

ARCHER, CATHRO

& ASSOCIATES (1981) LIMITED

CONSULTING GEOLOGICAL ENGINEERS

1016 - 510 WEST HASTINGS STREET, VANCOUVER, B.C. V6B 1L8 TEL (604) 688-2568 • FAX (604) 688-2578

ASSESSMENT REPORT

describing

DIAMOND DRILLING

on the

094224

BLUE HEAVEN PROPERTY

Blue 1-2	YB34963-YB34964
H 1-2	YB34965-YB34966
Heaven 1-80	YB91140-YB91219
81-92	YB91396-YB91407
93-102	YB91552-YB91561
103-114	YB91630-YB91641

Latitude 60°19' N; Longitude 130°41' W

NTS 105B/7

in the

WATSON LAKE MINING DISTRICT

YUKON TERRITORY

Prepared by

Archer, Cathro & Associates (1981) Limited

for

NORDAC RESOURCES LTD.

T. C. Becker, B.Sc., P.Geo.

December, 2000



ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

Box 4127, Whitehorse, Yukon Y1A 3S9

Telephone: (867) 667-4415

Fax: (867) 667-4622

AFFIDAVIT

I, Joan Mariacher, of VANCOUVER, B.C. make oath and say:

That to the best of my knowledge the attached Statement of
Expenditures for exploration work on the HEAVEN 12, 14, 64 & 71
mineral claims on Claim Sheet 105 B/7 is accurate.


Joan Mariacher

Sworn before me at VANCOUVER, B.C.

this 11TH day of

DECEMBER, 2000



Notary, Yukon Territory

HEAVEN 12, 14, 64 AND 71 MINERAL CLAIMS
Statement of Expenditures
December 11, 2000

Contract Drilling

E. Caron Diamond Drilling.....	<u>\$29,172.61</u>
TOTAL	<u>\$29,172.61</u>



E. CARON DIAMOND DRILLING LTD.

7 Roundel Road, Whitehorse, Yukon Y1A 3H3

Phone: (867) 668-2424 Fax: (867) 668-4520

In Account With:

Nordac Resources Ltd.
1016-510 West Hastings Street
Vancouver, B.C.
V6B 1L8

Date: August 7/00

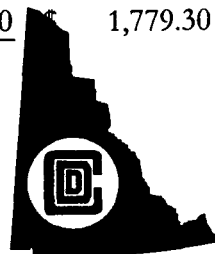
Invoice: 3724

Drill #69-6

Charges for July 26/00 to August 4/00

(Nordac)

Work Description	per day/foot	Sub-totals	Totals
<u>Moving</u>			
151.5 man hrs	\$ 35.00	\$ 5,302.50	
<u>Reaming Cave</u>			
6 man hrs	\$ 35.00	\$ 210.00	
3 machine hrs	\$ 21.00	\$ 63.00	
<u>Waterline</u>			
8 man hrs	\$ 35.00	\$ 280.00	
<u>Conditioning Hole</u>			
32 man hrs	\$ 35.00	\$ 1,120.00	
16 machine hrs	\$ 21.00	\$ 336.00	
<u>Repair</u>			
9 man hrs	\$ 35.00	\$ 315.00	
<u>Casing</u>			
0-18 = 18 ft	\$ 26.00	\$ 468.00	
<u>Coring</u>			
18-300 = 282 ft	\$ 26.00	\$ 7,332.00	\$ 15,426.50
<u>Items Consumed & Chargeable</u>			
4 pails of Number 1	\$ 192.00	\$ 768.00	
1 bag of super poly	\$ 15.30	\$ 15.30	
2 pails of clay seam	\$ 156.00	\$ 312.00	
2 pails of rod grease	\$ 92.00	\$ 184.00	
2 pails of G-Stop	\$ 250.00	\$ 500.00	\$ 1,779.30



D7 Cat

39.5 machine hours	\$	100.00	\$	3,950.00
8 machine hours (Demobilization)	\$	100.00	\$	800.00
			\$	4,750.00

