 5.69  | 0.13  | 1.19  | 1160   | 2     | 0.04  | 33    | 530   | 16    | 5     | <10   | 61    | 0.24  | 172  | <10   | 5     | 99    | 8     |
| FPC-12        | <0.2   | 1.59  | 5      | 170    | 0.5    | <5    | 0.85   | 3     | 14     | 147    | 15     | 4.59  | 0.16  | 1.02  | 710    | 2     | 0.05  | 36    | 710   | 10    | 5     | <10   | 39    | 0.18  | 131  | <10   | 5     | 182   | 6     |
| FPC-13        | <0.2   | 1.74  | 5      | 250    | 0.5    | <5    | 0.51   | 1     | 15     | 103    | 20     | 4.84  | 0.21  | 1.07  | 1130   | <2    | 0.04  | 27    | 690   | 8     | <5    | <10   | 37    | 0.10  | 110  | <10   | 4     | 157   | 5     |

A 5 gm sample is digested with 5 ml 3:1 HCl/HNO₃ at 95°C for 2 hours and diluted to 25 ml with DI H₂O.

Page 1 of 1

Signed:
**Geochemical Analysis Certificate**

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We hereby certify the following geochemical analysis of 16 pan concentrate samples submitted Oct-12-00 by Rob Montgomery.

Certified by ____________________
Procedure Summary:

30 Element Aqua Regia Leach ICP-AES Analysis

Elements Analyzed:

Ag, Al, As, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu, Fe, Ga, K, Li, Mg, Mn, Mo, Na, Ni, P, Pb, Sb, Sn, Sr, Th, Ti, U, W, Zn

Procedure:

0.500 grams of the sample pulp is digested for 2 hours at 95°C with an 1:3:4 HNO₃:HCl:H₂O mixture. After cooling, the sample is diluted to standard volume.

The solutions are analysed by Perkin Elmer Optima 3000 Inductively Coupled Plasma spectrophotometers using standardized operating conditions.

Detection limit and analytical range are element specific.
Procedure Summary:

Rock, Soil, Sediment and Pan Concentrate Sample Preparation

Element(s) Analyzed:

N/a

Procedure:

Samples are dried at 65°C.

Rock & core samples are crushed with a jaw crusher. The minus 1/4 inch output of the jaw crusher is put through a secondary roll crusher to reduce it to minus 1/8 inch. The whole sample is then riffled on a Jones Riffle down to a statistically representative 300 gram sub-sample. This sub-sample is then pulverized on a ring pulverizer to 95% minus 150 mesh, rolled and bagged for analysis. The remaining reject from the Jones Riffle is bagged and stored.

Soil and stream sediment samples are screened to minus 80 mesh for analysis.

Pan concentrates are pulverized if necessary. The entire concentrate is normally assayed.
APPENDIX C

PERSONNEL

FIELD:

R. Montgomery, B.Sc., Geologist
October 3-5, 2000 (Stream sediment sampling) 2 ½ days

W. Gruenwald, P. Geo.
October 4, 2000 (Stream sediment sampling) 1 day

OFFICE:

R. Montgomery, B.Sc., Geologist
January 12-13, 2001 (Report preparation) 2½ days
## APPENDIX D

### EXPLORATION PROGRAM EXPENDITURES

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# APPENDIX E

## REFERENCES

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APPENDIX F

Certificate

I, Rob Montgomery, of the city of Enderby, British Columbia hereby certify that:

1. I am a graduate of the University of Calgary with a B.Sc. Degree in Geology (1990).
2. I am employed as an independent consulting geologist in Enderby, BC
3. I have practiced continuously as a geologist for the past 10 years in western Canada and the US.
4. I was directly involved in the examination of the Friendly Lake Property.

Rob Montgomery, B.Sc. Geologist

Dated: January 12, 2001
Procedure Summary:

Gold (Au) Geochemical Analysis - 15 gram

Element(s) Analyzed:

Gold (Au)

Procedure:

15g subsamples are fluxed, a silver inquart added and mixed. The assays are fused in batches of 24 assays along with a natural standard and a blank. This batch of 26 assays is carried through the whole procedure as a set. After cupellation the precious metal beads are transferred into new glassware, dissolved with aqua regia solution, diluted to volume and mixed.

These resulting solutions are analyzed on an atomic absorption spectrometer using a suitable standard set. The natural standard fused along with this set must be within 2 standard deviations of its known or the whole set is re-assayed.

A minimum of 10% of all assays are rechecked, then reported in parts per billion (ppb). The detection limit is 1 ppb.
Procedure Summary:

Trace Level Mercury Geochemical Analysis

Elements Analyzed:

(Mercury) Hg

Procedure:

0.500 grams of the sample pulp is digested for 2 hours at 95°C with an 1:3:4 HNO₃:HCl:H₂O mixture. After cooling, the sample is diluted to standard volume.

The solutions are analysed using the cold vapour hydride method on a Varian atomic absorption spectrophotometer using a suitable solution standard set and standardized operating conditions.

A minimum of 10% of all analyses are rechecked, then reported in parts per billion (ppb). The detection limit is 5 ppb.