PROSPECTING REPORT

on the

GOLD MOUNTAIN - BIG CHIEF GROUP

Fort Steele Mining Division
British Columbia

49°40' North Latitude
115°30' West Longitude
NTS Map 82G12E
Mineral Claim Map 82G06

for

FRANK LANE, OPTIONOR
1400 - 570 Granville Street
Vancouver, B.C.
V6C 3P1

by

DAVID JAVORSKY, PROSPECTOR, OPTIONEE
818 - 470 Granville Street
Vancouver, B.C.
V6C 1V5

December 29, 2004

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MAPS

INTRODUCTION

An exploration program was started on August 2, 2004 and completed on September 25, 2004. Finances for performing the work was provided by Mr. Frank Lane per option agreement, and D. Javorsky. Claim holder David Javorsky supervised the work.

A camp was set up on the claims above the junction of Boulder Creek and North Fork Creek.

A claim maintenance program of locating the old claim posts and flagging them was completed.

The historical showings were located.

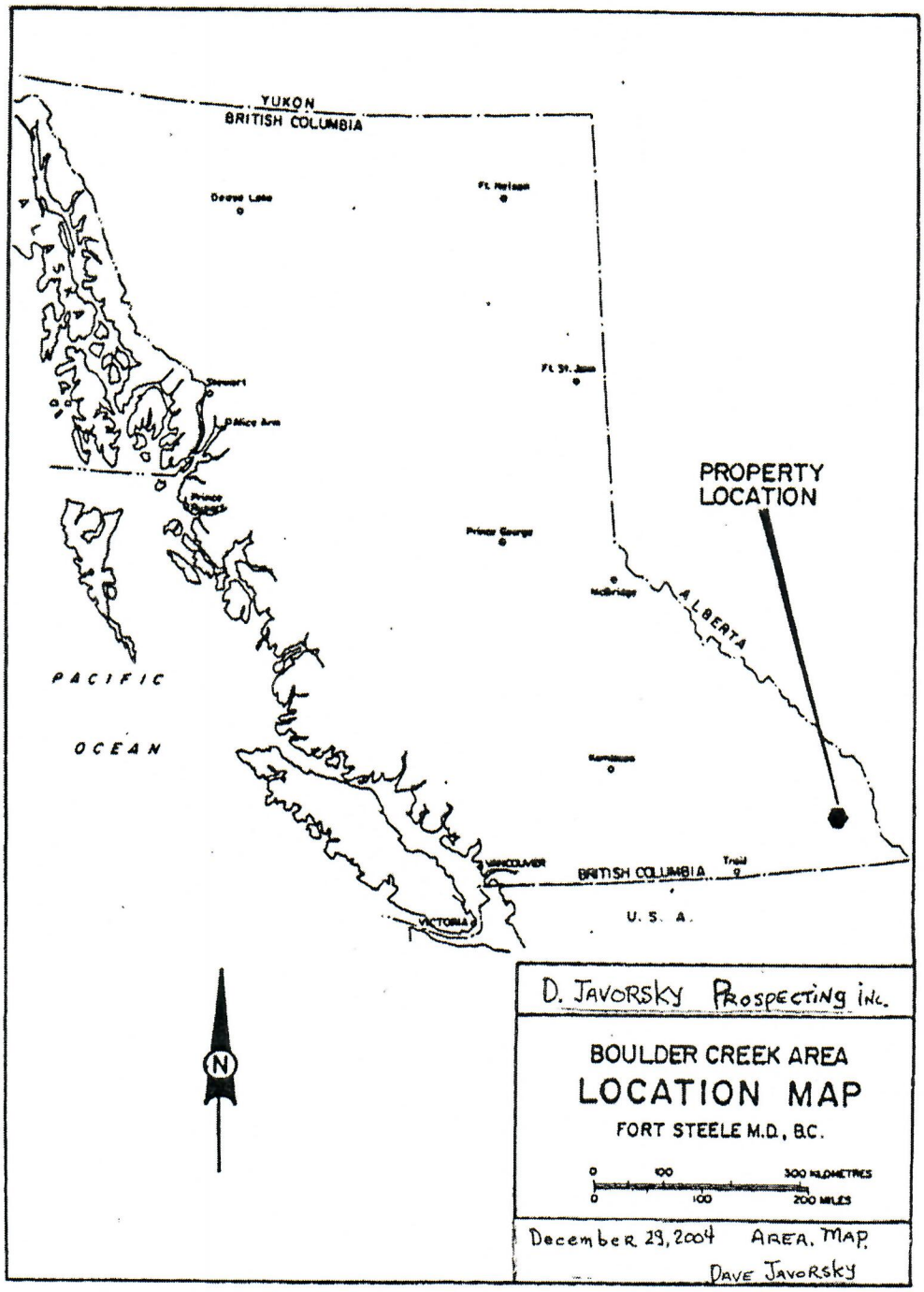
Roads and trails were rehabilitated, brush and downed trees were removed and washouts were filled in. Where rock slides and large trees blocked the road, a D-6 tractor was hired from a local logger to clean the roads.

Exploration took place over the entire claim group.

Samples were taken in an attempt to find where the gold was located within the quartz veins and the associated dyke-sill-flow formations.

Exploration samples ran from nil value in gold to twelve ounces per ton. The metallic samples ran from nil to 160 ounces per ton gold.

One thing is positive. There is coarse gold in the quartz stringers in the Sideritic-Dolomite Formations. Be they sills, flows or dykes, they carry coarse gold. All samples should be screened and assayed for metallics. This is not surprising since there is a very large placer camp downstream on the Wild Horse River.


YUKON
BRITISH COLUMBIA
Dease Lake
Ft. Nelson
Stewart
Alice Arm
Prince Rupert
Prince George
Ft. St. James
PROPERTY LOCATION
ALBERTA
PACIFIC
OCEAN
Vancouver
BRITISH COLUMBIA
Trail
U. S. A.
Victoria
N
D. JAVORSKY PROSPECTING INC.
BOULDER CREEK AREA
LOCATION MAP
FORT STEELE M.D., B.C.
0 100 300 KILOMETRES
0 100 200 MILES
December 29, 2004 AREA. MAP.
DAVE JAVORSKY

Now that the road has been cleared out up to the base of the sideritic-dolomite cliff and good gold values have been found, a further sampling and trenching program should be done to confirm the values stated in the 7 Dec. 1895 edition of the Fort Steele Prospector newspaper. This report claimed 1,260,000 tons of ore grading 0.2 ounces per ton gold.

Also, an excavator should extend the Guggenhein Road to the elevation of the top adit. A trench road could then be put in to crosscut the high grade zone of the gold-bearing formation.

LOCATION

The Gold Mountain-Big Chief group of mineral claims are located on Boulder Creek, a tributary of the Wild Horse River. Situated northeast of Clearbrook, B.C. in the Fort Steele Mining Division.

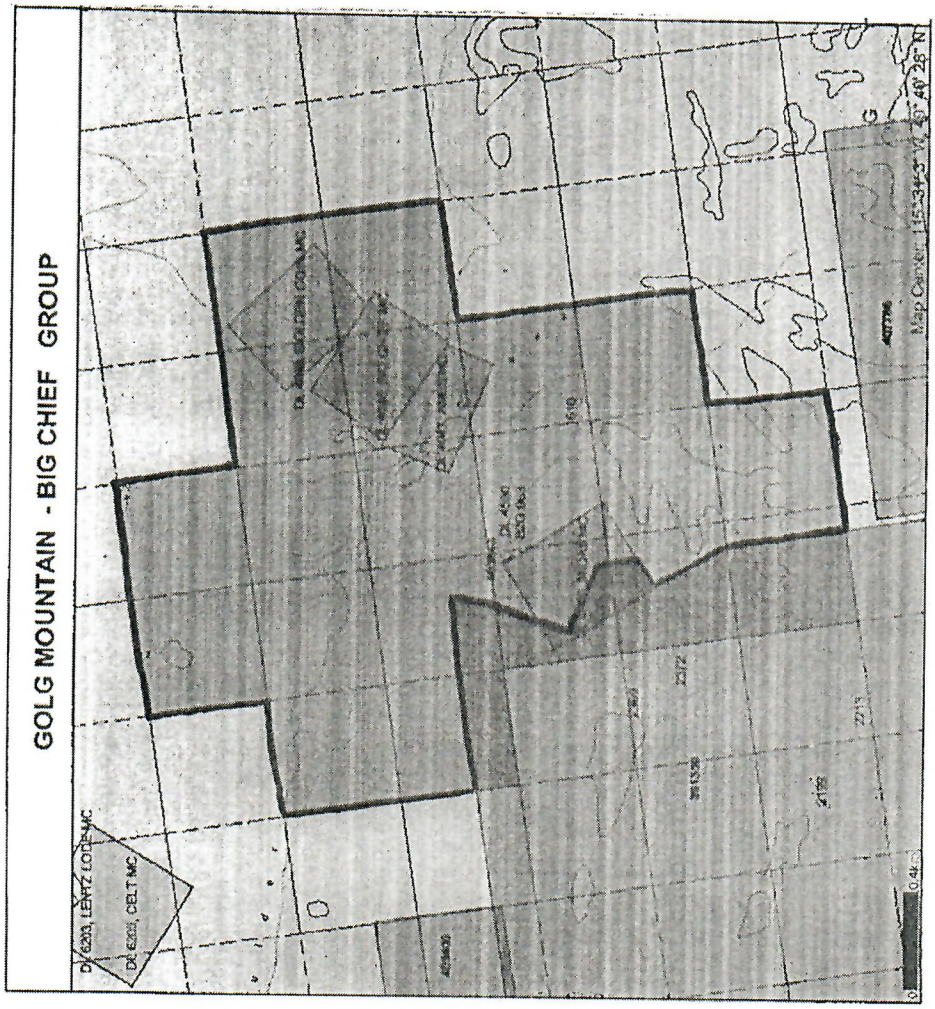
The NTS Map is 082G12E (Nad 83,1:50,000). The new (1:20,000) map scale is 082G063. Latitude is 49°40'N and Longitude is 115°30'W. Elevation along the road is 1500 metres, however, it gets steeper both to the south and to the north to over 2000 metres. Vertical Mountain on the northwest side of the claim block is well named - it is steep.

Elevation at the Big Chief adit is approximately 1830 metres and elevation at the Gold Mountain top adit is approximately 1900 metres.

A good logging road crosses the claims along Boulder Creek. All roads and trails are steep.

CLAIM TENURE

The 13 two-post claims of the Gold Mountain-Big Chief Group were converted to the new electronic staking on February 4, 2005. All of the claims are now covered by Tenure #505843. The claim group now covers 20 New Tenure Cells.



BRITISH COLUMBIA

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Mineral Titles

Mineral Titles Online

Current time: 2005/FEE

Mineral Claim Conversion (CONV)

Revi

Mineral Claim Conversion (CONV)

- Select Input Method
- Input Tenures
- Select Cells
- Review Form Data
- Confirmation

Recorder: DAVID JOSEPH JAVORSKY (113058)
Recorded: 2005/FEB/04
D/E Date: 2005/FEB/04

Submitter: DAVID JOSEPH JAVORSKY (113058)
Effective: 2005/FEB/04

Locking Time Left: 29:35 Min.