Trucks - Demobilization

10 Mack hours	\$	85.00	\$	850.00
180 miles KW	\$4.00/mile		\$	720.00
			\$	<u>1,570.00</u>

Sub-total \$ 23,525.80

G.S.T. @ 7% 10155 7122 \$ 1,646.81

Total \$ 25,172.61

Charge for Consumables \$ 4,000.00

Total \$ 29,172.61

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INTRODUCTION

Nordac Resources Ltd. owns the Blue Heaven property which consists of 118 claims covering 1975 hectares. The property is located in southern Yukon and hosts high grade silver-lead-zinc veins, lead-zinc-silver carbonate replacement mineralization and tungsten-copper skarns. Nordac acquired the Blue 1-2 and H 1-2 claims in February 1998 from W4 Joint Venture and subsequently staked 114 Heaven claims within a surrounding area of interest. The property is subject to a net smelter return royalty of 2% on ore milled before smelting or 10% on ore not milled before smelting.

This report describes exploration conducted between July 26 and August 7, 2000. The program utilized a three to seven person crew working from a camp located on the property. Work consisted of construction of a 550 m access trail and one diamond drill hole totalling 91.44 m to test a carbonate replacement target, the Desire Zone. The program was managed by Archer, Cathro & Associates (1981) Limited and supervised by the author. Appendix I contains the Author's Statement of Qualifications.

LOCATION, CLAIM STATUS AND ACCESS

The Blue Heaven property consists of 118 contiguous mineral claims located in southern Yukon at latitude 60°19' north and longitude 130°41' west on NTS 105B/7 (Figure 1). They are registered with the Watson Lake Mining Recorder in the name of Archer, Cathro & Associates (1981) Limited which holds them in trust for Nordac. Claim data are listed below while claim locations are shown on Figure 2.

<u>Claim Name</u>	<u>Grant Number</u>	<u>Expiry Date*</u>
Blue 1-2	YB34963-YB34964	March 11, 2009
H 1-2	YB34965-YB34966	March 11, 2009
Heaven 1-8	YB91140-YB91147	February 24, 2008
9F	YB91148	February 24, 2008
10	YB91149	February 24, 2008
11F	YB91150	February 24, 2008
12	YB91151	February 24, 2008
13F	YB91152	February 24, 2008
14	YB91153	February 24, 2008
15F	YB91154	February 24, 2008
16	YB91155	February 24, 2008
17F	YB91156	February 24, 2008
18	YB91157	February 24, 2008
19F	YB91158	February 24, 2008
20-61	YB91159-YB91200	February 24, 2008
62F-64F	YB91201-YB91203	February 24, 2008
65-68	YB91204-YB91207	February 24, 2008
69F	YB91208	February 24, 2008
70-72	YB91209-YB91211	February 24, 2008

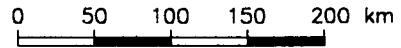
NORDAC RESOURCES LTD.

