REPORT OF REVIEW AND EXAMINATION

OF

EXTRA HIGH PROPERTY

KAMLOOPS MINING DIVISION
BRITISH COLUMBIA, CANADA

NTS 82M/4W

Lat. 51 degrees 08' North
Long. 119 degrees 50' West

Report by: Erik A. Ostensoe, P. Geo.

Report for: Lucky 1 Enterprises Inc.

Date of Report: April 8, 2004.

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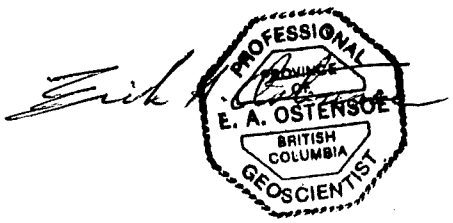

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0.0 SUMMARY

The Extra High 1 – 4, 6, 8, 9, 11, 13 and 15 claims are located on Samatosum Mountain, 60 km north of Kamloops, British Columbia, Canada. They are immediately south of the formerly producing Samatosum mine and Rea Gold prospect and are believed to be underlain by the southerly continuation of the volcanosedimentary formations that host those deposits.

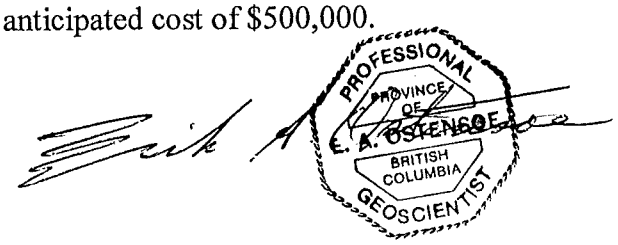
Mineral deposits in the Samatosum Mountain area have been classified as volcanogenic massive sulphide deposits of the Noranda/Kuroko type. Principal mineral values are silver, gold, lead, copper and zinc. Mineral zones are stratabound and somewhat distorted and disrupted by folding and faulting and are commonly enclosed in distinctive alteration envelopes of pyritization, sericitization and dolomitization. The Samatosum deposit is essentially quartz-hosted, possibly including parts of a stockwork "feeder", whereas Rea Gold lenses vary from massive to disseminated sulphides in barite and/or silica gangue.

The Extra High claims cover parts of the former Kamad Silver property and have been explored by geological mapping, geochemical grid sampling, electromagnetic surveys, trenching and diamond drilling. Several massive sulphide lenses have been identified on the property, in particular, in the K-7 and Twin 3 zones. The K-7 zone has length approximately 200 metres on surface and a "resource" from surface to 150 metres depth, ***not compliant with the CIM Standard Definition***, that has been calculated as 375,000 tonnes grading 4.0 g/tonne gold, 55 g/tonne silver, 0.5% copper, 4.8% lead and 6.1% zinc. The Twin 3 massive sulphide lens, located 1 km southeast of, and in the same stratigraphy as, K-7, has been drilled to shallow depths with one 1.83 metre wide drill hole intercept that averaged 30.86 g/tonne gold, 250.79 g/tonne silver, 0.24% copper, 2.1% lead and 0.77% zinc [***these figures have not been confirmed by the writer and should not be accepted as being more than indicative of metal values that may be present in the Twin 3 zone***]. Follow-up drill holes in the vicinity did not encounter any significant mineralization.

The favourable geology and mineralization that have been explored, mostly at shallow depths, on the Extra High claims combine to create exciting exploration possibilities. Previous operators have left a valuable data base of geological, geochemical and geophysical information, as well as much analytical and sub-surface data from diamond drilling efforts. Several massive sulphide lenses are present on the claims but continuity is elusive due to faulting and folding. Impressive metal values are mitigated by apparently small dimensions but larger bodies may be present both near surface and at greater depths than have been probed by electromagnetic surveys and diamond drill holes.

A two phased program of exploration is proposed and recommended. Phase 1 includes a thorough and careful compilation of all available technical data, a limited geophysical program employing deep penetrating electromagnetic techniques and a five drill hole program of 2500 metres of diamond drilling. The anticipated cost of Phase 1 is $412,000.

Phase 2 will be contingent upon positive results from Phase 1 and will comprise additional deep hole diamond drilling at anticipated cost of $500,000.



1.0 INTRODUCTION AND TERMS OF REFERENCE

The accompanying report discusses the history and current status of the Extra High property and recommends programs of work to continue the exploration of that property. The claims are subject to an option agreement being finalized by the owner, Mr. R. C. Wells, of Kamloops, B. C. and the optionee, Lucky 1 Enterprises Inc, of Vancouver, B. C. The latter company engaged the writer to review the data, conduct a site visit and, if appropriate, prepare recommendations for further exploration of the property. The writer was given access to the company's property data, and he met with the vendor on March 30 and 31, 2004, at which time he was given additional information in the form of technical reports prepared by previous owners. A site visit, with the assistance of Mr. Paul Watt of Kamloops, B. C., was undertaken on April 1, 2004.

2.0 DISCLAIMER

The author of this report conducted a field visit to the Extra High 1 -4, 6, 8, 9, 11, 13 and 15 claims on April 1, 2004. Mr. Paul Watt of Kamloops, B. C. acted as guide to the areas of principal mineral occurrences and recounted some details regarding nearby mineral deposits, including the Samotosum mine. Snow conditions in the upper parts of the property were unfortunately, and unexpectedly, adverse and, in addition, previous operators had been obligated by mineral exploration guidelines to reclaim worksites by backfilling some of the trenches: consequently it was not possible to carry out a thorough examination of the mineral occurrences.

The author, in preparing this report, has relied upon data from several sources. A large amount of regional scale geological information has been gathered and reported by geoscientists of the Ministry of Energy and Mines and the Geological Survey of Canada. Technical reports, including assessment reports prepared for submission to Mineral Titles Branch, and in-house annual summary reports, all by qualified geoscientists employed in the private sector, were of particular value in developing an understanding of work done on what is now the "Extra High" property. Even though these reports are thought to be fully reliable and comprehensive with respect to details of data acquisition, processing and interpretation, they were all prepared many years ago and, for many reasons, may not have disclosed details of all work that was completed.

The author has endeavored in the text to acknowledge sources of information derived from the work of other geoscientists and provides in the References section (Section 20.0) a detailed listing of reports, maps and technical papers that were used in preparing this report.

3.0 PROPERTY DESCRIPTION AND LOCATION

The Extra High property is located on the southwest side of Samatosum Mountain in the Shuswap Highlands of central southern British Columbia (figures 1, 2 and 3) and comprises ten located mineral claims as detailed in Table 1 and as illustrated in Figure 3 of this report. It is approximately 60 km north of Kamloops and 22 km east of the town of Barriere. The north end of the property is located a few hundred metres south of the former Samatosum mine.

Access is provided by the Squaam (Agate) Bay road and thence northerly by a network of logging roads, both active and inactive. Alternatively, access may be gained by following the road that serviced the now-inactive Samatosum mine.

The claims extend from the near vicinity of the Samatosum mine at elevation 1615 metres, southerly across gently to moderately steeply sloping forested (and recently logged) sidehills to elevation 1370 metres.

TABLE 1

Claim Name	Units	Tenure No.	Current Expiry Date
Extra High 1	1	376044	May 6, 2005
Extra High 2	1	376045	May 6, 2005
Extra High 3	1	376046	May 6, 2005
Extra High 4	1	376047	May 6, 2005
Extra High 6	1	376049	May 6, 2005
Extra High 8	1	376051	May 6, 2005
Extra High 9	1	376610	May 6, 2005
Extra High 11	1	376612	May 6, 2005
Extra High 13	1	376614	May 6, 2005
Extra High 15	1	376616	May 6, 2005

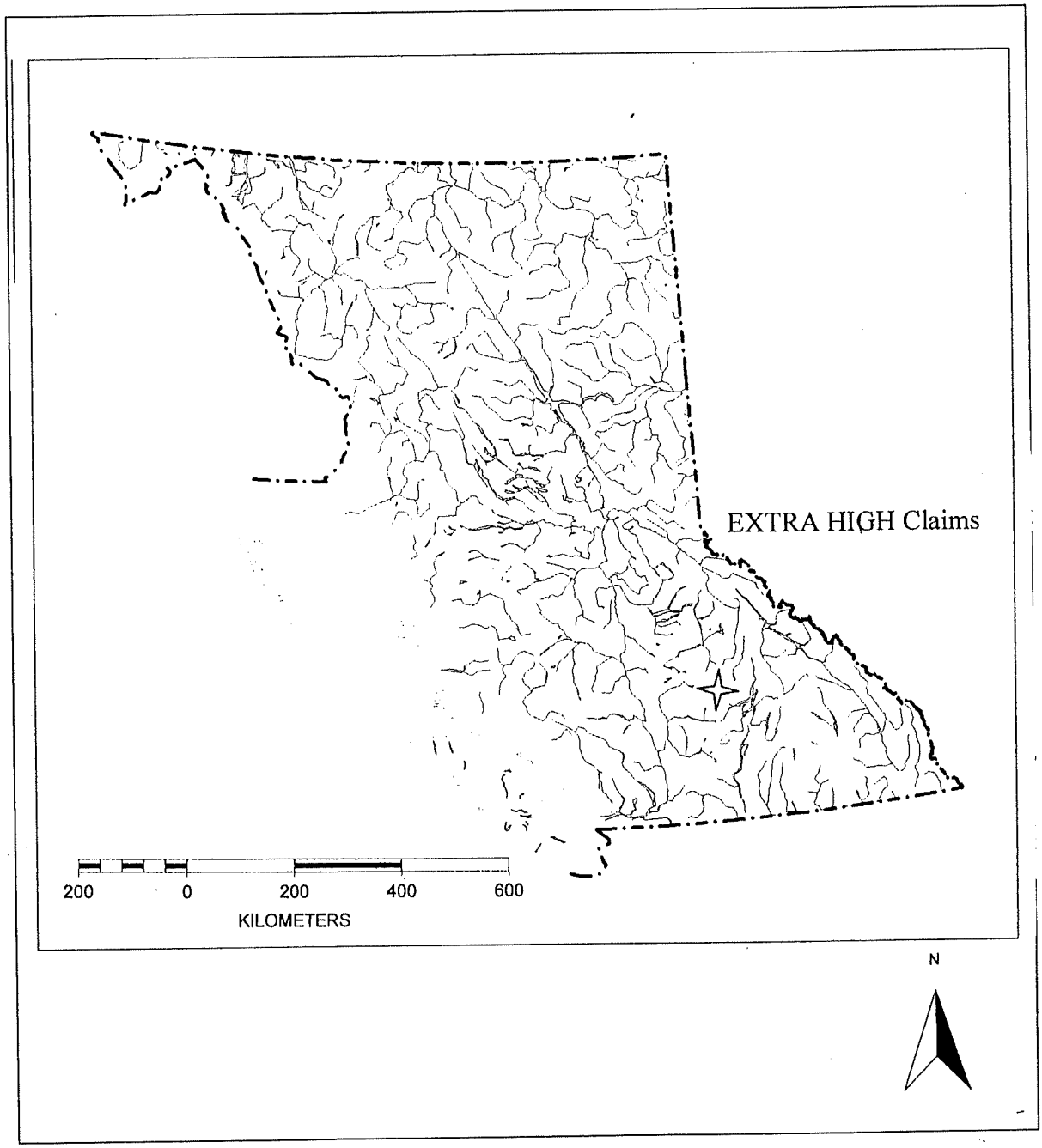


FIGURE 3. Location Map – EXTRA HIGH Claims
Kamloops M.D., B. C.