505843

→ Main Menu
→ Search Tenures
→ View Mineral Tenures
→ View Placer Tenures

Exit this e-service

Ownership Info

Client Number (FMC #)	Name	Percentage
113058	DAVID JOSEPH JAVORSKY	100.0

Tenures To Be Converted

Tenure #	Claim Name/Property	Issue Date	Good To Date
369189	BIG CHIEF	1999/MAY/23	2005/OCT/01
369190	AMES	1999/MAY/23	2005/OCT/01
369192	GOLD MOUNTAIN	1999/MAY/24	2005/OCT/01
386799	BIG CHIEF 2	2001/JUN/02	2005/OCT/01
386800	GOLD COIN	2001/JUN/02	2005/OCT/01
386801	ALPINE 10	2001/JUN/03	2005/OCT/01
386892	GOLD DROP	2001/JUN/04	2005/OCT/01
386893	ALPINE 20	2001/JUN/05	2005/OCT/01
386894	GOLD LEAF	2001/JUN/04	2005/OCT/01
391787	TIP	2002/FEB/04	2005/OCT/01
391788	TOP	2002/FEB/04	2005/OCT/01
396788	BEAR 1	2002/OCT/03	2005/OCT/01
396789	SILVERTIP	2002/OCT/03	2005/OCT/01

New Tenure Cell IDs

082G12I002B	082G12I012B	082G12I022B	082G12H092C	082
082G12I012C	082G12I011D	082G12I002A	082G12I012A	082
082G12I001B	082G12I011B	082G12I013D	082G12I001C	082
082G12I011A	082G12H092D	082G12I002D	082G12I012D	082

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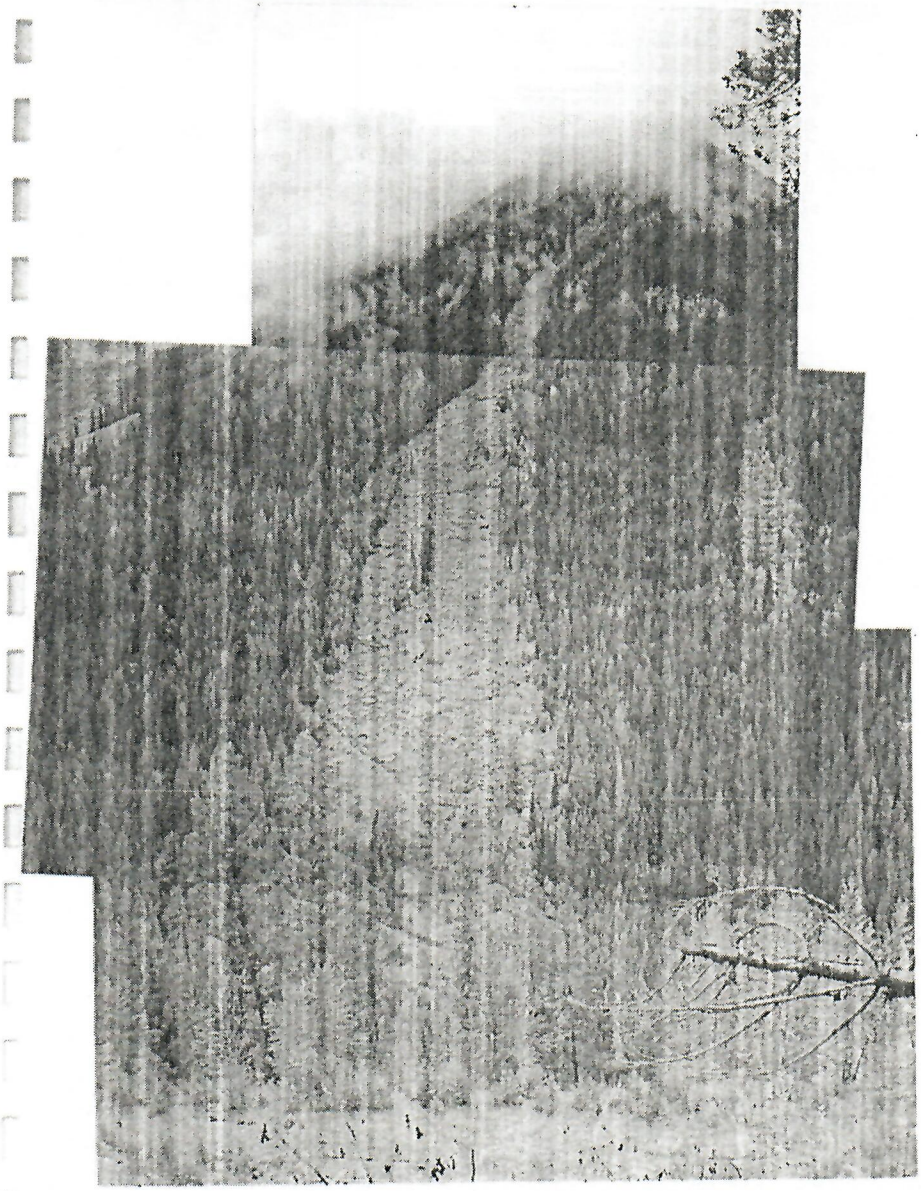
GEOLOGY

At the Big Chief location, gold bearing quartz veins occur in joints and fractures within a Cretaceous syenite dyke in Lower-Middle Cambrian Eagle Formation argillites. The dykes strike 50 degrees and dip to the northwest at 55 degrees. There are at least ten different and parallel dykes. A gold bearing dyke is located ten metres east of the Big Chief #1 adit. Some people would describe this dyke as a "Bird's Eye Porphyry". An underground miner from California would call it "Brown Ore", as it is similar to the dyke at the Imperial Gold Mine at Grass Valley in the Motherlode.

The geology is set out in Assessment Report 13658, Part 1, by Geologist David Nelles. In Part 2 of this report, the geology was described by Geologist J.R. Woodcock. The geology is also set forth in a Prospectus for Boulder Creek Mines Ltd., March 1968 by Mining Engineer R.J. MacDougal (see Appendix A). There is a report on The Big Chief Story by C.F. Myrene, Mining Engineer, August 1, 1967 (see Appendix B).

A talk given by Geologist F. Marshall Smith at G.A.C. Symposium, Victoria, 1983 on Gold Porphyries, dated May 1983 (see Appendix C), and a summary on Gold Porphyries dated October 2003 by Geologist F. Holcapek (see Appendix D)

At the Gold Hill location south of Boulder Creek, a bed of coarsely crystalline, brownish-orange, sideritic-dolomite occurs that has been fractured and healed by gold-bearing quartz veins. This sideritic-dolomite is within the Lower Cambrian era in the Cranbrook Formation. The rock is steeply upthrown and one passes from the Creston Formation in the Proterozoic to the Cranbrook Formation in the Cambrian era while travelling over a couple of hundred metres of surface material. The geology of the Cranbrook Sheet is shown on Preliminary Map No. 54 of the Ministry of Energy, Mines and Petroleum Resources.



Switch back Road up the GOLD HILL showing

The sideritic-dolomite ledge forms steep steps as one climbs up the hill with a heavy forest cover. The rocks have been subject to fracturing and the fractures were filled by coarse specks of gold and galena in narrow quartz veins. This prospector is calling this carbonate ledge a sideritic-dolomite because it contains as much iron as it does magnesite.

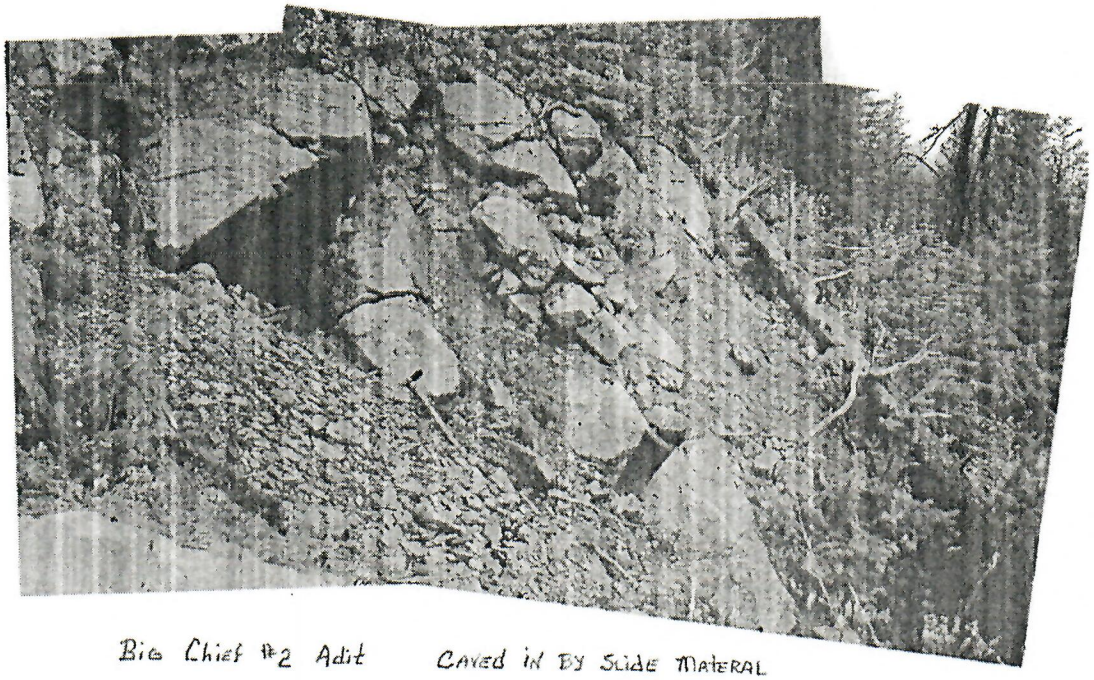
Because of the coarseness of the gold found in these samples, all samples must be screened and assayed for metallics. An essay on assaying coarse gold samples by Dennis Fairbairn, 1985, entitled "Cutting the Nugget Effect" is attached as a reference (see Appendix E).

A good example of the problems of assaying is Sample #11654 which ran 0.863 ounces gold per ton. A piece of the same rock, labelled Sample #11655, ran 12.9 ounces gold per ton and the plus-140 mesh screen material ran 160.75 ounces gold per ton.