FIGURE 1

ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

PROPERTY LOCATION BLUE HEAVEN PROPERTY

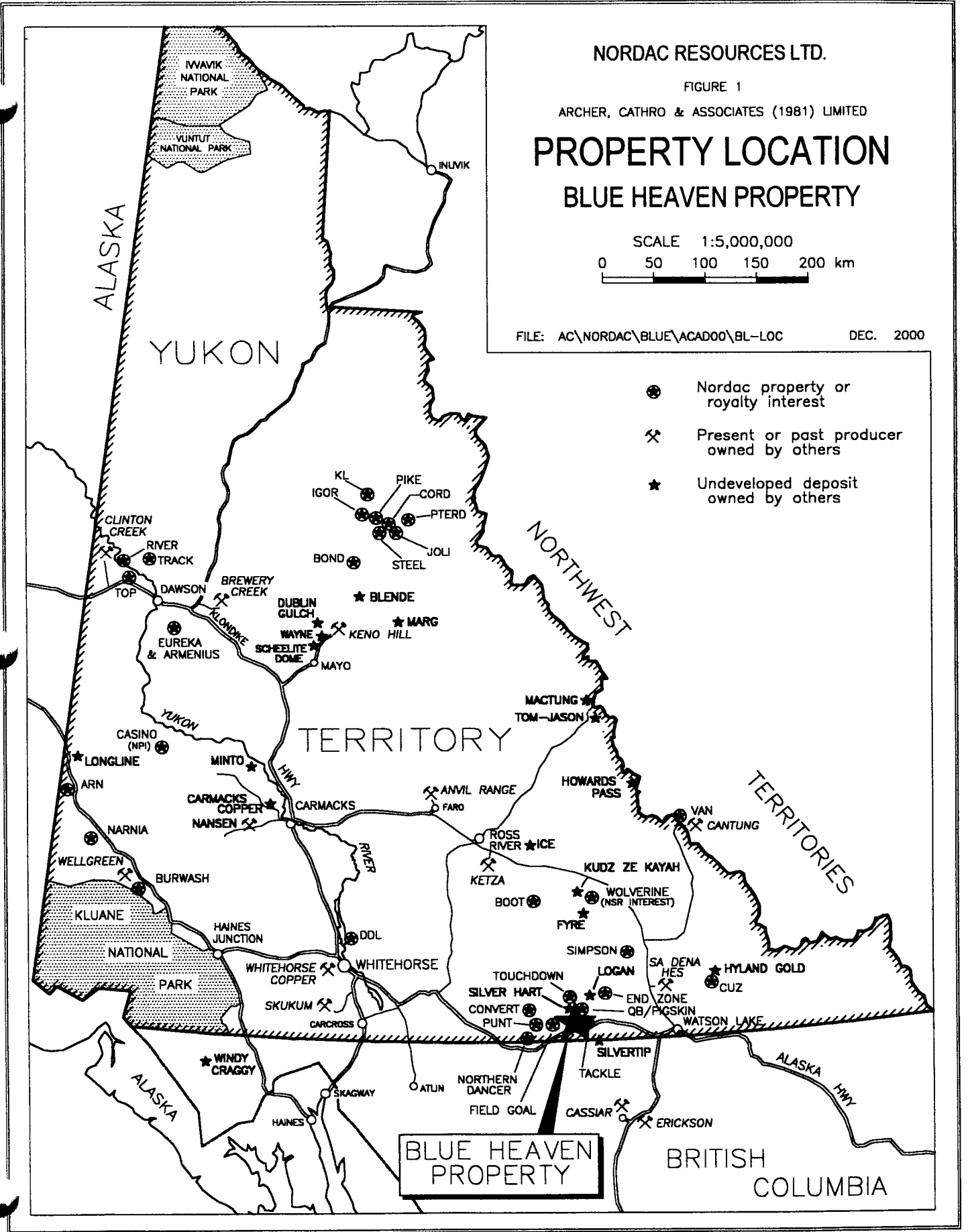
SCALE 1:5,000,000

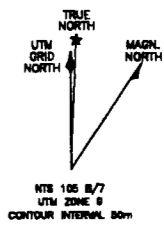
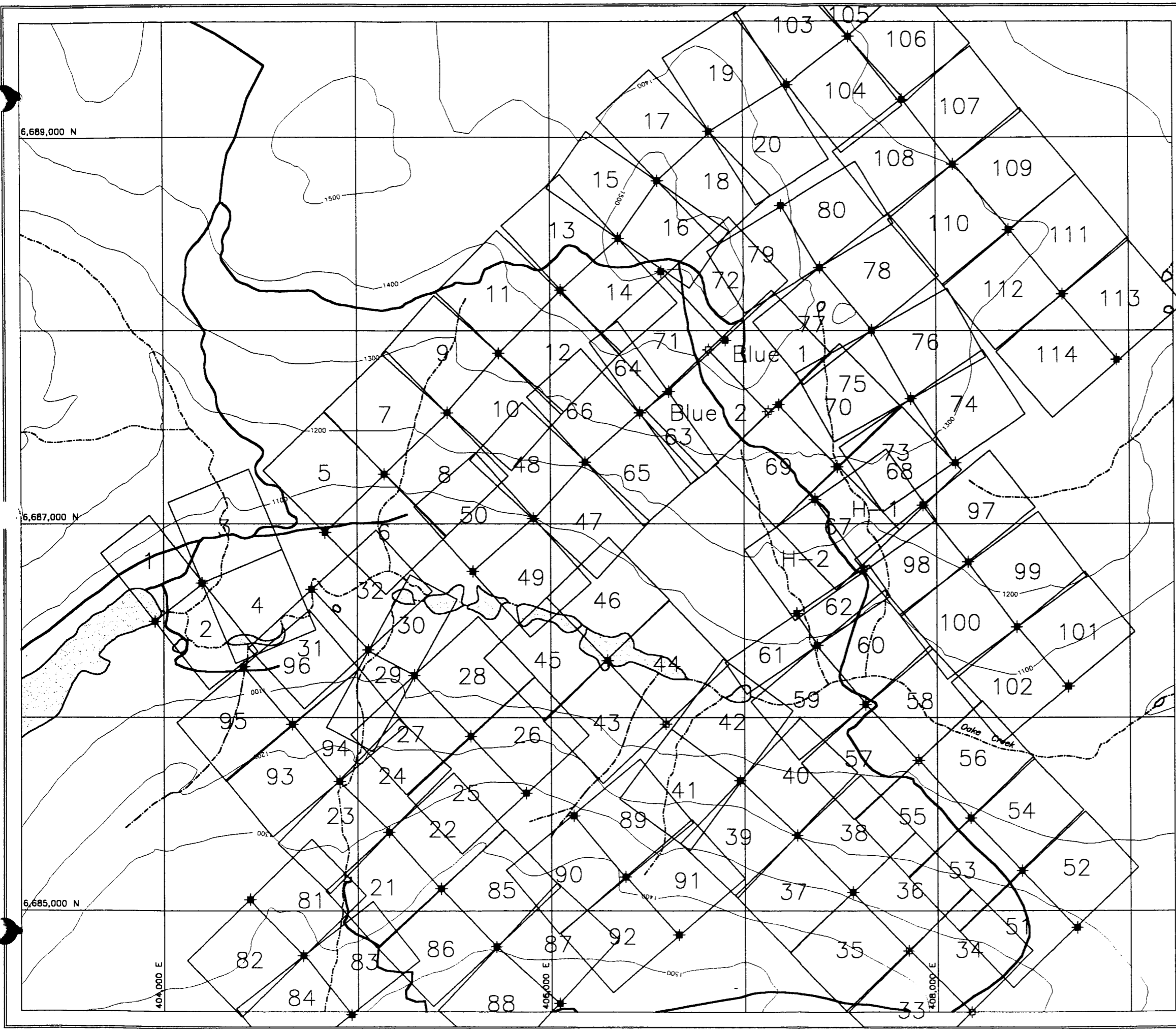