To accompany report by E. Ostensoe, P. Geo.

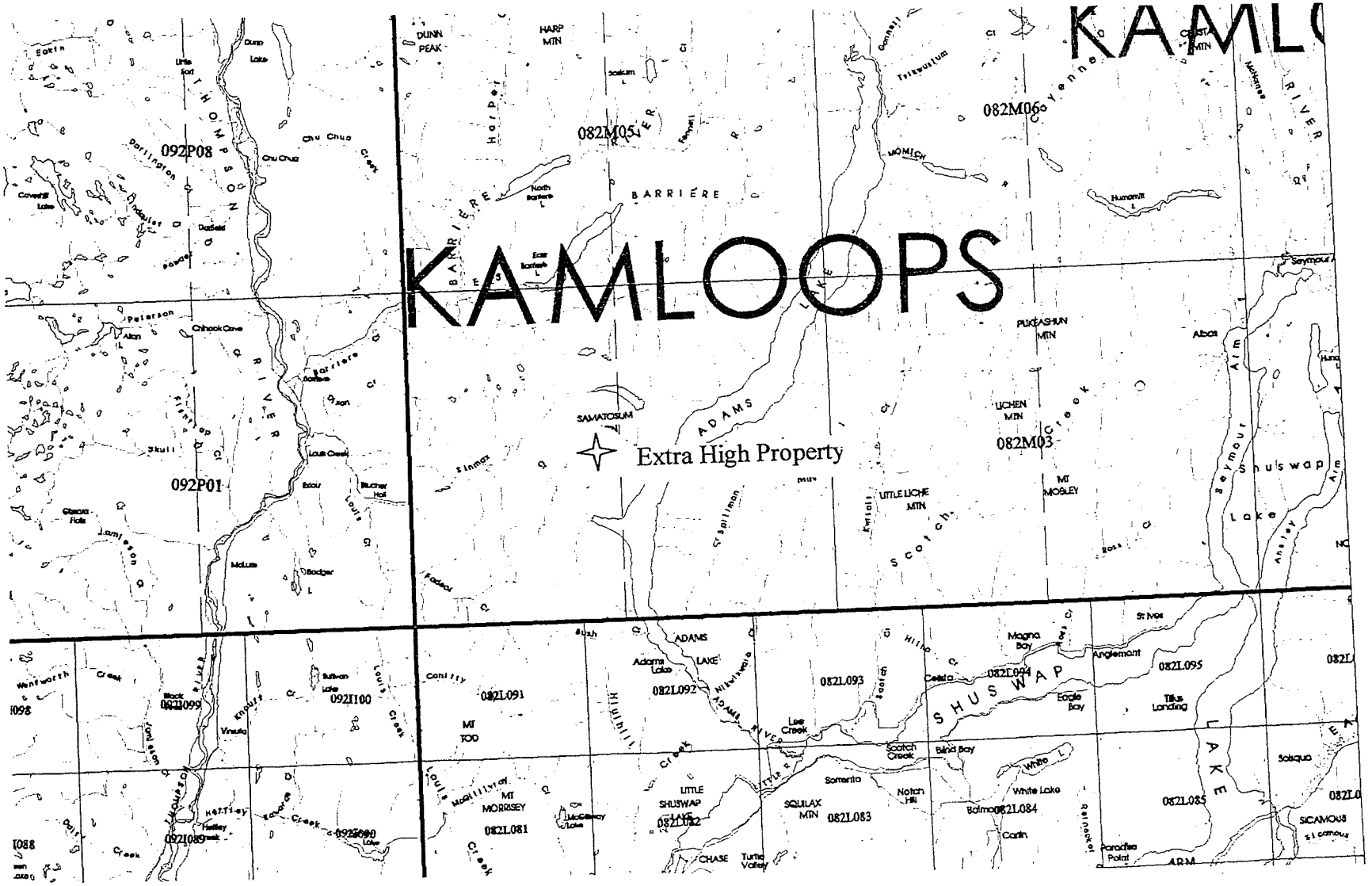


Figure 2. Location Map – Extra High Property
Kamloops M. D., B. C.

To accompany report by E. Ostensoe, P. Geo.

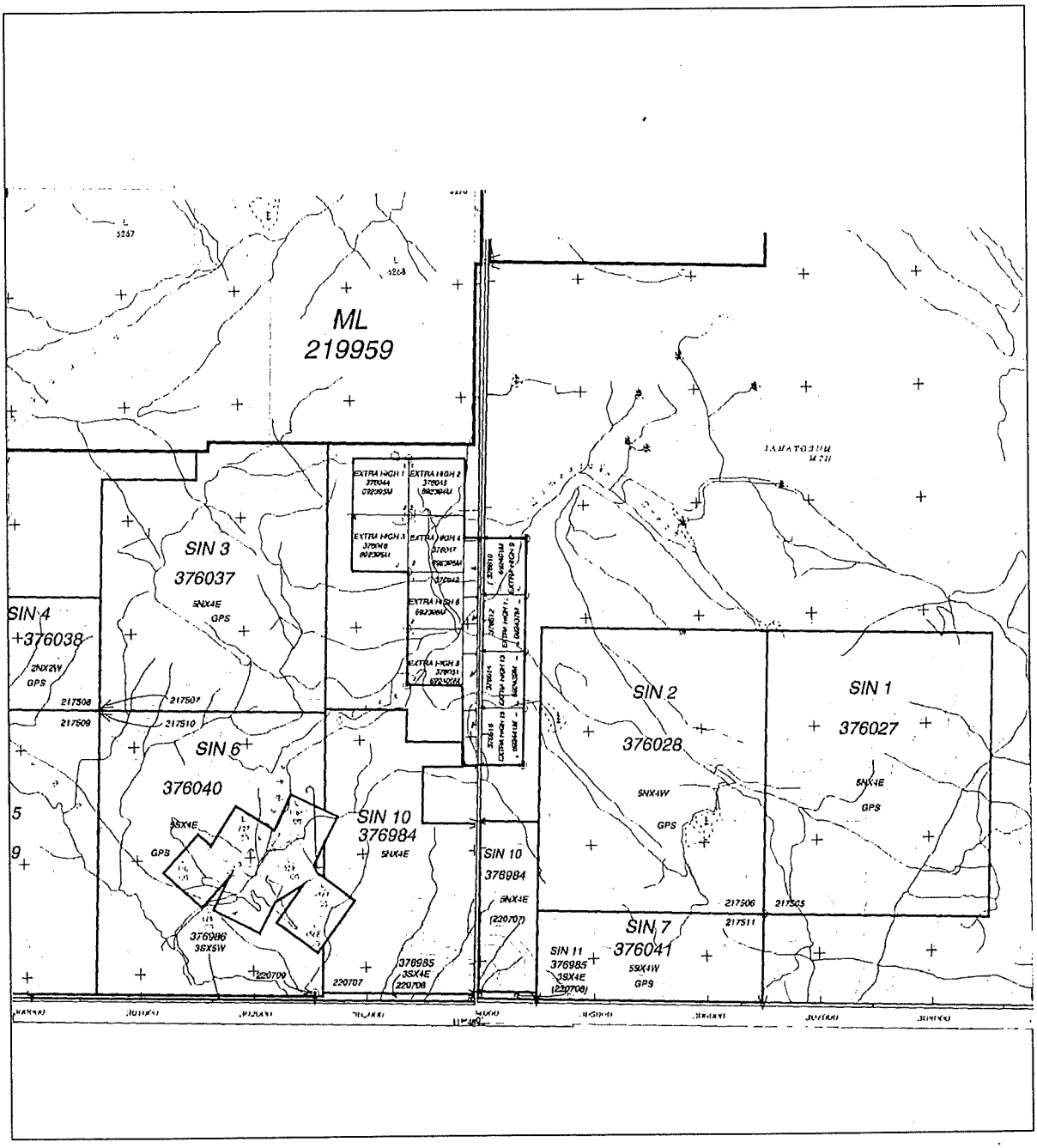


FIGURE 3. Claim Map – EXTRA HIGH Claims
Kamloops M.D., B. C.

To accompany report by E. Ostensoe, P. Geo.

4.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

The Extra High property is located 60 km north of Kamloops (Figures 1, 2 and 3). Access is readily achieved via provincial highway 5 to Louis Creek and thence by secondary roads that follow Sinmax Creek to Squaam Bay (aka Agate Bay) on Adams Lake. A main line logging road follows the west side of Adams Lake and a side road rises steeply above the lake and gives access to the Extra High claims.

The Extra High claims are located in the interior of British Columbia and experience a moderately severe climate: summers are hot and mostly dry; winters are cold. Annual precipitation is about 100 cms rainfall equivalent, of which two-thirds falls as snow and the remainder as rain. Winter snowpack accumulation is in excess of two metres.

The forests that once covered the Extra High claims were partially clearcut logged in recent years. Reforestation, largely natural, is beginning to reclaim the cut areas. Homestake Creek and several of its tributary small seasonal streams cross parts of the claims.

British Columbia's great 19th Century Gold Rush began in the Kamloops area when fur traders obtained gold nuggets from Thompson River natives (Howey and Scholefield, 1914). That event marked the start of a long tradition of mining and service to the mining industry that continues: Kamloops offers the mining industry a richness of resources, including exceptional transportation facilities, quality health and educational services, and a large population that provides a pool of experience and talent.