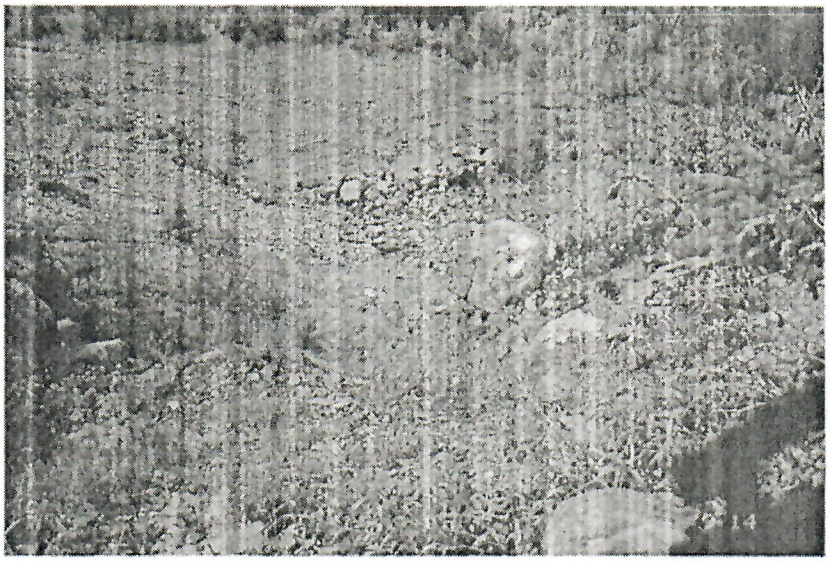
The main indicators in this rock is that, if you see a speck of galena in the small quartz vines, it will probably carry gold.

The Gold Hill Ledge is steep. There are two adits on the Gold Hill Ledge.The lower adit, sometimes called Midas Tunnel No. 2 or Iron Cap adit, was sampled by Geologist David Nelles in 1984. His samples were nil and greater than 10,000 ppb. On fire assay, the sample ran 0.676 ounces gold per ton. The author of this report cleaned up the floor of the adit below where Mr. Nelles took his sample and panned it. Numerous flakes of gold were in the pan. Also, at the upper adit called Midas Tunnel No. 1 or Guggenhein adit, Mr. Nelles' sample only ran 1800 ppb gold and the author's sample No. 11655 ran 12.0 ounces gold per ton. To get any kind of a representative sample, bulk samples will have to be taken.

The Kerr-Addison mine at Larder Lake, Ontario was started on a siderite formation. The Gold Hill showing has quite a few similarities to the Kerr-Addison mine.



Big Chief #2 Adit Caved in by Slide Material



Big Chief #3 Adit Caved in And Covered up by Slide Material

2004 WORK PROGRAM

Mobilization started on August 2, 2004 and the job was completed on September 26, 2004. A total of 54 man-days were spent on the property; 37 days by Prospector D. Javorsky, 14 days by Prospector T. Ash, and 3 days by tractor owner-operator D. Pighin.

Approximately 10 km of old road was brushed out and the deadfall and blowdowns were removed from the road. A D-6 tractor was used to remove the slide material from the road and to push aside the deadfall. Mr. Tom Ash also used a 24' chainsaw and a 550 Still Brush Cutter to buck up the large logs and to remove the trees that had grown up in the middle of the road.

In the middle of the program, it stated to rain and snow. Either of the heavier vehicles, a pickup truck or a Jeep, would have torn up the muddy road. Thus a Polaris 4 track ATV was rented in Cranbrook to climb the hills. The trail up to the Gold Hill showing is quite steep and there are numerous switchbacks. The trails go up the avalanche shoots. The trail to the Big Chief-Gold Coin Mine adits were reopened. Wherever there was surface disturbance, the exposed ground was reseeded with a locally approved forestry erosion control mixture of grass seed.

Early prospectors working out of the Wild Horse placer mining camps of Fisherville and Fort Steele, travelled up into the headwaters searching for the source of the gold in the Wild Horse River. This was not an easy search and they gave the area names like Steep Creek and Vertical Mountain.

A local newspaper of the period was called 'The Prospector'. Copies of this newspaper are available in Victoria and microfiche copies are available at the Fort Steele Historical Museum.

GALENA IN QUARTZ IN A SIDERITIC - DOLOMITE. CARRIES Gold values

RENTED 4TRACK USED TO PACK EQUIPMENT AND OLDER PROSPECTORS UP HILLS

The December 7, 1895 edition of The Prospector ran a two page report on a new discovery called the Gold Hill Ledge (attached hereto in Appendix F). Much energy has gone into trying to prove up the old report on the Gold Hill property. While no one has yet confirmed the size claimed in the 1895 newspaper article, one thing is certain - there is coarse gold in the Gold Hill Prospect. The metallic assay on rock Sample #11655 for the plus-140 mesh screened material ran 5,512.5 grams per ton gold. After the minus-140 mesh material was factored into the plus-140 mesh material, the fire assayed sample still ran 442 grams gold per ton or 12.89 ounces gold per ton.

Numerous traverses were done across the iron carboniferous, magnesite-rich dolomitic limestone. The rock is coarse-grained, buff-coloured, and weathering orange-brown. It has a marble-like hardness. The outcrop stands out in relief and forms steep steps or cliffs as one climbs up the mountain. The trees seem to grow nicely in the limestone-rich rock and it is heavily forested with 30 metre tall trees.

There appears to be two sideritic-dolomitic ledges striking up the hill at northeast 30° and dipping at 65° to the northwest. The lower ledge overlays a phyllite-shaley schist which shows some leaching and alteration. The lower ledge is about 12 metres thick and is covered by 2 metres of crumbled up shale. The second ledge is about 8 metres thick and then is covered by more shale or phyllite. The 22 metre wide zone is full of fractures that have been rehealed by narrow gold-bearing quartz veins. The quartz stringers which assay for gold will also show globes of galena in the quartz (see picture of Sample #11663).

One must note that there is also a second carbonate ledge at the top of the hill about 1000 metres above the Gold Hill Zone. This zone at the top of the ridge between Boulder Creek and Fisher Creek is sometimes call the "Fisher" showing (MinFile #082GNW023). While the two may be connected at depth, they are separated on the surface. The MinFile does not record the Gold Hill mineral showing.

Three adits and a trench have been put in to explore the Gold Hill showing. The top adit or Midas #1 adit, also called the Guggenhein adit. This top adit is about 6,450 feet in elevation (1,965 metres). The top adit is about six metres long.

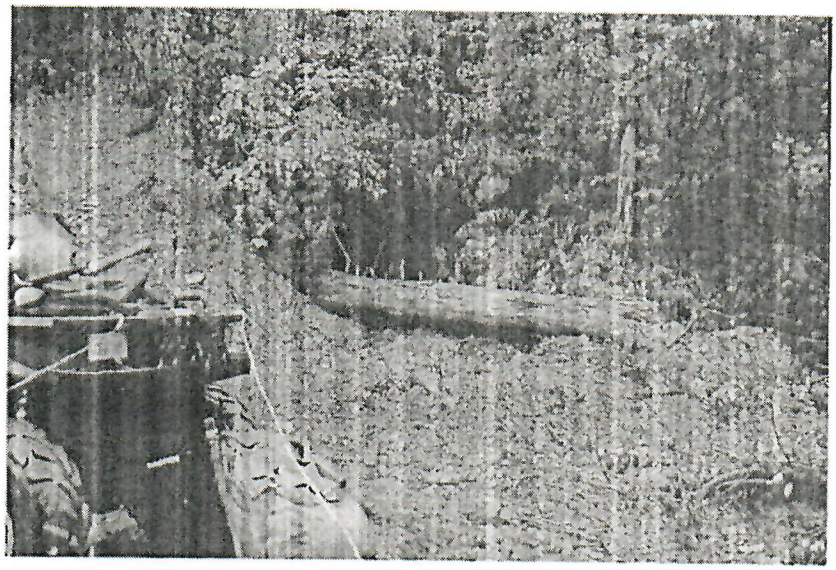
The lower adit is called the Iron Cap adit or the Midas #2 adit. The Iron Cap adit is at about 6,000 feet elevation (1,828 metres). This adit is about six metres in length. The portal was blocked by a slide and waist deep in water.

About 100 feet (30 metres) in elevation above the Iron Cap adit is a trench on the sideritic-dolomitic-carbonate ledge. This trench exposes the upper ledge.

A third adit called the Long Tunnel was put in about halfway up between the Iron Cap and the Guggenhein adits. The Long Tunnel is on the north side of the slide-avalanche path that parallels the strike of the Gold Hill carbonate ledge. The Long Tunnel is in the shales above the carbonate ledges.

In the past, a cable car was installed to access the Guggenhein adit. This cable car ran up the hill parallel to the Gold Hill ledge over the avalanche slide area. It is recommended that an excavator be used to extend the road above the Iron Cap adit uphill and across the strike of the gold bearing sideritic-carbonate-dolomite ledge in the area of the Guggenhein adit. This road would be in effect a trench and a bulk sample could be obtained. The bulk sample will be necessary to get accurate assays of the gold content of this rock due to the "nugget effect".

Samples from the Gold Hill showing should all be run for metallic assay. Also the gold came into the system after the carboniferous-sideritic-dolomite ledges were formed. Sample #11680 was selected as a representative sample of the dolomite without any quartz veining. It assayed nil for gold, over 10% calcium, 7.65% magnesium, and nil for silver. Sample #11679 was the same rock only the quartz veins were left in the sample and they showed galena in the quartz. Sample #11679 assayed 8.54 g/t gold (0.249 ounces) and 109 g/t silver (3.18 ounces). Here again, the gold was coarse. The



IRON CAP ADIT

metallic assay on the plus-140 mesh screened material ran 31.72 g/ton gold, the minus-140 mesh material ran 7.48 grams gold/ton, and the factured result was 8.54 g/t gold.

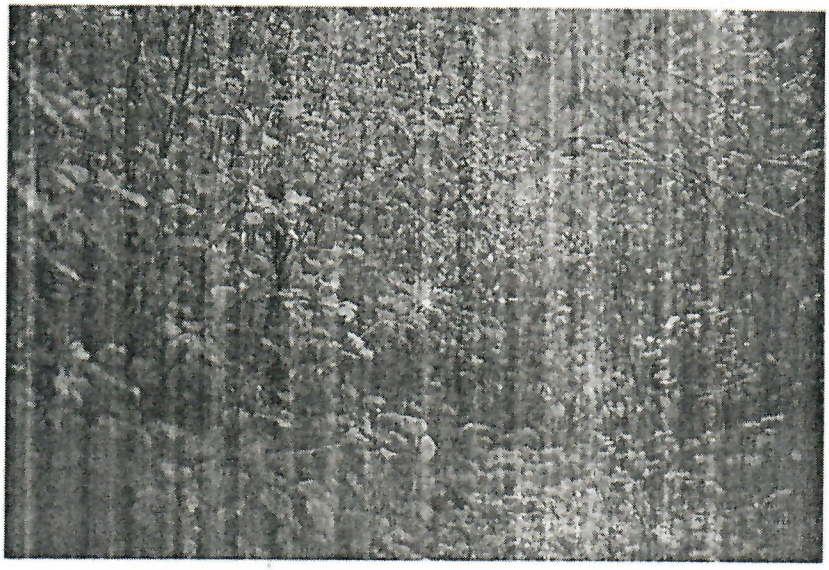
Because the "nugget effect" is so great in this type of a deposit, attached to this report is an article by Brian Fairbairn on assaying for coarse gold (see Appendix E).

A sample plan map showing the location of the Gold Hill samples is included.

Prospecting on the Gold Coin-Big Chief showing on the north side of Boulder Creek produced more questions than it answered. A series of flows(?), or dykes(?), or sills(?), or ledges(?) are exposed between 5,100 feet (1,554 metres) and 5,600 feet (1,706 metres) on the old Big Chief claim. There appears to be at least ten different parallel dykes exposed in the cliffs. Mr. Woodcock, Geologist in his 1984 Report labels these ledges as syenite dykes. These dykes have been fractured and rehealed by quartz that carries gold values. It appears that these dykes have tops and bottoms and the gold values are better on the top of the ledge. The country rock is black argillite. All of the adits on the Big Chief are caved in.

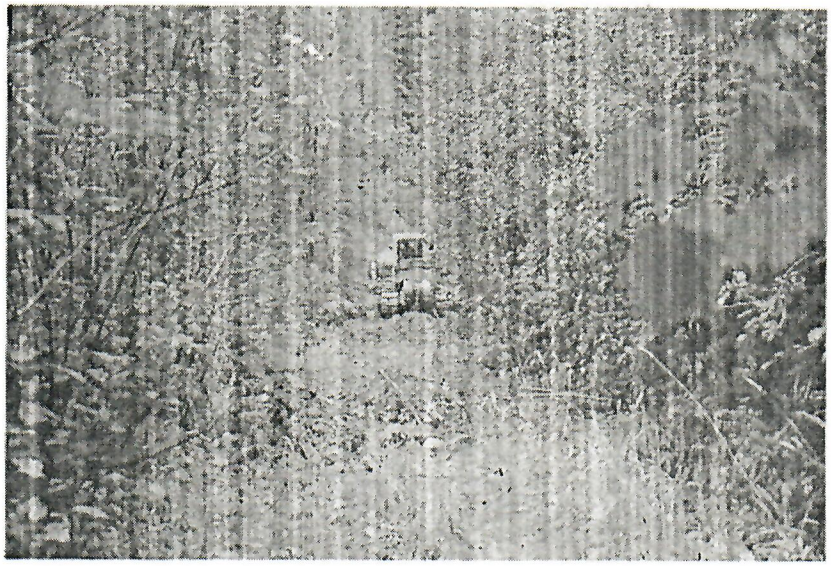
In 1968, a Calgary company, Boulder Creek Mines Ltd., published a prospectus. Included was an engineering report by Mr. R.J. MacDouglas, P.Eng. See Appendix A for this supplemental information. Also in Appendix B is a 1967 private report by Cominco Mining Engineer Mr. C.F. Myrene entitled "The Big Chief Story". These two experienced mining engineers can far better describe the geology than the author of this report.

In 1895, it appears that prospectors went up Boulder Creek looking for the source of the placer gold in the Wild Horse River. The Gold Hill property was first staked by H. Amme and C. Elwood. The Midas Crown Grant was located in July 1895 by H.H. Browne. The Boston Girl claim was staked on the north side of Boulder Creek in 1895 by H. Amme who relocated it in 1898 and called it the Ames. The Ames, Big Chief and Gold Coin were located in July and August 1898 by H. Amme, K.J. Higby, and W. Van Arsdallen. The Big



BRUSH GROWN IN ALONG THE OLD ROAD

DEADFALL ACROSS THE ROAD



D-6 Cat TRACTOR CLEARING MATERAL OFF ROADS

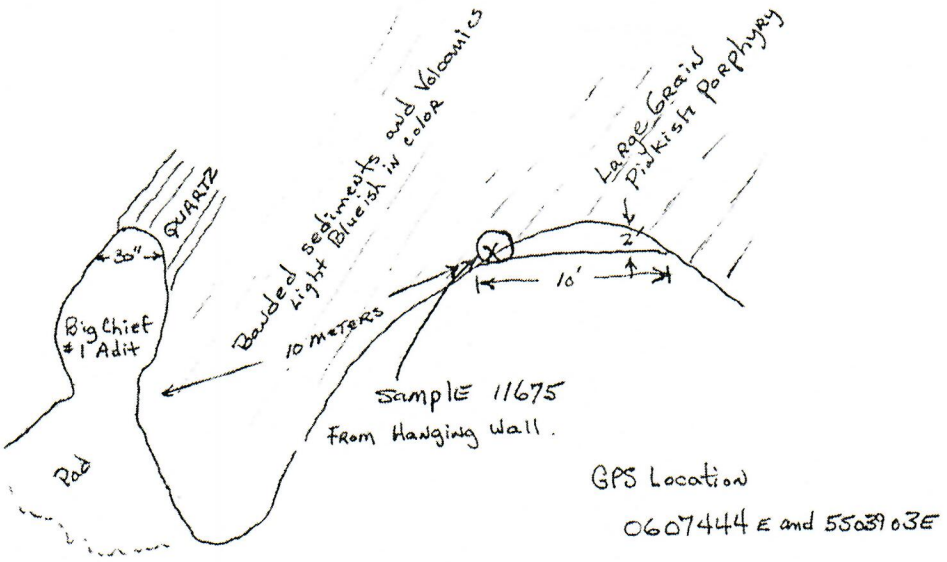
CLEANED UP ROAD

Chief syenite dykes extend downhill onto the old Ames claim and uphill onto the old Gold Coin claim. All of these old Crown Grants are covered by the current staking.

The roads at the Big Chief adits were cleared of blowdown and brush. Then grass seed was spread over all areas where the ground cover was disturbed. No attempt was made to enter the caved adits. The underground had been previously sampled and is set forth in Mr. R.J. MacDougall's March 1968 report for Boulder Creek Mines Ltd.

In prospecting at the Big Chief #1 adit, a good showing of quartz at least a metre wide containing disseminated pyrite was found. While this quartz looked like it should be loaded with gold, it assayed nil in gold and silver. The quartz appears to be associated to a sill or flow located about ten metres to the east of the #1 adit. The sill or flow could be described as a porphyry dyke. It is probably mapped at Syenite Dyke #7. This formation has crystals or clasts up to two inches long and might have been called a coarse grained pinkish granite by prospectors in the 1890's. Sample #11675 taken from the hanging wall side of the dyke (the west side), fire assayed 16.6 g/t gold or 0.484 oz/ton gold. The metallic assay ran 161 g/t gold. So this also is coarse gold and all samples should be screened and assayed for metallics. There was very minor pyrite mineralization in the sample.

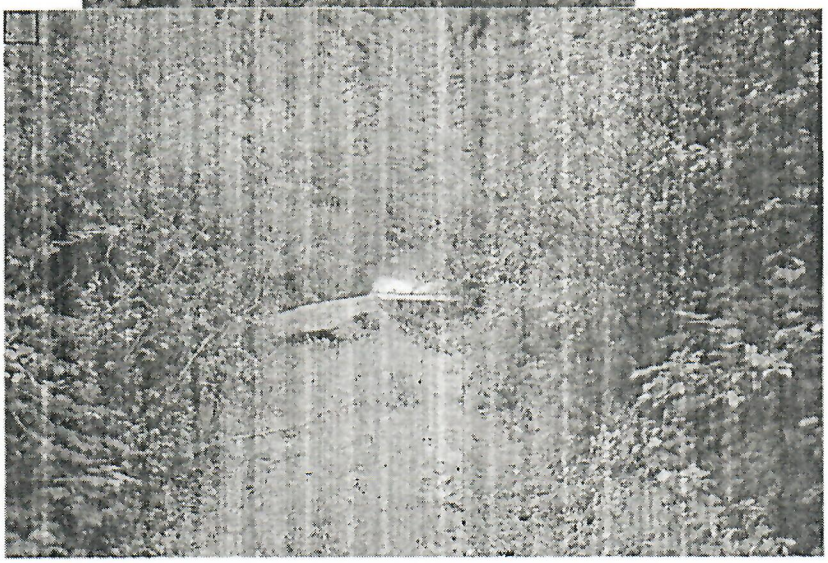
The space between the quartz at the Big Chief #1 adit and the large-grained, pinkish, porphyry syenite dyke was filled by about ten metres of light bluish-banded altered volcanics and sediments; hard to describe what it was due to the alteration.



This is an unusual large-grained, pinkish, porphyry dyke. Even more interesting since it contains gold. At the G.A.C. Symposium in Victoria in 1983, Geologist F. Marshall Smith presented a paper called "Gold Porphyries". This paper is included in Appendix C and makes a good prospecting model for understanding and finding more of these gold-bearing formations. Geologist F. Holcapek, P.Eng. summarized the Golden Porphyry Model and it is included in Appendix D.

It is very humbling to spend days climbing over adits driven on nice looking quartz veins that are full of pyrites and all your samples return nil in gold values. Then the one sample that was taken off the poorly mineralized wall rock carries 0.4 ounces gold per ton. One can see why the previous prospectors have had so much trouble getting a handle on the location of the gold in this area.

Size of Timber Growing on Gold Mountain Showing



D6 Cat Tractor Removing Slide Bolders From Access Road

#11664 1-1/2" quartz vein, mineralized with 1% to 5% pyrite. 10 metres west of the Big Chief #2 adit. The sediments surrounding the quartz are metamorphosed and greenish, and silica-rich. Sample of the quartz. The Big Chief #2 adit is caved in at the entrance with slide material. Gold - nil. Silver - nil.

#11665 The green sediments surrounding the quartz vein in sample #11664 are slightly mineralized <1% pyrite, rusty. Gold - nil. Silver - nil.

#11666 Silica-rich Zone with <1% pyrite taken from the contact 2 metres above the Big Chief #2 adit. Gold - nil. Silver - nil.

#11667 Silica-rich top 6" of the hanging wall above the Big Chief #2 adit. The contact is with a fine grained green volcanic rock, altered. The contact forms a cooked up rind. The rind, about 6" thick, is crumbly. Gold - nil. Silver - nil.

#11668 A sample of the silica-rich green rock above the rind which was sample #11667. This silica has minor pyrite mineralization - less than 1%. Gold - nil. Silver - nil.

#11669 Bluish-green volcanic or dyke from the Big Chief #1 adit. Minor pyrite mineralization. The Big Chief #1 adit was put in on a 30" mineralized quartz vein. The writer blasted down about 3/4 cubic metres of this quartz. Gold - nil. Silver - nil.

#11670 Big Chief #1 adit, mineralized quartz vein with pyrite 5%. Nice looking vein. Gold - nil. Silver - nil.

#11671 Selected quartz sample from the Big Chief #1 adit contains minor bits of galena. Gold - nil. 11.4 g/t silver.

#11672 Selected quartz sample from the Big Chief #1 adit contains tourmaline(?), pale blue, 1/2" long crystal, very hard. The quartz is mineralized with pyrite. Gold - nil. 2.2 g/t silver.

#11673 Quartz sample selected from Big Chief #1 adit because it contains odd blebs of pyrite. Gold - nil. Silver - nil.

#11674 A channel sample across the quartz vein at the Big Chief #1 adit. The writer really felt this should assay well in gold. However, gold - nil and 4.7 g/t silver.