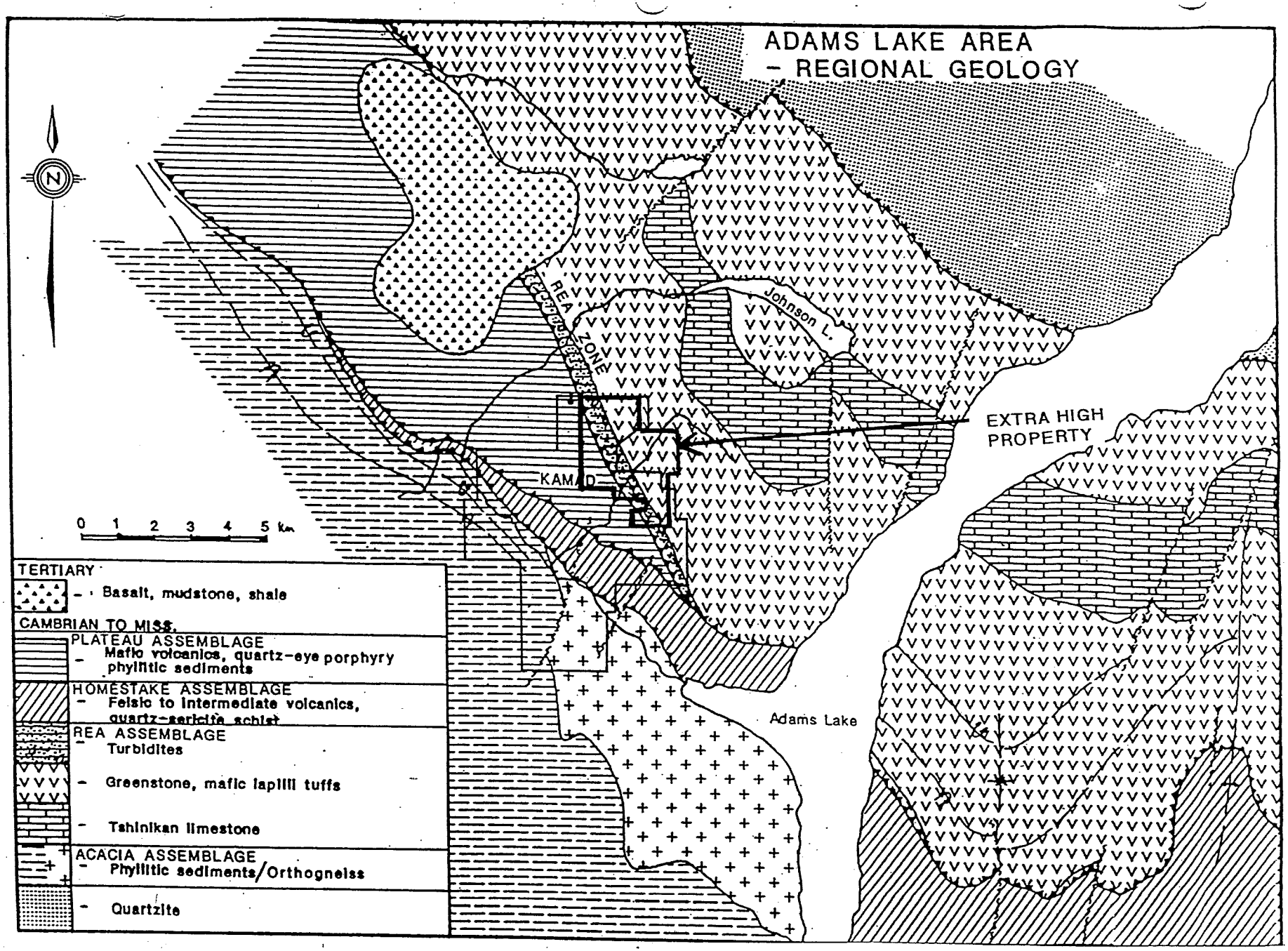
The Extra High claims are located in the Shuswap Highlands of the Interior Plateau physiographic province of Canada's Cordillera. Major lakes, in particular Adams Lake, and North Thompson River occupy deeply incised valleys with elevations below 1000 metres whereas uplands rise to a general surface level at or near 1800 metres.

5.0 HISTORY

The Homestake mine (Minfile no. 82M – 025), located beside the Squaam Bay road, a few kilometers south of the Extra High claims, has been known and worked since about 1893 and is currently inactive. Volcanogenic massive sulphide-barite-type mineralization with values in copper, lead, zinc, silver and gold, occurs in strongly expressed intensely altered felsitic to intermediate calcalkalic volcanic rocks. Underground development work, in several episodes, amounted to several thousand metres of drifting which investigated the mineral zones. A small ore processing mill was installed. Approximately 12,400 grams gold, 9,565,000 grams silver, 11,080 kgs copper, 171,300 kgs lead and 246,500 kgs zinc were produced in the period 1935 through 1941 from 7000 tonnes of ore (Hoy, 1986). Several shipments of "ore" were sent to the Trail smelter in the early 1980s (Carmichael, 1991, p. 2). Further work, including detailed mapping, geophysical surveys and diamond drilling, was directed to the property following the discovery in 1983 of the Rea Gold VMS deposit and the Samatosum massive sulphide vein deposit in 1986. Both of the latter are located nearby and at higher elevations but in geological environments that are broadly similar.

The Rea Gold (Minfile no. 082M - 191) and Samatosum (Minfile no. 082M-244) properties were found and developed in the 1980s and exploration and prospecting work was expanded into the surrounding areas, including ground that is now included in the Extra High claims. Both properties are described as volcanogenic massive sulphide deposits with important but erratically distributed values in gold and silver, occurring in alkalic volcanic rocks. A small open pit mine and processing plant were constructed and operated in the period 1989 through 1992 at the Samatosum minesite with production of 429,356,776 grams silver, 639,118 grams gold, 3,678,016 kgs copper, 5,069,127 kgs lead, 97,620 kgs antimony and 9,538,263 kgs zinc (figures from Minfile database). The Rea deposit, estimated to comprise about 242,870 tonnes with 6.5 grams/tonne gold, 73.3 grams/tonne silver, 2.25% zinc, 2.14% lead and 0.53% copper (Hoy, 1986, p. B9) has not been brought to production.

A substantial amount of exploration data from the early days of investigation of the Rea/Samatosum and surrounding areas is available in assessment reports and other documents. These have not been wholly reviewed by the writer and may have been rendered moot by subsequent survey and drilling work carried out by later operators. The results of the latter work are compiled in annual summaries prepared for management and, perhaps incompletely, in assessment reports.



After Carmichael (1991)

Figure 4. Regional Geology – Adams Lake Area, B. C.

The writer has referred to the work of Esso Minerals as summarized by Wells (2003), and Homestake Canada Ltd. (Carmichael, 1991) and has relied to a large extent on data contained therein in compiling some parts of this report. Discussions concerning VMS deposits at Homestake and Rea Gold (Hoy, 1986, p. B7 – B19) and such deposits in general (Hoy, 1991) are particularly relevant to this review. Landsat-type photographs show the extent of clear-cut logging.

The K7 zone, located on the present Extra High 1 claim, was discovered after the Rea VMS lenses and was explored in desultory fashion by Kamad Silver Company by geophysical surveys and diamond drilling. Esso Minerals, in 1985 through 1987, completed, on what is now the Extra High 1 claim and was formerly Kamad 7 claim, a comprehensive program of linecutting, geochemical sampling, HLEM-EM and VLF-EM geophysical surveying and 1814 metres of diamond drilling in 11 drill holes. In 1988 Esso drilled a further 17 holes with total length 1125 metres, of which seven holes intersected the K-7 zone. Homestake Canada Ltd. acquired the claims from Esso in 1989, completed 11 km of additional Genie EM geophysical surveys, 785 metres of backhoe trenching and drilled 25 holes with total length 4972 metres. In 1990, Homestake completed a further 2961 metres of NQ diamond drilling in four holes and attempted down-hole Pulse EM geophysics.

6.0 GEOLOGICAL SETTING

The Extra High claims are located between Adams Lake and North Thompson River in the Shuswap Highlands of southern British Columbia. The area is dominated by sedimentary formations of late Paleozoic age, their weakly to moderately strongly metamorphosed equivalents, a few crystalline intrusions of granodioritic composition, plateau lavas and Quaternary glaciofluvial deposits (Figure 4). Stratigraphic units mostly strike northwesterly and dip moderately steeply northeasterly. Regional mapping compiled by Schiarizza and Preto (1984) shows strong and persistent northwesterly striking and northeasterly dipping thrust faults, overturned folds and a few northeasterly striking faults.

"Volcanogenic massive sulphide deposits occur in marine volcanic rocks or associated marine sedimentary rocks, commonly close to plate margins" (Hoy, 1991, quoting Lydon, 1984, Sawkins, 1990). A stockwork "feeder" zone typically is surmounted by a concordant lens of massive sulphide mineralization that commonly exhibits metal zoning both laterally and vertically. Alteration assemblages are variable but usually have volumes vastly greater than that of the

metallic mineral lenses. These conceptual elements are present in the Extra High claims area.

The Homestake-Extra High-Rea Gold-Samatosum mineral deposits occur within the Eagle Bay Formation of Devonian-Mississipian age. The Eagle Bay Formation includes a mixture of intermediate to felsic metavolcanic rocks of bimodal calcalkaline affinity in an island arc tectonic setting (Hoy, 1991, table 1). Propylitic alteration and silicification have affected volcanosedimentary rocks in the near vicinity of the various mineral zones. Hoy (1986, p. B15), on the basis of trace element and alteration patterns, suggests that metallic mineral deposition occurred in a rift developed in a volcanic arc environment. Rift failure was followed by a thick accumulation of clastic sedimentary rocks, now metasedimentary rocks.

The Homestake deposit, located in the valley bottom of Sinmax Creek, south of the Extra High claims, occurs in silvery grey to greenish-grey sericite-quartz phyllite that appears in outcrops that parallel the valley. The phyllite is derived from felsic to intermediate volcanic and volcaniclastic rocks (Schiarizza and Preto, 1984) and presumably represents a regional metamorphic event, possibly modified by an unrevealed intrusion that was the source of epigenetic fluids.

The Rea-Samotosum-K7, et al., deposits occur in felsic volcanic rocks, cherts and pyritic metasediments and are, arguably, in an overturned sequence (Figure 5). Overlying rocks are turbidites, greywackes and conglomerates with intermediate to mafic volcanics. Local geology is further confused by a series of sub-parallel thrust faults that strike northwesterly and dip northeasterly, vaguely conforming to regional patterns. The Rea deposits are located a short distance north of the north boundary of Extra High 1 claim. They comprise at least three lenses and likely should include the K7 zone that lies on Extra High 1 claim and, by extension, the Twin 3 lens. The lenses are located along a thrust faulted, probably post-mineralization, contact: that the lenses are offset shreds of what was once a single zone is speculative.