#11675 Dyke material 10 metres east of the Big Chief #1 adit. Probably the #7 dyke. This dyke appears to dip under the quartz vein at the Big Chief #1 adit. It is separated by bleached sediments. The dyke has large -

STATEMENT OF EXPENSES

Assaying - EcoTech Labs	
30 Fire assaying plus metallic Au assaying	
3 ICP analyses	$ 1,149.18
Shipping rock samples to lab by Grayhound	33.74
Grass seed Erosion Control Mix - 25 kg 89.83	
Rental of D-6 Cat Tractor	
30 hours brushing out and repairing roads	
Trucking; Mob-Demob	4,503.80
Hardware, expendables, lumber, sample bags	205.80
Rental of Polaris 4x4	612.51
Labour (includes Workers Compensation Insurance)	
Dave Javorsky, Prospector	
37 days at $250/day	9,250.00
Tom Ash, Prospector	
14 days at $250/day	3,500.00
Room and Board - 51 man-days	1,794.18
Vehicles (includes gas, insurance, repairs, rental)	
Dodge 4X4 pickup	3,150.23
Jeep Cherokee	812.56
Photographs	43.25
Report Preparation	1,000.00
TOTAL TO BE APPLIED FOR ASSESSMENT WORK	**$ 26,145.08**

STATEMENT OF DAVID JAVORSKY

I, David Javorsky, Prospector, state as follows:

That I have completed the work outlined in the forgoing Prospecting Report on the Gold Mountain-Big Chief Group.

That I graduated from the B.C. and Yukon Chamber of Mines Prospecting School.

That I graduated from B.C. Geological Survey, Advanced Prospecting School.

That I graduated from the B.C. Ministry of Energy, Mines and Petroleum Resources, Petrology for Prospector's Course.

That I have actively worked as a Prospector for most of the last 30 years.

That my mailing address is #818 - 470 Granville Street, Vancouver, B.C. V6C 1V5.

Respectfully submitted,

David Javorsky

David Javorsky
Prospector

December 29, 2004
Vancouver, B.C.

Appendix A

NO SECURITY COMMISSION OR SIMILAR AUTHORITY IN CANADA HAS IN ANY WAY PASSED UPON THE MERITS OF THE SECURITIES OFFERED HEREIN AND ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

THE SHARES OFFERED BY THIS PROSPECTUS ARE SPECULATIVE IN NATURE AND THERE IS NO SECONDARY MARKET OR BROKER DEALER ARRANGEMENT FOR THE SALE OR DISTRIBUTION OF THESE SHARES.

A COPY OF THIS PROSPECTUS HAS BEEN FILED WITH THE ALBERTA SECURITIES COMMISSION, EDMONTON, ALBERTA, CANADA.

BOULDER CREEK MINES LTD.

Calgary, Alberta, Canada

SECOND PROSPECTUS

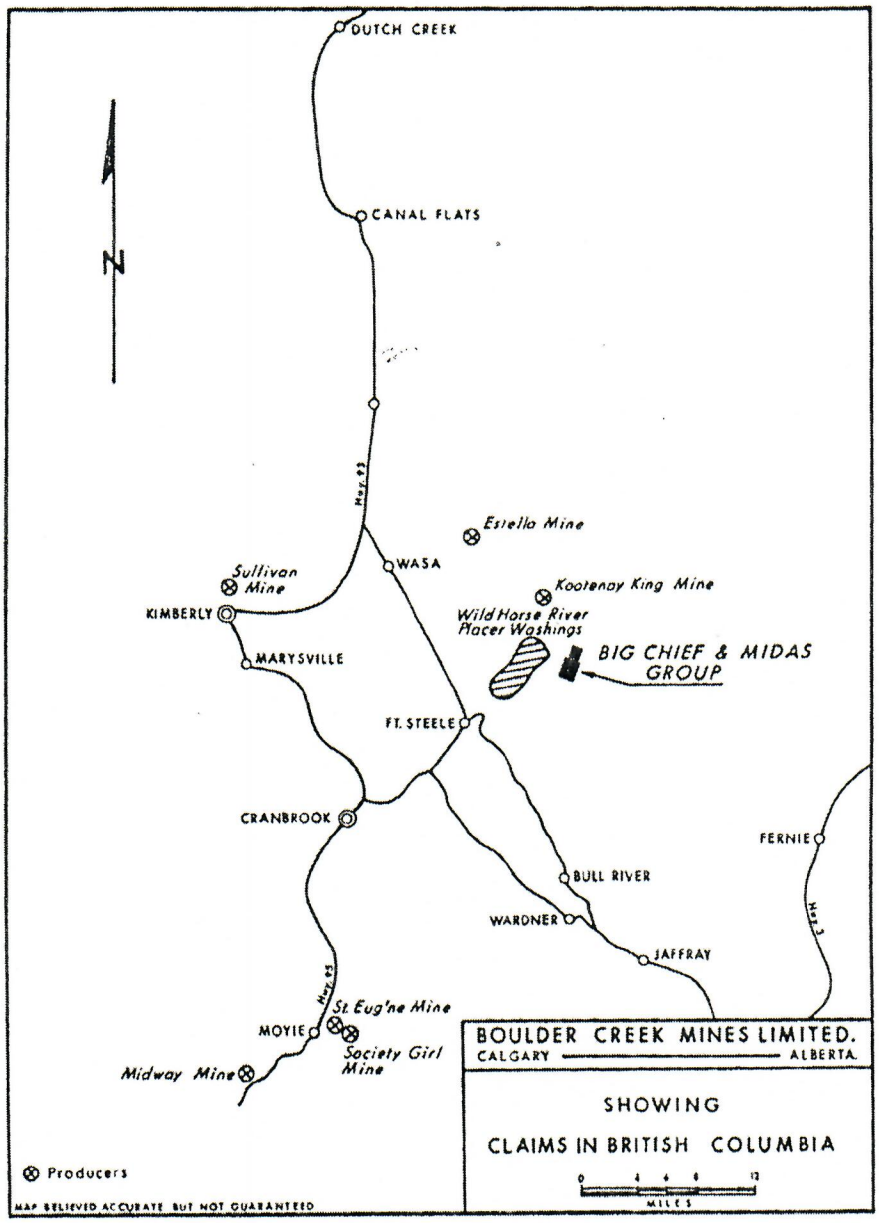
A purchase of shares offered in this Prospectus is a speculative investment. The Company proposes to use the funds acquired from the sale of these securities to commence mining operations and to determine whether or not the gold, silver, copper deposits present in mineral claims owned by the Company can be exploited commercially.

Number of shares offered in this Prospectus - 400,000.

	Price to Public	Underwriting or discounting for commission	Proceeds to Issuer
Per Unit	Thirty-five Cents $.35	Eight and three quarters cents $.875	Twenty-six and one quarter cents $.26¼
Total	$140,000	$35,000	$105,000

The number of shares being offered to the public in this Prospectus is equal to approximately 50% of the shares issued to the promoters, directors and officers for properties and for work and cash expended by them.

REGISTRAR and TRANSFER AGENT
Canada Permanent Trust Company
Calgary, Alberta.


DUTCH CREEK
CANAL FLATS
N
Hwy 93
Estella Mine
WASA
Sullivan Mine
Kootenay King Mine
KIMBERLY
Wild Horse River Placer Washings
BIG CHIEF & MIDAS GROUP
MARYSVILLE
FT. STEELE
CRANBROOK
FERNIE
BULL RIVER
WARDNER
JAFFRAY
Hwy 3
Hwy 93
St. Eug'ne Mine
MOYIE
Society Girl Mine
Midway Mine
Producers
MAP BELIEVED ACCURATE BUT NOT GUARANTEED
BOULDER CREEK MINES LIMITED.
CALGARY — ALBERTA.
SHOWING
CLAIMS IN BRITISH COLUMBIA
0 4 4 8 12
MILES

REPORT OF PROGRESS

ON THE

BOULDER CREEK MINERAL CLAIMS

The Boulder Creek Mineral claims are situated in the upper terrain of land area in the angle between the forks of Boulder Creek which converge to form the main stream flowing approximately Westward into Wild Horse River for two and one half miles. The Creek in the past has been worked by placer miners. The gold originating in quartz veins in the mountainous regions in which many small quartz veins still exist carrying assay values of *reasonable commercial importance.*

(A) Among the above, a group of mineral leases, Big Chief, Ames, and Golden Coin, comprising 104.54 acres, adjoin one another and are surrounded by thirteen additional staked claims.

The general formations consist of an argillaceous product with a variety of colours, running from very dark through grey to a light grey. The thickness of the bedding planes vary from an inch to as much as a foot. The average dip of them is probably about the same as that of the intruded porphyritic syenite. The same applies to their strike. (Map B). The beds of argyllite are intruded by an igneous syenite porphyry series, at least ten in number closely parallel to one another, dipping at angles to the Westward and striking in a north south direction. One of them, marked No. 7 on Map A, is about thirty (30) feet in thickness.

All of them carry finely divided gold and also small specimens of invisible gold in an altered feldspar content on the margins in contact with the argyllites. At this particular point there have been considerable dynamic disturbances or probably shearing that caused small fractures and jointing in the altered product of the porphyritic syenite. There are small quartz fillings in these containing galena, pyrite and copper pyrite. Under the lens one can see gold in pin point sizes, and very often there are noticeable particles of visible gold.

RECOMMENDATIONS:

1. On the margin of the hanging wall where the gold appears and which may be disseminated throughout the altered feldspar and the narrow veins of white quartz, work should begin following the hanging wall of the No. 7 syenite dyke. (see Map A.). This would mean that an overburden of screen materials consisting mainly of decayed vegetation and broken and eroded rock of small size could easily be removed in a day or two by a bulldozer exposing bed rock and with it a good view of the marginal product where work could commence. (see Maps B and C).

The extent of this blanket would cover the whole ground between No. 2 and No. 3 tunnels. It is on No. 3 tunnel that car samples taken between 120 feet from the tunnel

portal to 165 feet carried gold, silver and galena. Eight samples taken averaged; - Au. 0.43 oz. Ag. 0.48 oz. Pb. 2.13%. Eleven face samples taken from 142 feet from the tunnel portal to 162 feet, averaged Au. 2.4 oz. Ag. 2.17 oz. and Pb. 5.51%. (see Map B).

Where overburden is removed to expose the hanging wall side between the argyllite shales and the matrix bearing gold, work could begin in the margin between No. 2 and No. 3 tunnels. I do not think from my own experience as a shift boss in the Midden Creek Mine in Anyox, B.C., that the cost involved in removing this narrow gold bearing rock would be expensive; perhaps seven or eight holes to a round. The altered syenite which appears to be homogenous throughout its width should break easily with very little powder. As for the shaley argillaceous material, it could possibly be barred out.

This would mean taking this product out between the two tunnels along the hanging wall for such distance as may be warranted by continuing values. Values could also be expected to persist downward below the floor of No. 3 tunnel. The product could be treated on a small portable mill, using a ball mill and wilfley table for the recovery of free gold.

2. Stripping the surface to bedrock could be carried out at a level of approximately 100 feet below No. 1 tunnel, eastward for 800 feet or even further for the purpose of uncovering and sampling dykes 8, 9, and 10, and any additional dykes which are likely to be present. (see Map A). The hanging wall and foot wall contact areas of each dyke should be carefully sampled.

3. The lower parts of dyke No. 7 should be investigated for the purpose of locating a possible quartz body in the hanging wall earea of the dyke.

4. Following the gold bearing altered syenite product of dyke No. 7 strking northward mining operations could continue on it so long as an encouraging assay sample taken at five foot intervals would suggest more development. This lead may continue in a northerly direction up the slope for a long distance unless broken by faults which appear numerous in both "Rice" and "Leech" memoirs, pointing in many directions and often crossing and intersecting. This would cause a change in the strike. Above the surface showings of mineral bearing igneous rock no attempt in the past by early mining to expose either bed rock of mineral bearing quartz, seems from surface examination to have occurred.

There is one most of it for more than a mile northward a considerable amount of overburden covered by growing and fallen timber that would slow down the work but would not bar its final removal. There is, of course, a good chance of the present porphyritic syenite outcropping and continuing and still carrying gold values on the margins of the hanging wall and the foot walls and well. The altered product could be wider and gold values increase, although there is as yet no sign or symptom evident that they would. However, variations in mineral content do take place and often raise the values in parts of a drift. There yet appears the possibility that this could happen.

Exploration of the upper terrain is in order as some of the claims cover this ground. The ground in and around the viscinity seems from the amount of placer gold recovered from both Boulder Creek and Wild Horse River, to have carried many of the usual quartz leads associated with the precious metal. Of course, this can only be proved by a programme of surface prospecting on the parts referred to in the comments stated above.

5. The many dykes showing on the surface may be branches or offshoots from a larger subterainian body that may hold on its margins a wider gold bearing product with increased value of the essential element in it. In the "Leech" memoir exposures of early pre-cam-

brian (Aldridge and Creston formations) are shown on the map accompanying the descriptions. They may be the basement on which rest the argyllites. It may be that through fissures the mineralization with gold and quartz penetrated. This of course is hypothetical and not necessarily so. There is one operation that may prove continuity of the igneous dykes a depth - a diamond drilling programme. However this is in the offing, but an exploration of bed rock at the base of the slope, (Map A.), now covered by overburden, may bring to light evidence bearing on this possibility.

The exploration could be done either with a bulldozer excavation to bed rock or by drilling. The overburden appears to be reasonably shallow at this location.

(B) The Midas Group consists of one mineral lease and eight staked claims comprising approximatley 320 acres in all. The claims join one another so closely that no fractions appear. This group is located on the right hand side of the upper reaches of Boulder Creek looking toward Mt. Fisher. The Boulder fault intersects the valley at this point.

A wide vein of mineral bearing material, mainly a mixture of quartz and dolomite, is exposed for approximately 450 feet from No. 1 to No. 2 tunnel. (see Maps D and E). Vein constituents scattered through quartz stringers in cross fissures in the dolomite, consist of galena, tetrahedrite, pyrite and chalcopyrite. The No. 1 upper tunnel yielded about 500 pounds of high grade sulphides. Spot samples showed unusual values in gold, silver, and copper as well as lead. The concentration of these high grade elements did not extend beyond the first few feet of the tunnel but appears to continue downward in the floor near the tunnel entrance. The No. 2 lower tunnel encountered a scattered amount of similar vein constituents but failed to uncover significant concentrations of these.

The next stage of exploration on this group of claims could include a series of diamond drill holes drilled downward at an angle almost due southward from the cable car route. Cutting through the dolomite body at varying depths they would determine if the high grade galena products continue below the surface.

(C) The Ponderosa Valley and Penlock groups consist of twenty-one mineral claims surrounding the Big Chief and Midas groups to protect the boundary area of the claims being worked. There may be extensions of syenite in them as well as containing mineralized quartz bodies. They contain fault zones related to the Boulder fault.

(D) The Delalta group consists of twenty claims located at the base of the mountain between Shoe Creek and Lost Creek. It is easily reached by road from the highway by way of the Bull River road and the turn off to Horseshoe Lake. Samples taken from the upper tunnels showed assays in copper ranging from traces to a high of 17.04%, chiefly in the form of chalcopyrite and carbonates. Further exploration will be required to determine if this property has a potential commercial importance.

(E) The Dibble group, located at the head waters of Lost Creek, consists of six claims leased. They were formerly Crown granted. In 1934 a trail shipment of thirty-two tons yielded 11 oz. of gold; 1.205 oz. of silver; 240 pounds of copper. Most of the minerals shown in the specimens are the green copper carbonate (malachite) and the blue copper carbonate (azurite). This property, with the market price of silver and copper at its present high, should be given a thorough reconnaisance. There may be more of the secondary minerals present.

APPRAISAL OF WORK DONE ON COMPANY PROPERTIES

In my previous report, as printed in the prospectus of May 15th, 1966, the following program of work was recommended:-

Diamond drilling	$ 7,700.00
Tunnelling	3,000.00
Road Work	500.00
Stripping	1,200.00
Assays	300.00
TOTAL	$12,700.00

In my opinion this work has been satisfactorily carried out. The work done has been more than the basic requirement.

Work has been done on Company properties as follows;-

A. BIG CHIEF

1. Stripping by bulldozing the overburden from the face of the slope to expose bedrock across dykes No. 1 to No. 7 at the level of the portal of No. 2 tunnel.

2. Removing rock and debris at the entrance to No. 2 tunnel in order to make a 6 foot bench cut in the floor of the tunnel.

3. Grading roads for access to stripping operation and to the tunnel entrance.

4. Excavating a land slide that covered the entrance to No. 3 tunnel.

5. Timbering the adits to No. 2 and No. 3 tunnels.

6. Drilling, blasting and mucking out 60 feet of rock work in the bench excavation on the floor of No. 2 tunnel, handling about 350 tons of rock excavation work.

7. Building a plank cobbing shed at No. 2 tunnel.

8. Diamond drilling numerous holes through the overburden and into the rock formations of the valley bottom to check the bed rock for mineralization. Approximately a thousand feet of drilling was done in all. The purpose of the operation was to tract the extensions of the syenite dykes across the balley bottom opposite the Big Chief mineral lease.

B. MIDAS

1. Clearing and regrading the lower road.

2. Building the new road to the 6200 foot level.

3. Installing a cable car from the 6200 foot level to the 6500 foot level with a cable run of approximately 600 feet in length.

4. Excavation work, uncovering and stripping overburden on the dolomitic formation.

5. Rock work; 30 feet of tunnelling on No. 2 tunnel and 43 feet of rock cut and tunnel on No. 1 tunnel.

6. Building timber adit at No. 2 tunnel, installing power winch, cables and float.

7. Excavating locations for compressor and installing air line to No. 1 tunnel.

C. PONDEROSA, PENLOCK, AND VALLEY.

1. Clearing and grading access roads to all areas. Total length of these is approximately five miles. (see Map F).

2. Excavations at various places to test for placer possibilities.

3. Geochemical survey of selected areas in search for underground mineral bearing rock formations.

4. Preparation of scale maps of all claims showing roads, claim boundaries and natural features.

D. DELALTA

1. Clearing access road to drilling site, approximately half a mile in length, and grading the drilling sites.

2. Four holes were drilled using a precussion and rotary driller to an average depth of 125 feet. The purpose of the operation was to test quartz formations at the base of the mountain approximately 300 feet below the tunnels. Assay values were very low at this location.

A valuation of the work named above is as follows:

Roads for access	Big Chief	$ 360.00
	Midas	1,476.00
	Various claims	580.00
Stripping, excavating	Big Chief	2,394.00
	Midas	702.00
	Various claims	850.00
Tunnel and rock work, installing cable car, power winch, and float, timbering adits	Big Chief	1,640.00
	Midas	3,528.00
Drilling	Boulder Creek group	9,800.00
	Delalta group	3,000.00
		$24,430.00

In addition to the work done, the Company has acquired by purchase equipment and machinery that is essential in the development of mining, as follows:-

Bulldozer with power bucket
Diamond drill
Compressor
Two air drills
Air line, approx. 500 ft. to Midas No. 1 tunnel
Two gasoline rock drills
Four wheel drive Jeep and freight trailer
Welder, light plant
Cable car, power winch, cables and tools

A 16' x 20' metal clad bunk house and plank cobbing shed have been erected on the property.

PROPERTIES

In addition to the original ten claims the following properties have been acquired by the Company:-

(1) The Penlock, Valley, and Ponderosa groups, twenty-one claims in all, covering the dyke formations and the Boulder fault area surrounding the Big Chief and Midas properties.

(2) The Ames and Golden Coin mineral leases bordering the Big Chief.

(3) The Delalta group, twenty claims in all, located about six miles south of the Big Chief group.

(4) The Dibble group of six mineral leases, located at the headwaters of Lost Creek about two miles East of the Delalta group.

(5) Two placer leases on Boulder Creek down stream from the Big Chief.