The Samatosum deposit lies about 500 metres northeast of the Rea lenses. It is a stratabound "...highly deformed quartz vein system containing massive to disseminated components of tetrahedrite, sphalerite, galena and chalcopyrite hosted in structurally complex wallrocks" (Minfile report). It lies within the so-called "Silver Zone": Wells (2003, p. 18) states that "Previous geological work identified an isoclinal fold which repeats the mineralized horizon: the Silver Zone is on the upright limb and the Rea zone is overturned. The Silver Zone is dismembered by a thrust fault which is subparallel to stratigraphy".

Geology

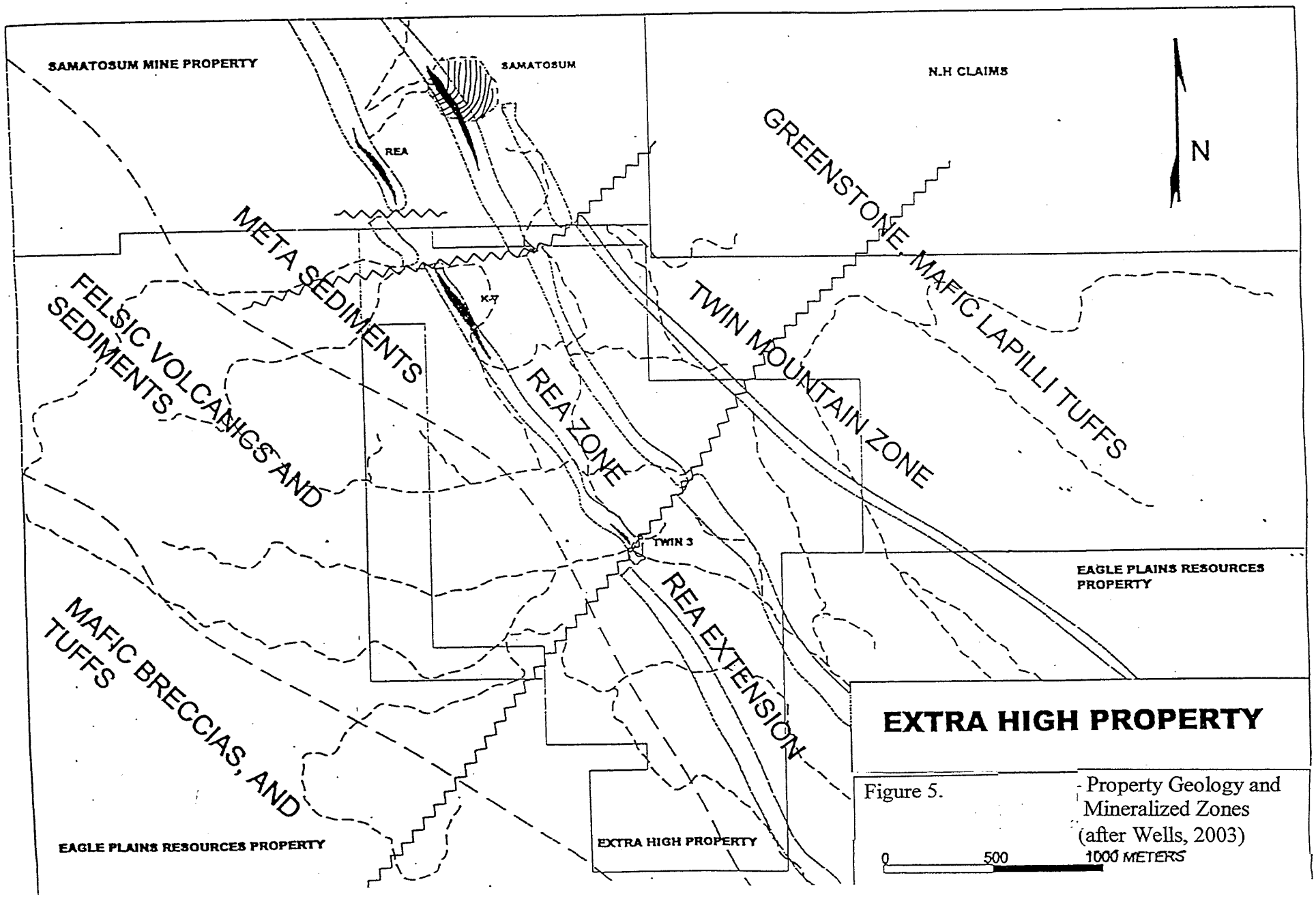


Figure 5. - Property Geology and Mineralized Zones (after Wells, 2003)

7.0 DEPOSIT TYPES

The various mineral deposits located in the Eagle Bay Formation in the general Samatosum area are loosely described as "volcanogenic massive sulphide" deposits of the "Kuroko" type. This classification has been applied to zinc-lead-(copper)-(barite) mineralization that occurs proximally to centers of explosive (?) felsic volcanism in arc-related rifts (Hoy, 1991, p. 20). Other deposits of this type include the Tulsequah Chief, Big Bull and Kutcho Creek deposits of northern British Columbia, and the Britannia and Seneca deposits that occur in roof pendants in crystalline rocks of southern British Columbia.

Volcanogenic massive sulphide deposits are present at Homestake in the valley bottom and 4 km away in the Rea/Samatosum area. Mineralogically somewhat similar, the occurrences are structurally different: Homestake rocks are intensely foliated whereas the higher elevation mineral zones are more closely related to contrasting lithologies, overturned folds and thrust faults. The Rea geological horizon that is apparently favourable for mineral deposition may have been repeated near-surface by a series of thrust faults that strike and dip similarly to regional stratigraphy. The bedded formations are variously folded, are in part overturned, and due to the faulting pattern, may not persist to depth.

Exploration of the Extra High claims should be directed to locating more VMS-type lenses within the zone that straddles the volcanic/sedimentary transition. Further prospecting of the newly logged areas combined with re-analysis of drill hole and geophysical data may identify areas that are particularly attractive for exploration.

8.0 MINERALIZATION

Mineral zones in the Rea zone, including the K7 and Twin 3 lenses on the Extra High property, occur within a common stratigraphy that involves, from stratigraphic bottom to top:

1. Graphitic chert and argillite
2. Sericite tuff with local interbedded chert. The chert is often mineralized with stringers of pyrite, sphalerite, galena, arsenopyrite and chalcopyrite
3. Felsic pyroclastic rocks (footwall to K7 sulphide horizon). Intense sericite-pyrite alteration, local chlorite and stringer sulphides
4. Pyritic siltite with up to 60% pyrite. This is stratigraphically equivalent to the K7 massive sulphide horizon and has anomalous base and precious metal values (Wells, 2003, p. 18).

An apparently similar and parallel horizon that lies about 300 metres northeast of the Rea zone is referred to as the "Silver" zone. It hosts the productive Samatosum deposit as well as significant mineralization in the vicinity of the Twin 3 zone and may be, as discussed above, a displaced fault slice that doubles up the Rea zone.

The K-7 zone is located near the north end of Extra High 1 claim, a few hundred metres south of the Rea VMS deposit and has similar stratigraphy. Polymetallic sulphides occur as lenses in pyritic siltite and consist of weakly banded, fine to medium grained pyrite, galena, sphalerite, arsenopyrite with local chalcopyrite (Wells, 2003, p. 18). Small hand specimens of massive sulphide mineralization from the K-7 zone were examined megascopically by the writer: vaguely banded fine to medium grained pyrite dominates, with a groundmass of finer-grained black sphalerite. Coarse pyrite grains are also present resulting in an overall fragmental texture.

A K-7 resource of 375,000 tonnes with 4.0 g/tonne gold, 55 g/tonne silver, 0.5% copper, 4.8% lead and 6.1% zinc, has been outlined from surface to 150 metres depth by trenching and drilling (reported by Carmichael, 1991, p. 1, no calculations given). **[Note: the trenches have been reclaimed and the writer is unable to confirm the foregoing figures.]**

The Twin 3 zone is located 1200 metres southeast of the K7 lens and lies within the same Rea "zone". The writer was unable to examine outcrops in the area. Wells (2003) in his report quoted a former owner, Apex Energy Corp., which

company in 1987 reported a 1.83 metre drill hole intercept of the Rea horizon that assayed 30.86 g/ton gold, 250.29 g/tonne silver, 0.77% Zn, 2.1% lead and 0.24% copper. Later drilling by Homestake Canada Ltd. intersected both the Silver and Rea zones at depth: the Rea zone was weak and apparently barren and the Silver zone over core lengths of 40 to 70 metres returned highly anomalous gold, silver, copper, lead and zinc values. One hole (T91036) intersected 20 cm of massive sulphide mineralization in the Silver zone at 300 metres depth that assayed 9.46 g/tonne gold, 89.8 g/tonne silver, 0.34% copper, 3.63% lead and 5.66% zinc (Wells, 2003, p.12). **[Note: The writer has not confirmed the foregoing statement.]**

A generic description of volcanogenic massive sulphide mineral deposits, aka Noranda/ Kuroko Massive Sulphide Cu-Pb-Zn deposits, is included as Appendix 1 of this report.

9.0 EXPLORATION

The Extra High claims have been explored by several companies since discovery of the Rea Gold lenses in 1983 and the Samatosum deposit in 1986. A good quality picketline grid established in the early stages of work formed the basis for prospecting, mapping, geochemical soil sampling and a variety of electromagnetic geophysical surveys.

Kamad Silver Company Ltd. carried out geophysical and diamond drilling programs in 1983 and 1984 and identified massive sulphide mineralization in the Rea Horizon (after Carmichael, 1991).

259146 B.C. Limited in 1985 drilled five holes with total length 369.7 metres into the Rea Horizon.

Esso Minerals Canada optioned the property from Kamad Silver in late 1985 and in 1986 conducted geological, geochemical and geophysical surveys, followed in the same year by trenching and 1814 metres of diamond drilling. A further 1125 metres of diamond drilling was performed in 1987. A comprehensive program of evaluation in 1988, directed to all parts of the property, and drilling of 2,094 metres resulted in the more complete delineation of the "K-7" lens located on what is now the Extra High 1 claim.

Homestake Canada Ltd. acquired Esso's interest in Kamad's property late in 1989 and drilled 4,972 metres in 25 holes, excavated 785 metres of backhoe trenches in

14 trenches, and surveyed 11 km using GENIE EM geophysical techniques, largely in the northmost part of the claims. Much of their program was directed to the down-dip extension of the K-7 lens. In 1990 Homestake drilled 2961 metres and in 1991 that company compiled data, completed additional geological mapping, fill-in geochemistry and geophysics and traced by drilling the Rea horizon to depths of over 300 metres. The Silver Zone was probed by four drill holes. The Twin 3 zone was not explored. Homestake subsequently carried out reclamation work and ceased exploration.

Wells (2003, p. 11) reports that he was informed in 1992 that Homestake's exploration target was a VMS deposit of greater than 5 million tonnes.

The Kamad claims expired in 1999. A prospector, Paul Watt, of Kamloops staked the Extra High 1 - 25 claims in 2000 and thereby acquired the southerly continuation of the Rea horizon, Silver zone and Twin Mountain zone. He prospected and soil sampled portions of his claims and re-sampled parts of several reclaimed trenches.

R. C. Wells, P. Geo. of Kamloops assisted Mr. Watt and in 2001 strongly recommended a thorough compliation of previous exploration data (Wells, 2001). Several of Mr. Watt's claims were allowed to expire in 2002.

10.0 DRILLING

Parts of the present Extra High claims have been explored by diamond drilling techniques. Carmichael (1991) documented 13,335 metres of drilling by Homestake Canada Ltd. in the period 1985 through 1989 although he did not discuss in detail the locations of drill holes and some work likely was directed to the Homestake Bluffs area near Sinmax Creek. Nonetheless, it appears almost certain that most drilling was directed to the Rea Horizon with lesser amounts to the Silver zone and the Twin Mountain zone.

Drill holes were positioned to undercut surface expressions of mineral zones, geochemically anomalous areas and geophysical "targets". Many of the holes were drilled using "NQ" size tools; some of the longer holes were reduced to "BQ" size at depths of about 500 metres. Recoveries were, except in unusual circumstances, close to 100%. Cores were logged in detail by geologists: Homestake employed the "Geolog" system in order to maximize the recording of drill core information. Selected portions of core samples were submitted for comprehensive analyses by recognized commercial laboratories. After total

digestion of the samples, they were analysed for gold, fluorine and 37 other elements using induced coupled plasma (ICP) methods.

Analytical data was reviewed by project geologists who were responsible for interpreting results and reporting progress to their managers.

It is believed that much of the Kamad drill core was stored on the Homestake (Huber) farm near Sinmax Creek and may be available there for further examination and, if desired, for re-analysis.

11.0 SAMPLING METHOD AND APPROACH

The writer is unaware of details of geochemical sampling methods employed by the various companies that carried out exploration programs on what are now the Extra High claims but is confident that the major companies followed the then-current industry practices and that analyses were performed in recognized fully accredited laboratories.

One can assume that soil samples that were collected on the property grid by previous operators were prepared by drying and sieving and then analysed by induced coupled plasma methods. Such procedures are widely accepted in the mineral exploration industry

Drill cores were split using conventional tools and half-core samples were submitted to analytical laboratories for routine determinations of gold, fluorine and 37 other elements.

The present optioners of the Extra High claims have not yet undertaken any field work but the vendor, R. C. Wells, P. Geo. in 2003 submitted three samples of weakly oxidized massive sulphide "float" from the K-7 mineral zone to a Kamloops analytical laboratory that performed gold, silver, copper, lead and zinc assays plus 28 element induced coupled plasma determinations. Results obtained are included as Appendix 2 of this report. ***[These certificates of assay and analyses likely represent "best obtainable" material from the K-7 zone and may not be representative of that zone.]***

12.0 SAMPLE PREPARATION, ANALYSES AND SECURITY

The writer has no personal knowledge of details of sample preparation, analyses and security procedures employed by former operators of what are now the Extra High claims but is confident that the work was performed in a professional manner by adequately trained personnel with proficiency in field techniques then employed in the mineral exploration industry.

13.0 DATA VERIFICATION

The writer has not attempted to verify data obtained from various technical reports prepared for previous operators of what are now the Extra High claims but is confident that data were acquired by adequately trained professional and/or technical personnel following procedures then employed in the mineral exploration industry.

14.0 ADJACENT PROPERTIES

Minfile capsule geology and bibliography data for the formerly producing Samatosum, Rea Gold and Homestake mines that adjoin the present Extra High claims have been downloaded from the British Columbia Ministry of Energy and Mines provincial mineral deposit data base and are reproduced and included with this report as Appendix 3. ***[This information has been compiled from many diverse sources and the writer has not verified that data. The reader should not assume that the Minfile data is wholly accurate nor that information concerning the adjoining properties is necessarily applicable to nor indicative of the geology, mineralization and structural setting of the Extra High claims.}***

15.0 MINERAL PROCESSING AND METALLURGICAL TESTING

The writer is not aware of any mineral processing and metallurgical testing of any materials obtained from the present Extra High claims. Details of any such test work and of actual production performance carried out on ores of adjoining mines, Samatosum, Rea and Homestake, if required, may be obtained from property files maintained by the former operators and by the British Columbia Ministry of Energy and Mines.

16.0 MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES

The only known statement of mineral resources present on the Extra High claims is included in a Minfile Inventory Report identified as: Minfile Number 082M-277, K-7. The data are apparently derived from Assessment Report 22389, page 1, and are based "...on several drill holes". ***[The following "inventory" is not known to conform to any recognized standard required in the preparation of mineral resource and mineral reserve estimates]*:**

375,000 tonnes, unclassified, silver 55.00 g/t
gold 4.00 g/t
copper 0.500 %
lead 4.800 %
zinc 6.100%.

17.0 OTHER RELEVANT DATA AND INFORMATION

This report is believed to contain relevant data and information pertaining to the Extra High claims sufficient to enable an informed decision concerning the merits of the claims. The present optionors of the property in the course of acquiring that property have relied upon various summaries of available data and upon the opinions of qualified explorationists. A large amount of technical work, including geological mapping, geochemical sampling, geophysical surveys, trenching and diamond drilling, has been directed to the Extra High claims area and details or partial details of that work can with difficulty be recovered from archives and other sources.

The writer has not been able to acquire and review all data from previous programs of work. His field examination was hampered by spring snow conditions and by the fact that trenches had been backfilled in accordance with reclamation standards. He, in the following sections of this report, recommends that all available data should be compiled and carefully reviewed prior to commencement of further exploration of the claims.

18.0 INTERPRETATION AND CONCLUSIONS

The writer's examination of available technical reports and field inspection enable a positive interpretation of the merits of the Extra High claims. Previous workers have described a series of sub-parallel mineralized zones, the Rea, Silver and Twin Mountain zones, that strike northwesterly and dip northeasterly. Each zone contains stratabound volcanogenic massive sulphide mineral deposits and the three zones may in fact be a single stratigraphic horizon that has been disjointed by isoclinal folding and thrust faulting. Similar deposits located in the northwesterly continuations of the zones have been shown to contain valuable mineral deposits, namely the Samatosum and Rea Gold deposits. These are believed to be typical Noranda/Kuroko-type deposits with metal tenors similar to those found in economically viable mines.

The Extra High claims have been explored at surface and at shallow depths by the full range of exploration methods. The mineralized horizon(s), i.e. the Rea, Silver and Twin Mountain zones, contains numerous sections of massive sulphide mineralization and one area in particular, the K-7 lens, that includes an unknown amount of material similar to that mined at the near-by Samatosum mine. Several drill core intercepts of that horizon at shallow depths contain similar mineralization and the mineralized zones may persist to greater depths.

The primary exploration target on the Extra High claims is the Rea-Silver-Twin Mountain horizon in its various fold- and thrust fault-determined locations. Further exploration, primarily by means of diamond drilling, will facilitate structural interpretation of the position of the horizon and may intercept larger bodies of massive sulphides. There seems little doubt that even a modest sized body of such material will have exceptional values in precious and base metals, sufficient to enhance the value of a small to medium sized mining company.

19.0 RECOMMENDATIONS

The regional, local and property data bases should be thoroughly researched and compiled in order to acquire the maximum amount of information concerning the nature of and distribution of the Rea Gold-Silver-Twin Mountain horizon(s) that contains the volcanogenic massive sulphide mineral zones. This work should precede field work which will be in large part directed by the compilation and its interpretation.

The geologically most attractive parts of the property, i.e. the imbricated thrust fault slices, should be surveyed using the best available deep penetrating electromagnetic survey techniques. Following better definition of the distribution of the principal mineral horizon, a program of drilling long inclined diamond drill holes should be undertaken to confirm the interpreted distribution of that horizon: ideally, as in some of the Homestake Canada Ltd. drill holes, all three parts of that bed will be crossed in each hole.

Drill holes should be surveyed in detail both at the collar and in the hole. Cores should be logged with emphasis on identifying useful marker beds and minor structures that can be employed in sub-surface mapping. It is estimated that five drill holes, each of at least 500 metres length, will be required to substantially improve the vertical profile of the Extra High area geology and the mineralized stratigraphic horizon. Metallic mineralization in stringer (or feeder) zones or in stratabound favourable beds may be encountered.

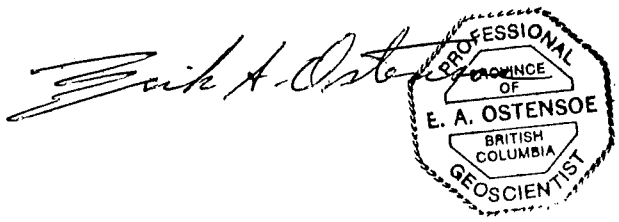
If the above-detailed drilling program enables preparation of an improved three dimensional economic model of the Extra High area, it should be possible to commence a Phase 2 program of focused diamond drill holes to penetrate parts of the horizon where thicker, possibly richer, mineralized strata may be found.

The first program is expected to cost about $412,000, viz.

research, compilation and interpretation of data,	allow	$ 25,000
followed by		
pulse electromagnetic surveys	allow	$ 50,000
diamond drilling: 2500 metres @ $80/metre		$200,000
supervision, core logging, analyses, data plotting and interpretation		$100,000
allowance for unscheduled costs @ 10%		$ 37,000
Probable total cost of Phase 1 work		$412,000.

Following completion of Phase 1, a second program of drilling should be undertaken but only if a reasonable conceptual structural model can be constructed. The Phase 2 drilling program may entail a further five to ten drill holes at similar cost to Phase 1 drilling and, given any success in identifying the mineralized horizon(s), may become open-ended. It is suggested that $500,000 be earmarked for Phase 2 work.

It is the writer's opinion that the above-detailed Phase 1 program of data compilation, geophysical surveys and diamond drilling is warranted by the favourable geology and mineralization that has already been demonstrated at the Extra High property and by its proximity to valuable mineral bodies at the Rea Gold and Samatosum deposits. Phase 2 work should only be implemented if it can be demonstrated that the stratigraphic horizon(s) with VMS-type mineralization persist to greater depths than already drilled and can be probed with reasonable expectations that economically attractive bodies may be found.