Respectfully submitted,

Signed: R. J. McDougall

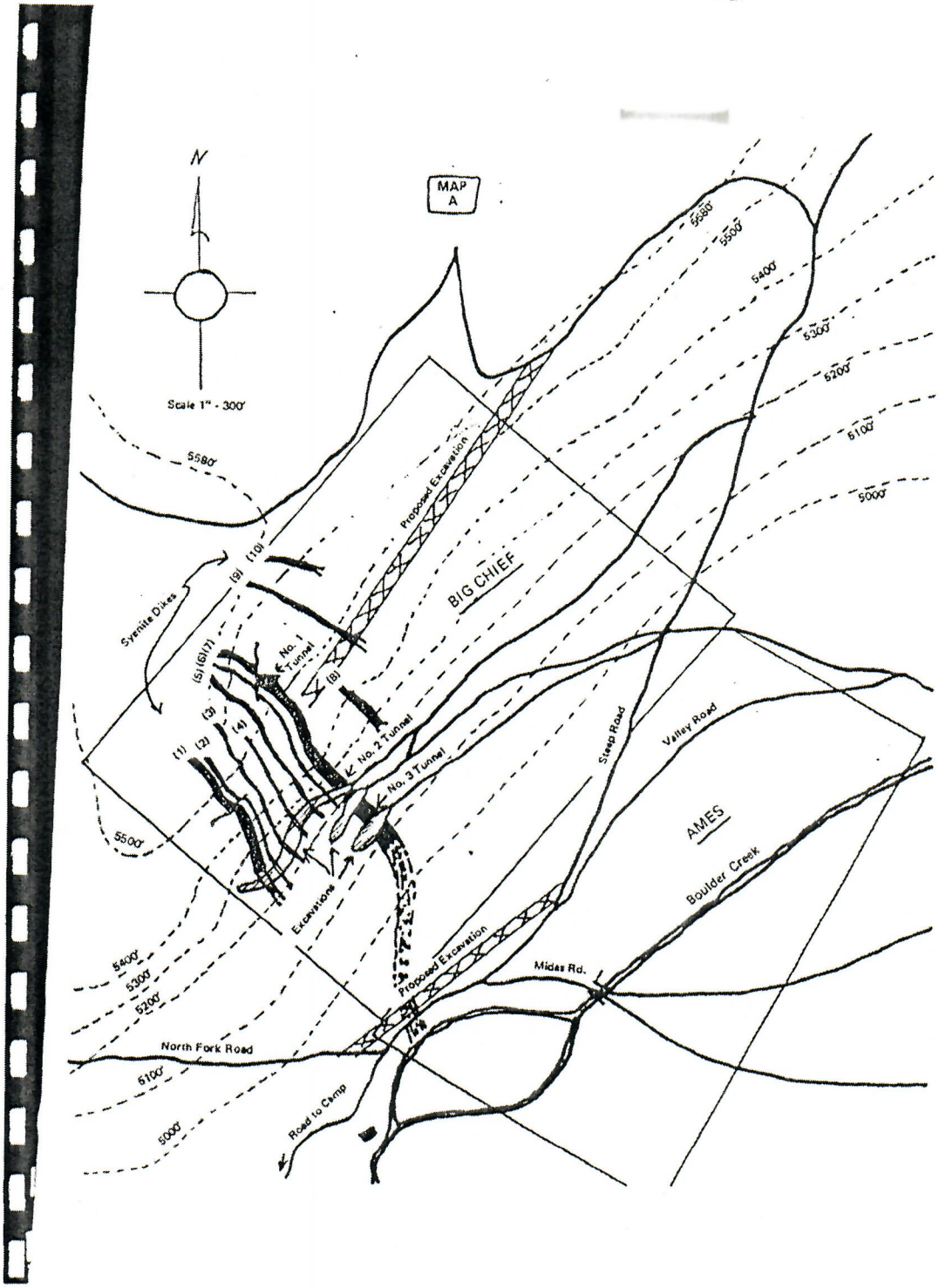
CERTIFICATE

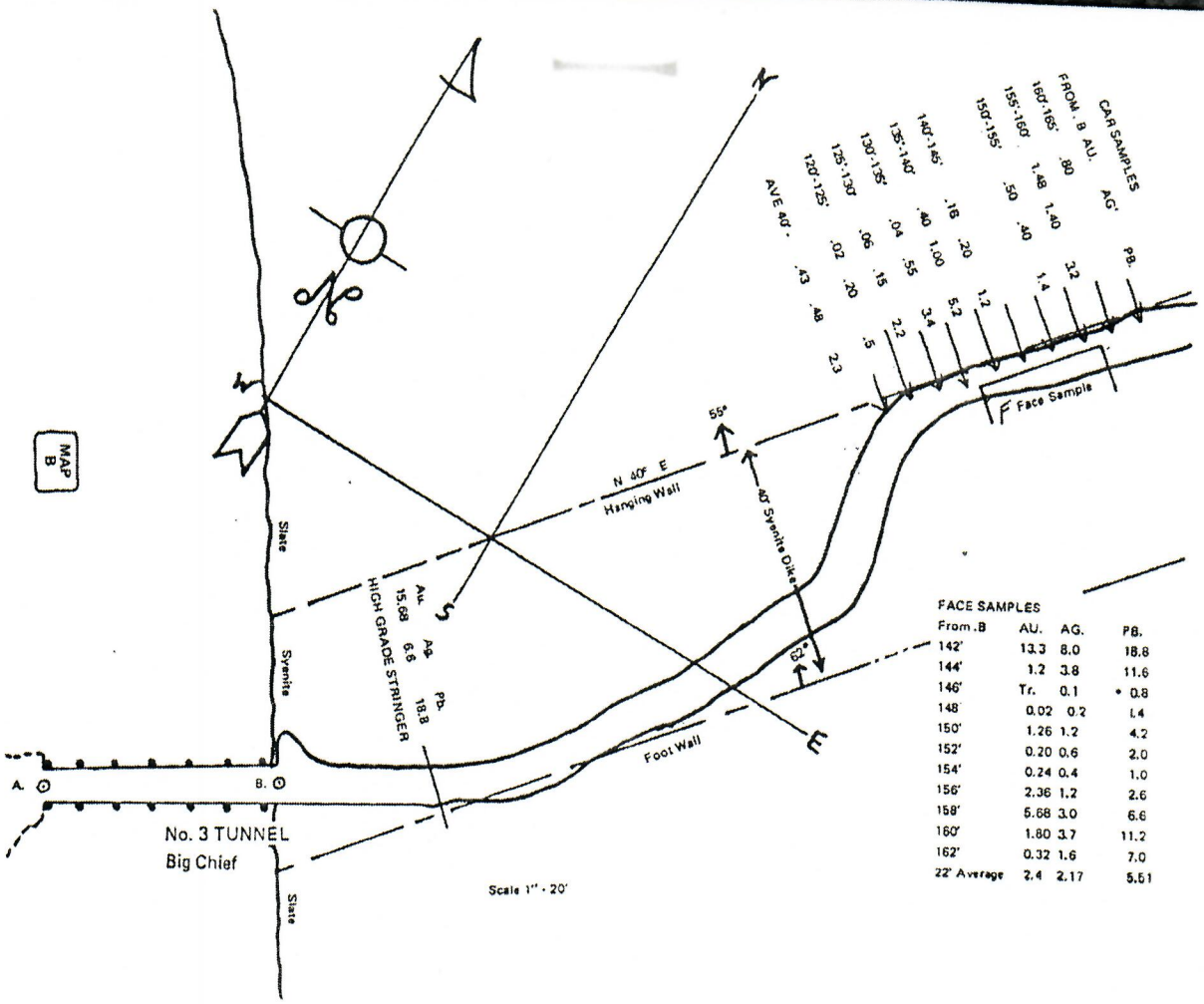
I, Roderick Joseph MacDougall, of Fort Steele, B.C., hereby certify that:

1. I am a graduate of McGill University, B. Ap. Sc. in mining engineering.
2. I am a registered Professional Engineer in the province of British Columbia since 1947.
3. I have no direct or indirect interest in the properties or securities of Boulder Creek Mines Ltd.
4. The attached report indicating my opinions of the property is based on my personal knowledge of the area, and inspections of the area during the field seasons of 1965 and 1967-1968..

Signed: R. J. MacDougall

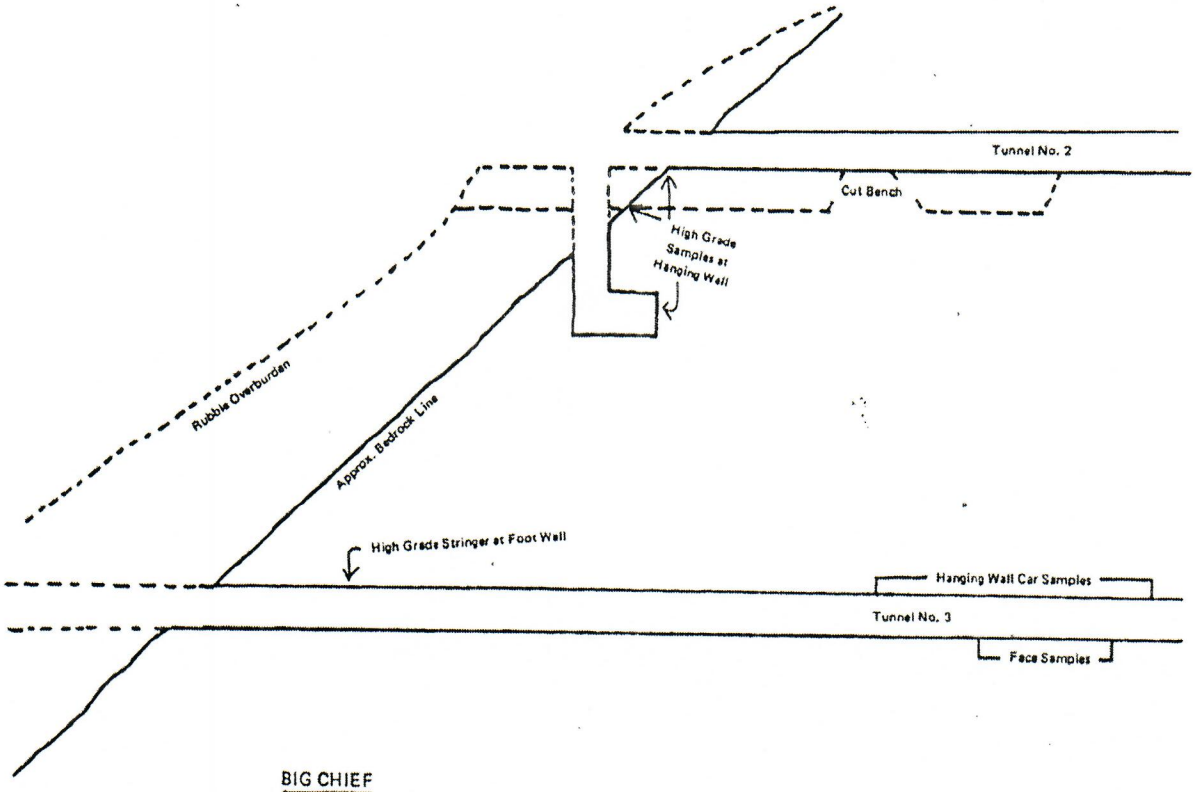
March 1968.


N
MAP A
Scale 1" - 300'
5580'
5500'
5400'
5300'
5200'
5100'
5000'
Proposed Excavation
BIG CHIEF
Syenite Dikes
(9)
(10)
(5)
(6)(7)
No. 1 Tunnel
(8)
(3)
(4)
(1)
(2)
No. 2 Tunnel
No. 3 Tunnel
Excavations
Steep Road
Valley Road
AMES
Boulder Creek
Proposed Excavation
Midas Rd.
North Fork Road
Road to Camp



FACE SAMPLES

From .B	AU.	AG.	PB.
142'	13.3	8.0	18.8
144'	1.2	3.8	11.6
146'	Tr.	0.1	0.8
148'	0.02	0.2	1.4
150'	1.26	1.2	4.2
152'	0.20	0.6	2.0
154'	0.24	0.4	1.0
156'	2.36	1.2	2.6
158'	5.68	3.0	6.6
160'	1.80	3.7	11.2
162'	0.32	1.6	7.0
22' Average	2.4	2.17	5.51