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21. CERTIFICATE OF AUTHOR'S QUALIFICATIONS

I, Erik A. Ostensoe, do hereby certify that

1. I am a consulting geologist with office and residence in Vancouver, British Columbia, Canada

2. I am a member in good standing of the Association of Professional Engineers and Geoscientists of British Columbia (member no. 18727)

3. I graduated from the University of British Columbia, Vancouver, B. C. in 1960 with a Bachelor of Science degree in Honours Geology, and that I completed course requirements for a Master of Science degree at Queen's University, Kingston, Ontario

4. I have worked for more than forty years in the mining and mineral exploration industries in most parts of western North America and to a much lesser extent in South America and I am presently a consulting geologist and have been so since May, 1981

5. I am, as a result of my experience and qualifications, a Qualified Person as defined in National Instrument 43-101

6. I travelled on April 1, 2004 to the Extra High claims that are the subject of the accompanying report and, despite adverse snow conditions and the fact that much of the trenching and other excavations that had been prepared by previous operators had been reclaimed by backfilling and other reclamation efforts, I was able to observe exposures of bedrock formations and zones of massive sulphide mineralization in the K-7 and Twin 3 lenses and to become familiar with the general terrain in which they occur

7. I prepared the accompanying report entitled "Report of Review and Examination of Extra High Property, Kamloops Mining Division, British Columbia" on the basis of technical reports by professional geoscientists who at various times worked on the subject property as employees of major mining companies or government agencies, with reference to published literature concerning the regional geology of the southern Interior Plateau, and the identification and classification of volcanogenic massive sulphide mineral deposits of the Noranda/Kuroko type, and various other sources, including in particular the Minfile and MapPlace websites maintained by the British Columbia Ministry of Energy and

Mines, and from personal observations and impressions gained from a site inspection on April 1, 2004 and from discussions with the current and previous owners of the Extra High claims

8. There are on the Extra High claims no inferred, indicated or measured mineral resources nor probable or proven mineral reserves as defined in the *Standard Definitions of Mineral Resources and Mineral Reserves, Definitions and Guidelines* proposed by the Canadian Institute of Mining, Metallurgy and Petroleum

8. I have attempted to appropriately acknowledge all sources of information included in the text

9. I am not aware of any material fact or material change with respect to the subject matter of this report that is not reflected in this report, the omission to disclose which would make this report misleading

10. I have no interest, direct or indirect, in the Extra High property that is the subject of this report, nor in the securities of Lucky 1 Enterprises Inc. and I am independent of that company in accordance with the application of Section 1.5 of National Instrument 43-101

11. I have no interest, direct or indirect, in any mining property in the vicinity of the Extra High property

12. I consent to the use of this report, in whole or in part, by Lucky 1 Enterprises Inc. provided that quotations are appropriately attributed and are not modified or otherwise taken out of context

13. I have read National Instrument 43-101, Form 43-101F1 and this report has been prepared in compliance with NI 43-101 and Form 43-101F1

Dated at Vancouver, British Columbia, this 10th day of April, 2004.

Erik A. Ostensoe, P. Geo

PROFESSIONAL ENGINEER PROVINCE OF BRITISH COLUMBIA E. A. OSTENSOE GEOSCIENTIST

APPENDIX 1.

NORANDA/KUROKO MASSIVE SULPHIDE Cu-Pb-Zn

By

Trygve Hoy,
British Columbia Geological Survey

From: Selected British Columbia Mineral Deposit Profiles, Volume 1

NORANDA/KUROKO MASSIVE SULPHIDE Cu-Pb-Zn

G06

by Trygve Höy
British Columbia Geological Survey

Höy, Trygve (1995): Noranda/Kuroko Massive Sulphide Cu-Pb-Zn, in Selected British Columbia Mineral Deposit Profiles, Volume 1 - Metallics and Coal, Lefebure, D.V. and Höy, T, Editors, British Columbia Ministry of Energy of Employment and Investment, Open File 1995-20, pages 53-54.

IDENTIFICATION

SYNONYM: Polymetallic volcanogenic massive sulphide.

COMMODITIES (*BYPRODUCTS*): Cu, Pb, Zn, Ag, Au (Cd, S, Se, Sn, barite, gypsum).

EXAMPLES (British Columbia - *Canada/International*): Homestake (082M025), Lara (092B001), Lynx (092B129), Myra (092F072), Price (092F073), H-W (092F330), Ecstall (103h011), Tulsequah Chief (104K011), Big Bull (104K008), Kutcho Creek (104J060), Britannia (092G003); *Kidd Creek (Ontario, Canada), Buchans (Newfoundland, Canada), Bathurst-Newcastle district (New Brunswick, Canada), Home-Quemont (Québec, Canada), Kuroko district (Japan), Mount Lyell (Australia), Rio Tinto (Spain), Shasta King (California, USA), Lockwood (Washington, USA).*

GEOLOGICAL CHARACTERISTICS

CAPSULE DESCRIPTION: One or more lenses of massive pyrite, sphalerite, galena and chalcopyrite commonly within felsic volcanic rocks in a calcalkaline bimodal arc succession. The lenses may be zoned, with a Cu-rich base and a Pb-Zn-rich top; low-grade stockwork zones commonly underlie lenses and barite or chert layers may overlie them.

TECTONIC SETTING: Island arc; typically in a local extensional setting or rift environment within, or perhaps behind, an oceanic or continental margin arc.

DEPOSITIONAL ENVIRONMENT / GEOLOGICAL SETTING: Marine volcanism; commonly during a period of more felsic volcanism in an andesite (or basalt) dominated succession; locally associated with fine-grained marine sediments; also associated with faults or prominent fractures.

AGE OF MINERALIZATION: Any age. In British Columbia typically Devonian; less commonly Permian-Mississippian, Late Triassic, Early (and Middle) Jurassic, and Cretaceous.

HOST/ASSOCIATED ROCK TYPES: Submarine volcanic arc rocks: rhyolite, dacite associated with andesite or basalt; less commonly, in mafic alkaline arc successions; associated epiclastic deposits and minor shale or sandstone; commonly in close proximity to felsic intrusive rocks. Ore horizon grades laterally and vertically into thin chert or sediment layers called informally

"exhalites".

DEPOSIT FORM: Concordant massive to banded sulphide lens which is typically metres to tens of metres thick and tens to hundreds of metres in horizontal dimension; sometimes there is a peripheral apron of "clastic" massive sulphides; underlying crosscutting "stringer" zone of intense alteration and stockwork veining.

TEXTURE/STRUCTURE: Massive to well layered sulphides, typically zoned vertically and laterally; sulphides with a quartz, chert or barite gangue (more common near top of deposit); disseminated, stockwork and vein sulphides (footwall).

ORE MINERALOGY (Principal and *subordinate*): Upper massive zone: pyrite, sphalerite, galena, chalcopyrite, *pyrrhotite, tetrahedrite-tennantite, bornite, arsenopyrite. Lower massive zone: pyrite, chalcopyrite, sphalerite, pyrrhotite, magnetite.*

GANGUE MINERALOGY: Barite, chert, *gypsum, anhydrite and carbonate* near top of lens, carbonate quartz, chlorite and sericite near the base.

ALTERATION MINERALOGY: Footwall alteration pipes are commonly zoned from the core with quartz, sericite or chlorite to an outer zone of clay minerals, albite and carbonate (siderite or ankerite).

ORE CONTROLS: More felsic component of mafic to intermediate volcanic arc succession; near centre of felsic volcanism (marked by coarse pyroclastic breccias or felsic dome); extensional faults.

ASSOCIATED DEPOSIT TYPES: Stockwork Cu deposits; vein Cu, Pb, Zn, Ag, Au.

EXPLORATION GUIDES

GEOCHEMICAL SIGNATURE: Zn, Hg and Mg halos, K addition and Na and Ca depletion of footwall rocks; closer proximity to deposit - Cu, Ag, As, Pb; within deposit - Cu, Zn, Pb, Ba, As, Ag, Au, Se, Sn, Bi, As.

GEOPHYSICAL SIGNATURE: Sulphide lenses usually show either an electromagnetic or induced polarization signature depending on the style of mineralization and presence of conductive sulphides. In recent years borehole electromagnetic methods have proven successful.

OTHER EXPLORATION GUIDES: Explosive felsic volcanics, volcanic centres, extensional faults, exhalite (chert) horizons, pyritic horizons.

ECONOMIC FACTORS

GRADE AND TONNAGE: Average deposit size is 1.5 Mt containing 1.3% Cu, 1.9 % Pb, 2.0 % Zn, 0.16 g/t Au and 13 g/T Ag (Cox and Singer, 1986). British Columbia deposits range from less than 1 to 2 Mt to more than 10 Mt. The largest are the H-W (10.1 Mt with 2.0 % Cu, 3.5 % Zn, 0.3 % Pb, 30.4 g/t Ag and 2.1 g/t Au) and Kutcho (combined tonnage of 17 Mt, 1.6 % Cu, 2.3 % Zn, 0.06 % Pb, 29 g/t Ag and 0.3 g/t Au).

IMPORTANCE: Noranda/Kuroko massive sulphide deposits are major producers of Cu, Zn, Ag, Au and Pb in Canada. Their high grade and commonly high precious metal content continue to make them attractive exploration targets.

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February 5, 1995

[G01] [G04] [G05] [G06] [G07] [Published Profile Index]
[Deposit Profiles]

Last Updated June 13, 2003

APPENDIX 2.

Certificate of Assays and Analyses

File no. AK 2003-158
Eco Tech Laboratory Ltd.

Eco Tech Laboratory Ltd.

ASSAYING
GEOCHEMISTRY
ANALYTICAL CHEMISTRY
ENVIRONMENTAL TESTING

10041 Dallas Drive, Kamloops, BC V2C 6T4
Phone (250) 573-5700 Fax (250) 573-4557
E-mail: info@ecotechlab.com
www.ecotechlab.com

CERTIFICATE OF ASSAY AK 2003-158

KAMLOOPS GEOLOGICAL SERVICES LTD.
910 HEATHERTON COURT
KAMLOOPS, B.C.
V1S 1P5

5-Jun-03

ATTENTION: RON WELLS

No. of samples received: 3
Sample type: Rock
Project #:EH
Shipment #:01
Samples submitted by: Ron Wells

ET #.	Tag #	Au (g/t)	Au (oz/t)	Ag (g/t)	Ag (oz/t)	Cu (%)	Pb (%)	Zn (%)
1	EH01	38.4	1.120	66.4	1.94	0.82	6.48	2.06
2	EH02	8.36	0.244	64.8	1.89	0.53	7.65	2.94
3	EH03	0.94	0.027	72.8	2.12	0.43	11.6	2.70
QC/DATA:								
Resplit:								
R/S 1	EH01	38.6	1.126	66.8	1.95	0.83	6.45	2.04
Standard:								
PM168		2.08	0.061					
Mp-IA				68.9	2.01	1.44	4.30	19.01
CU106				135.0	3.94	1.43		

ECO TECH LABORATORY LTD.
Jutta Jealouse
B.C. Certified Assayer

XLS/03
FAX: 372-1012

6-Jun-03

ECO TECH LABORATORY LTD.
10041 Dallas Drive
KAMLOOPS, B.C.
V2C 6T4

Phone: 250-573-5700
Fax : 250-573-4557

ICP CERTIFICATE OF ANALYSIS AK 2003-0158

KAMLOOPS GEOLOGICAL SERVICES LTD.
910 HEATHERTON COURT
KAMLOOPS, B.C.
V1S 1P5

ATTENTION: RON WELLS

No. of samples received: 3
Sample type: Rock
Project #:EH
Shipment #:01
Samples submitted by: Ron Wells

Values in ppm unless otherwise reported

Et #.	Tag #	Ag	Al %	As	Ba	Bi	Ca %	Cd	Co	Cr	Cu	Fe %	La	Mg %	Mn	Mo	Na %	Ni	P	Pb	Sb	Sn	Sr	Ti %	U	V	W	Y	Zn
1	EH01	>30	0.06	>10000	20	<5	0.06	<1	18	86	6160	>10	40	0.4	<1	164	<0.01	32	110	>10000	1190	<20	88	<0.01	20	20	<10	<1	>10000
2	EH02	>30	0.11	>10000	<5	<5	0.08	<1	13	84	5170	>10	20	0.29	<1	3	<0.01	14	210	>10000	235	<20	25	0.01	20	14	<10	4	>10000
3	EH03	>30	0.06	1660	<5	<5	0.04	55	9	88	4210	>10	20	0.23	<1	<1	<0.01	5	<10	>10000	1210	<20	3	<0.01	<10	4	<10	<1	>10000

QC/DATA:

Standard:																													
GEO03	1.6	1.6	60	145	<5	1.46	<1	19	62	86	4.83	<10	0.94	547	2	0.02	31	610	982	95	<20	54	0.12	<10	82	<10	9	76

df/149
XLS/03
FAX: 372-1012

ECO TECH LABORATORY LTD.
Jutta Jealouse
B.C. Certified Assayer

APPENDIX 3.

Minfile Data

Samatosum Mine – 082M 244
K-7 – 082M 277
Twin 3 – 082M 276

MINFILE Capsule Geology and Bibliography

MINFILE Home page
Main Search Menu
Back to Search Results
ARIS Home page

Capsule Geology and Bibliography

082M 244 Production Report

Name	SAMATOSUM	Mining Division	Kamloops
Status	Past Producer	NTS	082M04W NAD 27
Latitude Longitude	51 08 40 N 119 48 30 W	UTM	11 5669419 303562
Commodities	Silver Gold Zinc Lead Copper Antimony	Deposit Types	G06 : Noranda/Kuroko massive sulphide Cu-Pb-Zn. I05 : Polymetallic veins Ag-Pb-Zn±Au.
Tectonic Belt	Omineca	Terranes	Kootenay.

Capsule Geology	The Samatosum deposit is located in structurally complex metasedimentary and metavolcanic rocks of the Paleozoic (Lower Cambrian and older(?) to Mississippian) Eagle Bay Assemblage (Formation). The assemblage has a complex deformational history involving multiple stages of thrust faulting and folding during the Jura-Cretaceous which produced strongly foliated and overturned rocks trending northwest and dipping northeast. These Paleozoic rocks are intruded by mid-Cretaceous granodiorite and quartz monzonite (such as the Baldy batholith about 30 kilometres to the north of the deposit), and Early Tertiary quartz-feldspar porphyry, basalt and lamprophyre dykes. These are all locally overlain by Miocene plateau lavas, now represented in the area by occasional erosional remnants. The deposit area can be divided into several northwest trending, northeast dipping units. From northeast to southwest these are: 1) the Tshinikan Limestone which forms steep, massive landforms dominating the area; 2) mixed sediments consisting of interbedded cherts and argillite; 3) mafic volcanics; 4) the "Mine Series" of rocks which consist of a zone of more mixed sediments and mafic volcanics, with minor felsic to intermediate volcanics, which form the host stratigraphy for both the Samatosum and Discovery or Rea Gold zone (082M 191) deposits; and finally 5) a thick unit of argillites and wackes and a package of felsic rocks which lie in the structural footwall of the Mine Series. The generalized ore stratigraphy reveals the apparent stratabound nature of the orebody within the hanging wall portion of the heavily strained and highly altered Mine Series rocks. The orebody

lies near the interface of altered mixed sediments and predominantly altered argillites/wackes. Original terms such as "sericitic tuffs" for the mixed sediments, and "muddy tuffs" for the altered argillite/wackes are now largely out of favour as it is really alteration products that one sees rather than original lithologies (Friesen, 1990).

The mixed sedimentary unit (SERT) is characterized by a strong yellow to white sericitic content, interbedded with up to 30 per cent cherty/quartz lenses. The altered argillites (MUT) are characterized by light silvery grey muscovite and sericite. They may also often locally contain up to 60 per cent very fine-grained pyrite and host low grade values of base and precious metals. Both units represent altered lithologies; their protoliths were probably variations of an original argillite/wacke/tuff sequence.

Both the SERT and MUT lie structurally below a thick unit of chloritic mafic volcanics, which in the deposit area are most commonly tuffaceous to lapilli in texture; but with an occasional pillowed component.

Both the Samatosum and original Discovery zone or Rea Gold zone (082M 191) 500 metres to the southwest are contained in a very similar stratigraphy; within a package of mixed sediments, argillites and their sericitic equivalents of SERT and MUT, and both are structurally overlain by mafic pyroclastics. There is much speculation regarding their structural and genetic associations. There is a strong suggestion of repetition by folding and/or faulting (which supports a long favoured theory of a thrust fault zone located between the deposits). Alternatively, but currently discounted, the two deposits may exist within similar stratigraphic cycles overprinted by a crosscutting alteration package (Friesen, 1990).

The Samatosum deposit is an early, highly deformed quartz vein system containing massive to disseminated components of tetrahedrite, sphalerite, galena and chalcopyrite hosted in structurally complex wallrocks. The upper portion of the orebody is tabular, averages about 5 metres in thickness, has a northwesterly strike length of about 500 metres and dips at an average of 30 degrees northeasterly for 100-150 metres. In the northern half of the deposit the tabular nature of the orebody gives way downdip to an apparent synformal structure, which is currently interpreted to be caused by slicing and imbrication by local overturning and thrust faulting. The northern half of the orebody has a northwesterly plunge of about 20 degrees, whereas the southern half displays a very slight plunge to the southeast (phase 2 folding?).

Tetrahedrite is the most valuable mineral in the ore zone, followed by sphalerite, chalcopyrite and galena. The tetrahedrite contains 36 per cent copper, 25 per cent sulphur, 23 per cent antimony, 5 per cent zinc, 4 per cent silver, 3 per cent arsenic and 2 per cent iron. Tetrahedrite appears to be the most uniformly distributed, while the sphalerite, galena and chalcopyrite often appear more erratically distributed in the northern end of the orebody as semimassive to massive lenses within the quartz vein host; perhaps indicating more than one mineralizing episode. It is important to note to note that whereas chalcopyrite, sphalerite and galena can be present in minor amounts in virtually any quartz vein occurrence throughout the property; tetrahedrite has so far been rarely found outside the immediate ore zone (Friesen, 1990).

The principal ore-related gangue minerals are quartz (30 per cent), dolomite (19 per cent) and pyrite (11 per cent).

Sericite and muscovite are by far the dominant alteration minerals in the Mine Series rocks and are thought to be a deformational product of the original ore-related alteration. All units from the lower portion of the mafics through the entire Mine Series stratigraphy are sericitic. Muscovite/sericite alteration fronts producing MUT commonly crosscut bedding and foliation, often leaving behind unaltered argillite/wacke remnants.

Other significant alteration in the deposit area includes: silicification or silica flooding of portions of wallrock surrounding the orebody (eg. many original "quartzites" and black cherts are now believed to be silicified MUT and argillites); dolomite, much more intense than previously

	believed, the bulk of which is probably a late-stage fault-related overprint; pyritization, as a replacement feature of lapilli in the mafic pyroclastics; and the green mica fuchsite, so far almost entirely restricted to a several metre thick occurrence associated with the argillites/MUT along the immediate sheared footwall portion of the ore zone. Underground mineable reserves at Samatosum are 80,278 tonnes grading 1.2 per cent copper, 2.9 per cent zinc, 1.7 per cent lead, 1021.5 grams per tonne silver and 1.7 grams per tonne gold (Northern Miner - August 5, 1991). Both open pit and underground reserves are expected to be exhausted by October 1992. The underground reserve is the strike extension of the open pit deposit and extends approximately 198 metres beyond the pit wall before it is structurally terminated. The Samatosum deposit was discovered in 1986. During 1988 a feasibility study determined the deposit could be mined economically by open pit methods, despite an unusually high 25:1 waste-to-ore stripping ratio. Mine stripping began in March 1989; ore production and milling began in May 1989; shipments began in June 1989. Mining ceased in July 1992 and milling ceased in September 1992.

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MINFILE Production Report

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Production Report

MINFILE Number: 082M 244 Name: SAMATOSUM Status: Past Producer

Production Year	Tonnes Mined	Tonnes Milled	Commodity	Grams Recovered	Kilograms Recovered
1992	71,950	129,374	Silver	66,346,000	
			Gold	100,977	
			Copper		594,597
			Lead		571,995
			Zinc		1,624,135
1991	78,229	177,615	Silver	142,704,089	
			Gold	166,160	
			Copper		1,158,895
			Lead		1,167,141
			Zinc		2,515,683
1990	174,738	169,152	Silver	166,154,000	
			Gold	279,907	
			Copper		1,462,819
			Lead		2,050,850
			Zinc		3,220,028
1989	28,212	78,732	Silver	54,152,687	
			Gold	92,074	
			Copper		461,705
			Lead		1,279,141
			Antimony		97,620
			Zinc		2,178,417

Summary Totals

		Metric		Imperial	
	Mined:	353,129	tonnes	389,148	tons
	Milled:	554,873	tonnes	611,470	tons
Recovery:	Silver :	429,356,776	grams	13,804,139	ounces
	Gold :	639,118	grams	20,548	ounces

Copper :	3,678,016	kilograms	8,108,554	pounds
Lead :	5,069,127	kilograms	11,175,397	pounds
Antimony :	97,620	kilograms	215,213	pounds
Zinc :	9,538,263	kilograms	21,028,055	pounds

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MINFILE Inventory Report

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Inventory Report

MINFILE Number: 082M 277 **Name:** K-7 **Status:** Developed Prospect

LENS	375 kt	Silver	55.00 g/t	Assessment Report 22389, page 1.
1991	Unclassified	Gold	4.00 g/t	This inventory is based on several drill holes.
		Copper	0.500 %	
		Lead	4.800 %	
		Zinc	6.100 %	

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MASTER REPORT
GEOLOGICAL SURVEY BRANCH
MINISTRY OF ENERGY & MINES

MINFILE Number: **082M 277** National Mineral Inventory:

Name(s): **K-7**, KAMAD 7, K7

Status: Developed Prospect
Regions: British Columbia
NTS Map: 082M04W (NAD 83)
Latitude: 51 08 26 N
Longitude: 119 48 47 W
Elevation: 1520 Metres
Location Accuracy: Within 500M
Mining Division: Kamloops
UTM Zone: 11 (NAD 83)
Northing: 5669218
Easting: 303223
Comments: The K-7 zone on the northern slopes of Samatosum Mountain, 25 kilometres east of Barriere and 60 kilometres north of Kamloops (Assessment Report 18822, Map No. 2).