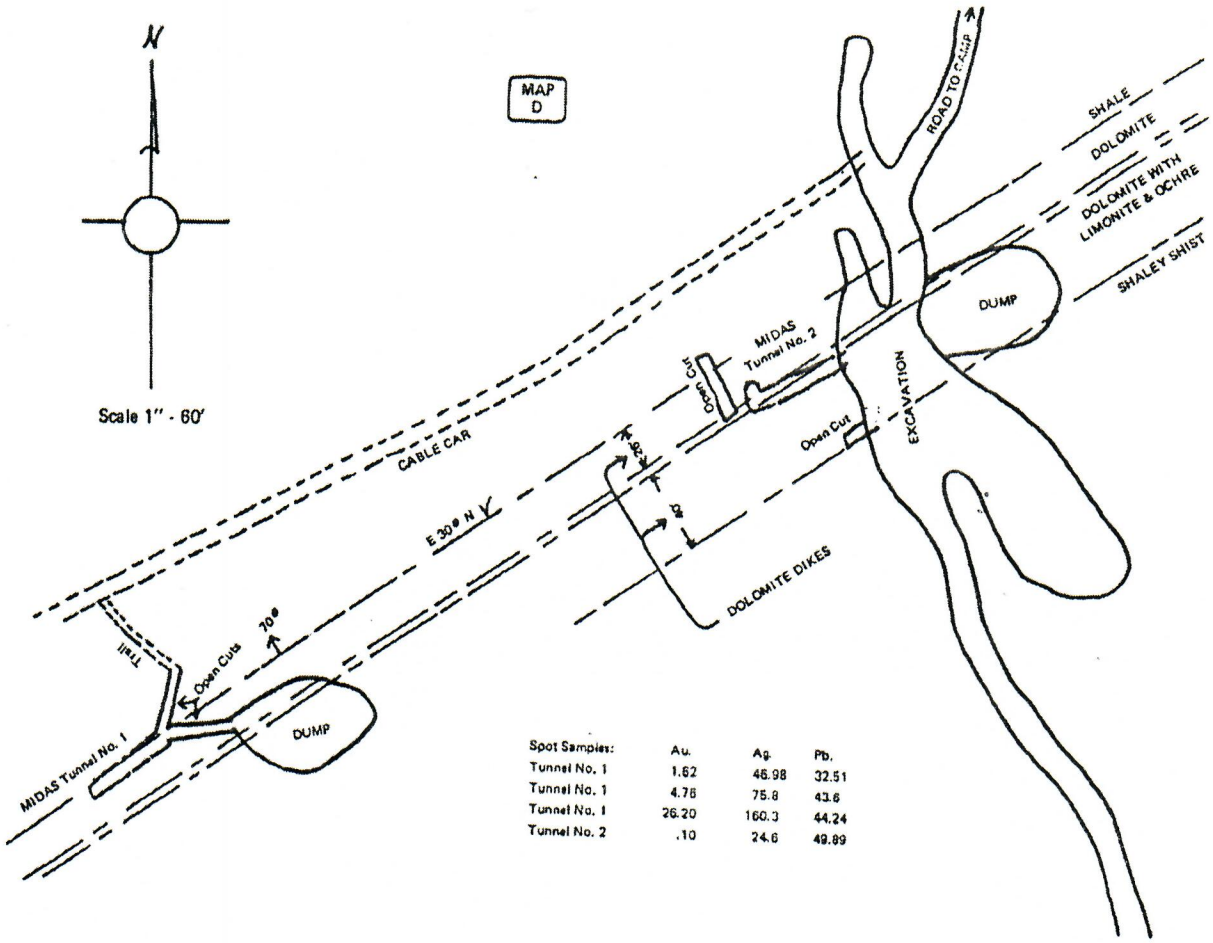


BIG CHIEF

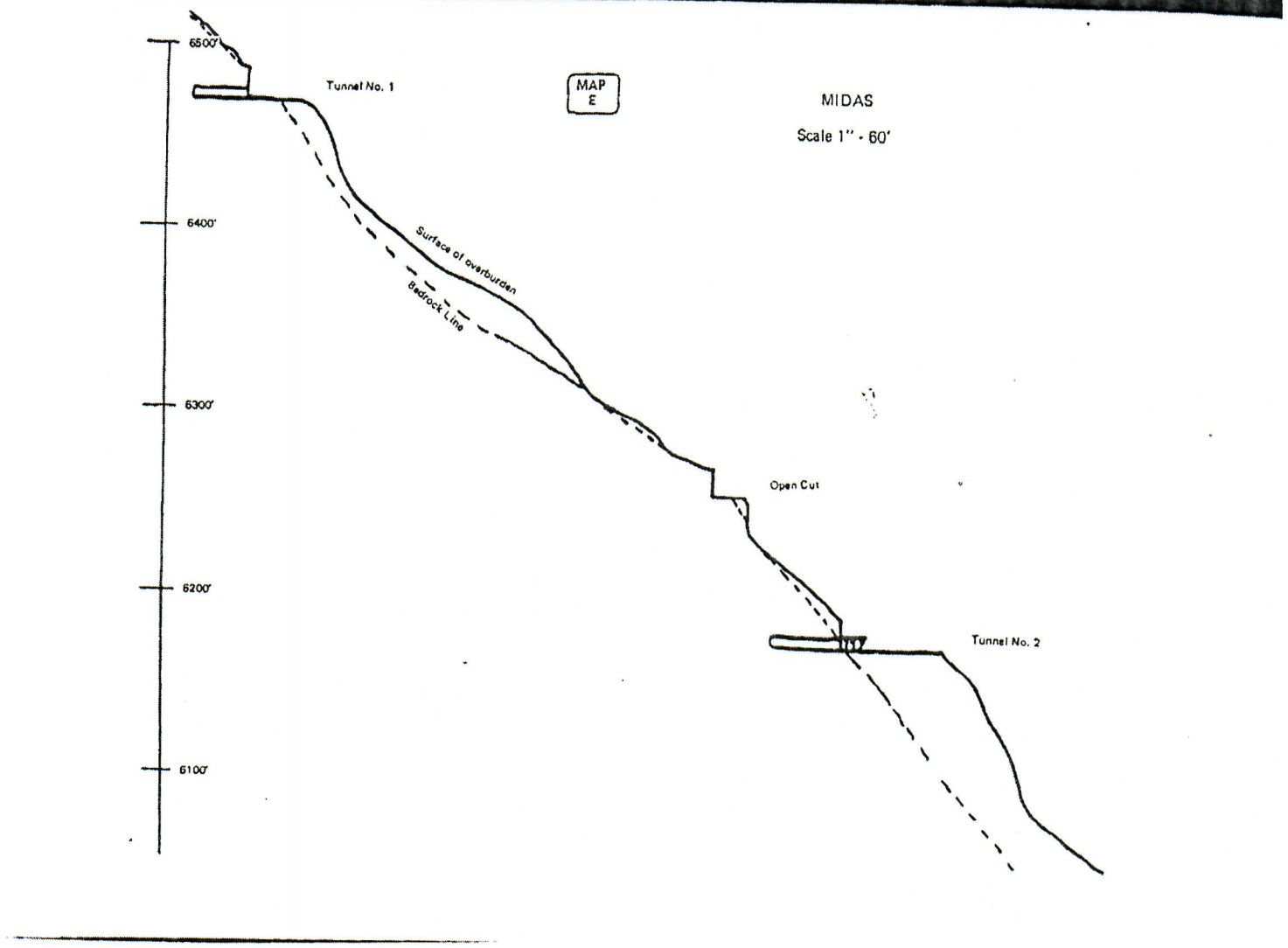
Tunnels No. 2 and No. 3

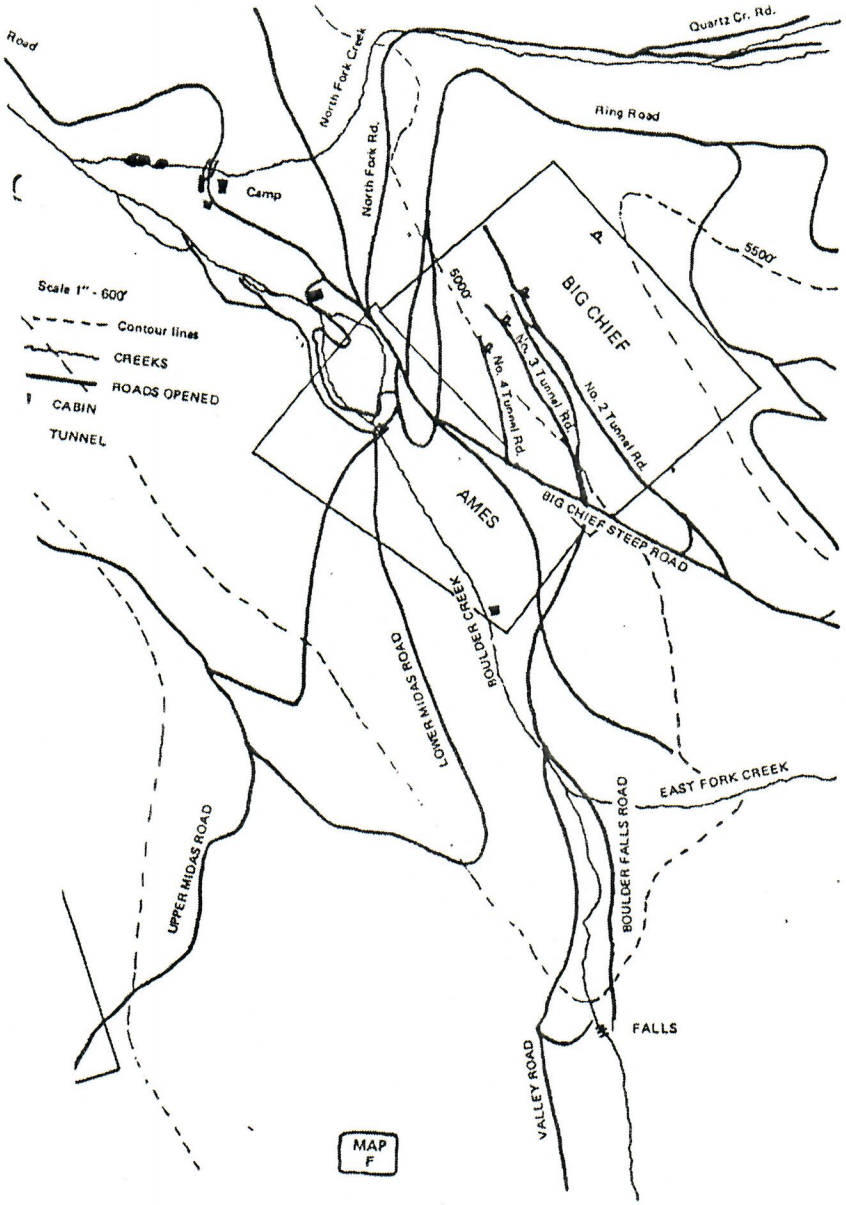
Scale 1" · 20'

MAP C



Spot Samples:	Au.	Ag.	Pb.
Tunnel No. 1	1.62	46.98	32.51
Tunnel No. 1	4.76	75.8	43.6
Tunnel No. 1	26.20	160.3	44.24
Tunnel No. 2	.10	24.6	49.89


6500'
6400'
6300'
6200'
6100'
Tunnel No. 1
MAP
E
MIDAS
Scale 1" - 60'
Surface of overburden
Bedrock Line
Open Cut
Tunnel No. 2


Road
North Fork Creek
Quartz Cr. Rd.
Ring Road
North Fork Rd.
Camp
5500'
5000'
BIG CHIEF
No. 3 Tunnel Rd.
No. 4 Tunnel Rd.
No. 2 Tunnel Rd.
Scale 1" - 600'
Contour lines
CREEKS
ROADS OPENED
CABIN
TUNNEL
AMES
BIG CHIEF STEEP ROAD
LOWER MIDAS ROAD
BOULDER CREEK
EAST FORK CREEK
BOULDER FALLS ROAD
UPPER MIDAS ROAD
FALLS
VALLEY ROAD
MAP F