Commodities: Silver Gold Zinc Lead Copper

MINERALS

Significant: Sphalerite Galena Chalcopyrite
Mineralization Age: Unknown

DEPOSIT

Character: Stratabound Massive
Classification: Volcanogenic
Type: [Noranda/Kuroko massive sulphide Cu-Pb-Zn.] [Polymetallic veins Ag-Pb-Zn±Au.]
Shape: Unknown

HOST ROCK

Dominant Host Rock: Metasedimentary

Stratigraphic Age	Group	Formation	Igneous/Metamorphic/Other
Paleozoic	Undefined Group	Eagle Bay	

Lithology: Altered Cherty Sediment/Sedimentary
Altered Argillite
Altered Wacke

GEOLOGICAL SETTING

Tectonic Belt: Omineca
Terrane: Kootenay
Physiographic Area: Shuswap Highland
Metamorphic Type: Regional
Grade: Greenschist
Relationship:

INVENTORY

Ore Zone: DRILLHOLE
Category: Assay/analysis
Sample Type: Drill Core
Report On: N
Year: 1888

Commodity	Grade
Silver	77.80 g/t
Gold	3.56 g/t
Copper	0.560 %
Lead	6.850 %
Zinc	8.400 %

Comments: From an 11.6-metre drill interval.
Reference: Assessment Report 18822, page 17.

Ore Zone: LENS
Category: Unclassified
Quantity: 375 kt
Report On: Y
Year: 1991

Commodity	Grade
Silver	55.00 g/t
Gold	4.00 g/t
Copper	0.500 %
Lead	4.800 %
Zinc	6.100 %

Comments: This inventory is based on several drill holes.
Reference: Assessment Report 22389, page 1.

CAPSULE GEOLOGY

The K-7 prospect is located in structurally complex metasedimentary and metavolcanic rocks of the Paleozoic (Lower Cambrian and older(?) to Mississippian) Eagle Bay Assemblage (Formation). The assemblage has a complex deformational history involving multiple stages of thrust faulting and folding during the Jura-Cretaceous which produced strongly foliated and overturned rocks trending northwest and dipping northeast. These Paleozoic rocks are intruded by mid-Cretaceous granodiorite and quartz monzonite (such as the Baldy batholith about 30 kilometres to the north of the deposit), and Early Tertiary quartz-feldspar porphyry, basalt and lamprophyre dykes. These are all locally overlain by Miocene plateau lavas, now represented in the area by occasional erosional remnants.

The area can be divided into several northwest trending, northeast dipping units. From northeast to southwest these are: 1) the Tshinikan Limestone which forms steep, massive landforms dominating the area; 2) mixed sediments consisting of interbedded cherts and argillite; 3) mafic volcanics; 4) the "Mine Series" of rocks which consist of a zone of more mixed sediments and mafic volcanics, with minor felsic to intermediate volcanics, which form the host stratigraphy for both the Samatosum and Discovery or Rea Gold zone (082M 191) deposits; and finally 5) a thick unit of argillites and wackes and a package of felsic rocks which lie in the structural footwall of the Mine Series. See the Samatosum past producer (082M 244) for further details of area geology.

There is no record of work in the K-7 area prior to the discovery of the Rea Gold zone (082M 191) to the north. The Rea find resulted in geophysics and minor diamond drilling to be carried out in 1983 on the Kamad 7 claim. Further geophysics followed in 1984. Five holes totalling 369.7 metres were drilled on the Kamad 7 claim in 1985 for a company called "259146 B.C. Limited". Esso Minerals Canada optioned the property from Kamad Silver Company in 1985. In 1986, Esso carried out basic linecutting, geochemical sampling, HLEM - EM geophysical surveying and 1814 metres of drilling in 11 diamond drill holes. In 1988, Esso drilled 17 holes on the Kamad 7 claim and 7 holes intersected massive sulphide sulphide mineralization within the "Rea zone" and called it the K-7 lens.

One diamond drill hole (K88033) intersected intensely dolomitized mafic volcanics from 2.6 metres to 32.1 metres which forms the footwall of the Rea zone. Massive, polymetallic sulphides (32.1 to 34.0 metres) were found in sharp contact with the volcanics. The sulphides were medium-grained and crudely banded on a centimetre scale. Bands of massive chalcopyrite and sphalerite/galena were also observed as were "splashes" of galena and chalcopyrite up to 2 centimetres across. A weighted average of 4 assays yielded 1.82 metres of 1.26 per cent copper, 6.51 per cent lead, 6.87 per cent zinc, 53.51 grams per tonne silver, 7.54 grams per tonne gold and 5.30 per cent arsenic (Assessment Report 18822, page 9). Another drill hole (K88040) intersected semi-massive sulphide from 108.8 to 110.6 metres and banded, medium-grained, polymetallic massive sulphide from 110.6 to 120.0 metres. Assays from an 11.60 metre section yielded 0.56 per cent

copper, 6.85 per cent lead, 8.40 per cent zinc, 77.8 grams per tonne silver, 3.56 grams per tonne gold and 2.65 per cent arsenic (Assessment Report 18822, page 17). A rough estimate of the K-7 zone surface area as shown on Map 2 (Assessment Report 18822) is 100 by 200 metres.

A resource for the K-7 zone, attributed to Kamad Silver Company, was reported to be 375,000 tonnes grading 4 grams per tonne gold, 55 grams per tonne silver, 0.5 per cent copper, 4.8 per cent lead and 6.1 per cent zinc (Assessment Report 22389, page 1).

No work occurred on the property after the 1988 work was completed.

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EMPR MAP 56; 65 (1989)
EMPR OF 1992-1
GSC MAP 48-1963; 5320G
GSC OF 637
Dickie, G.J., Preto, V.A. and Schiarizza, P. (1986): Mineral Deposits of the Adams Plateau - Clearwater area
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Date Coded:	2000/06/19	Coded By:	GJP	Field Check:	Y
Date Revised:	2000/09/08	Revised By:	GJP	Field Check:	N

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Printable Report

082M 276

	TWIN 3		Kamloops
	Prospect		082M04W NAD 27
	51 08 05 N 119 47 47 W		11 5668300 304350
	Gold Silver Zinc Lead Copper		G06 : Noranda/Kuroko massive sulphide Cu-Pb-Zn.
	Omineca		Kootenay.

The Twin 3 occurrence is underlain by Devonian or older rocks of the Eagle Bay Formation consisting of calcareous chlorite-sericite-quartz schist within unit EBG (Map 56). The schists were derived largely from mafic to intermediate volcanic and volcaniclastic rocks. The metavolcanics contain several thin layers of limestone and dolomite, as well as remnant pillow basalt structures. The Tshinakin limestone member lies to the northeast of the property.

In this area, the Rea zone is a continuous, well-defined stratigraphic horizon which hosts several massive sulphide lenses (such as the Rea Gold (092M 191). A second mineralized stratigraphic horizon parallels the Rea zone to the northeast and is referred to as the Silver zone. This zone hosts the Samatsum deposit (082M 244).

Mineral exploration on the Twin property started in the 1930s. The Twin Mountain occurrence (082M 020) is located about 1.5 kilomtres to the southeast and is a silver-lead-zinc bearing quartz-dolomite vein discovered in 1936 and explored sporadically by several operators. The Twin claims were staked in 1980. In 1983, Lincoln Resources Inc. entered into an option agreement with Apex Energy Corp. to work on the Twin property. A

grid was established and a soil survey carried out. Falcobridge Copper acquired the property in 1984 and conducted mapping, rock sampling, Max-Min II and VLF-EM geophysical surveys. Two diamond drill holes were completed also. Lincoln Resources received the property back in 1985 and conducted a limited fill-in soil survey. In 1986, Lincoln extended the grid and conducted further rock and soil sampling and mapping. Genie EM and trenching were also conducted. In late 1986, Esso Minerals Canada optioned the property from Lincoln Resources and Apex Energy. Early in 1987, Esso Minerals conducted a VLF EM geophysical survey over geochemical target areas. This was followed by 2269 metres of diamond drilling which resulted in the discovery of a small gold-rich massive sulphide/barite lens on the Twin 3 claim. During the summer of 1988, Esso Minerals drilled 1278 metres in 8 holes and did additional geophysics and geological mapping. Homestake Canada acquired Esso's option in 1989 and did a limited amount of trenching on the Twin Mountain zone. In 1990, Homestake completed 4017 metres of diamond drilling in nine holes, and 2235 metres of down-hole Pulse EM geophysical surveying in six of the holes. Homestake conducted a further 4069 metres of diamond drilling in 6 holes in 1991. During this program the Silver zone, was interesected by 4 holes on the Twin property.

In 1987, Apex reported a 1.83-metre drill interval (Hole Twin 3 on the Rea Zone) that assayed 30.86 grams per tonne gold, 250.29 grams per tonne silver, 0.77 per cent zinc, 2.1 per cent lead and 0.24 per cent copper (George Cross Newsletter, No. 237, December 10, 1987). A 4.1-metre drill interval from the Twin property was reported to have yielded 12.8 grams per tonne gold, 108 grams per tonne silver, 0.2 per cent copper, 1.5 per cent lead and 0.6 per cent zinc (Assessment Report 22389, page 1). It may be that the former assay was a sub-interval of the latter.

The Silver zone consists of 50 metres of interbedded graphitic argillite and siltone, sericitic chert, and pyritic sediments. The pyritic sediments range from fine siltstone to coarse chert pebble conglomerates. Chert pebble conglomerate with interbedded wacke contain 30 to 40 per cent pyrite occurring both as very fine-grained matrix and recrystallized granoblasts. Traces of blebby sphalerite, galena and chalcopyrite also occur. This zone remains open along strike and down dip.

EMPR AR 1939-D39; 1953-A101
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