FILE: AC\NORDAC\BLUE\ACAD00\BL-LOC

DEC. 2000

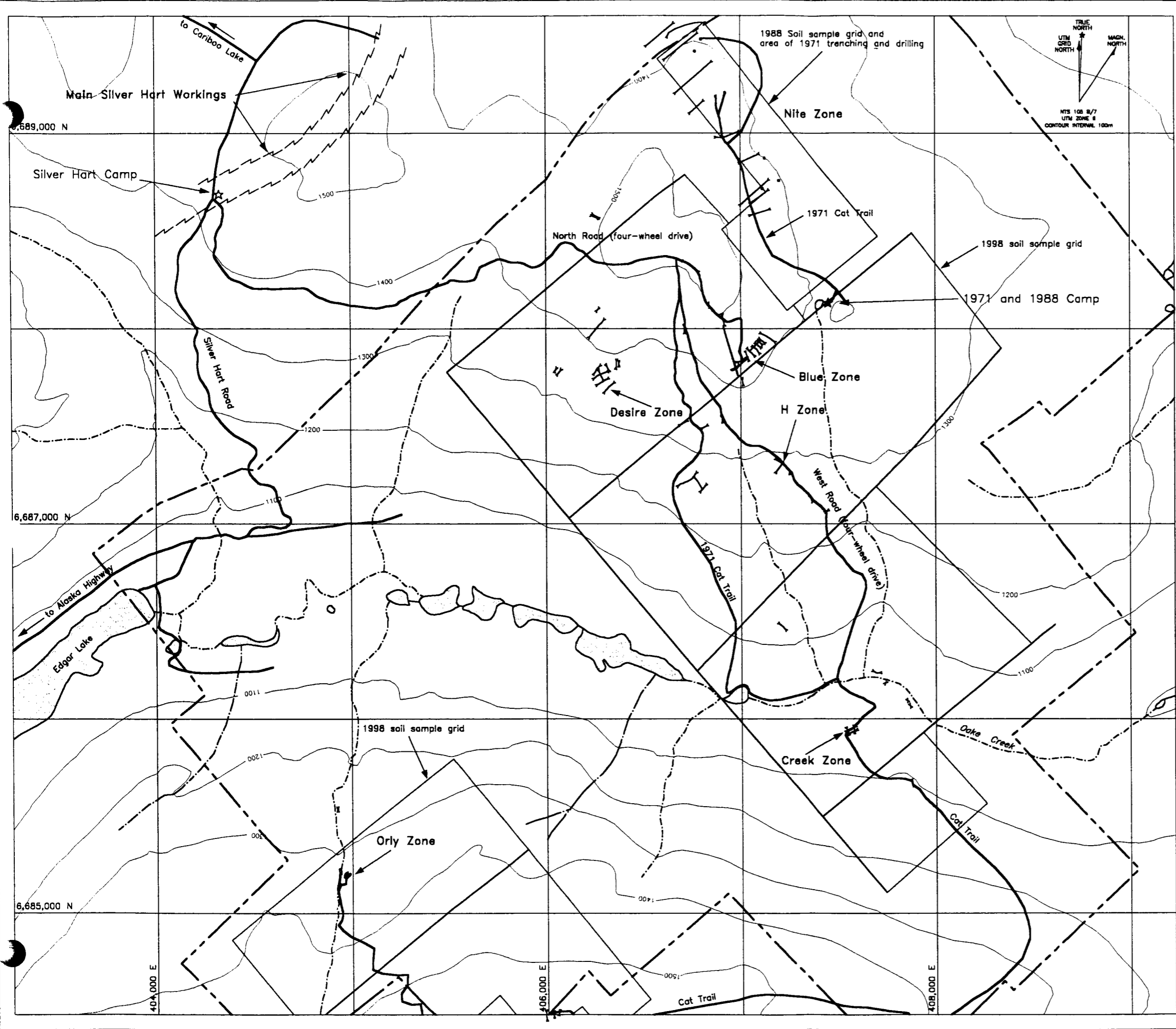
- Nordac property or royalty interest
- ⌘ Present or past producer owned by others
- ★ Undeveloped deposit owned by others





- ◆ Post location with standard GPS fix
- ⊕ Post location with poor GPS fix
- ⊖ Post location with uncorrected or no GPS fix

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FIGURE 2 ARCHER, CATHRO & ASSOCIATES (1981) LIMITED	
CLAIM LOCATION BLUE HEAVEN PROPERTY	
DRAWN/REVISED BY: TCB	PROJECT:
FILE: NORDAC\BLUE\ACAD00\BL-CLI.DWG	DATE: DECEMBER, 2000



- Pre-1998 equipment trench
- 1971 diamond drill hole
- Property boundary
- Road
- Creek
- Fault

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FIGURE 4
 ARCHER, CATHRO & ASSOCIATES (1981) LIMITED
HISTORICAL COMPILATION
 BLUE HEAVEN PROPERTY

0 100 200 400 600 800 1000 m

DRAWN/REVISED BY: TCB	PROJECT:
FILE: NORDAC\BLUE\ACAD00\BL-HCOMP.DWG	DATE: DECEMBER, 2000

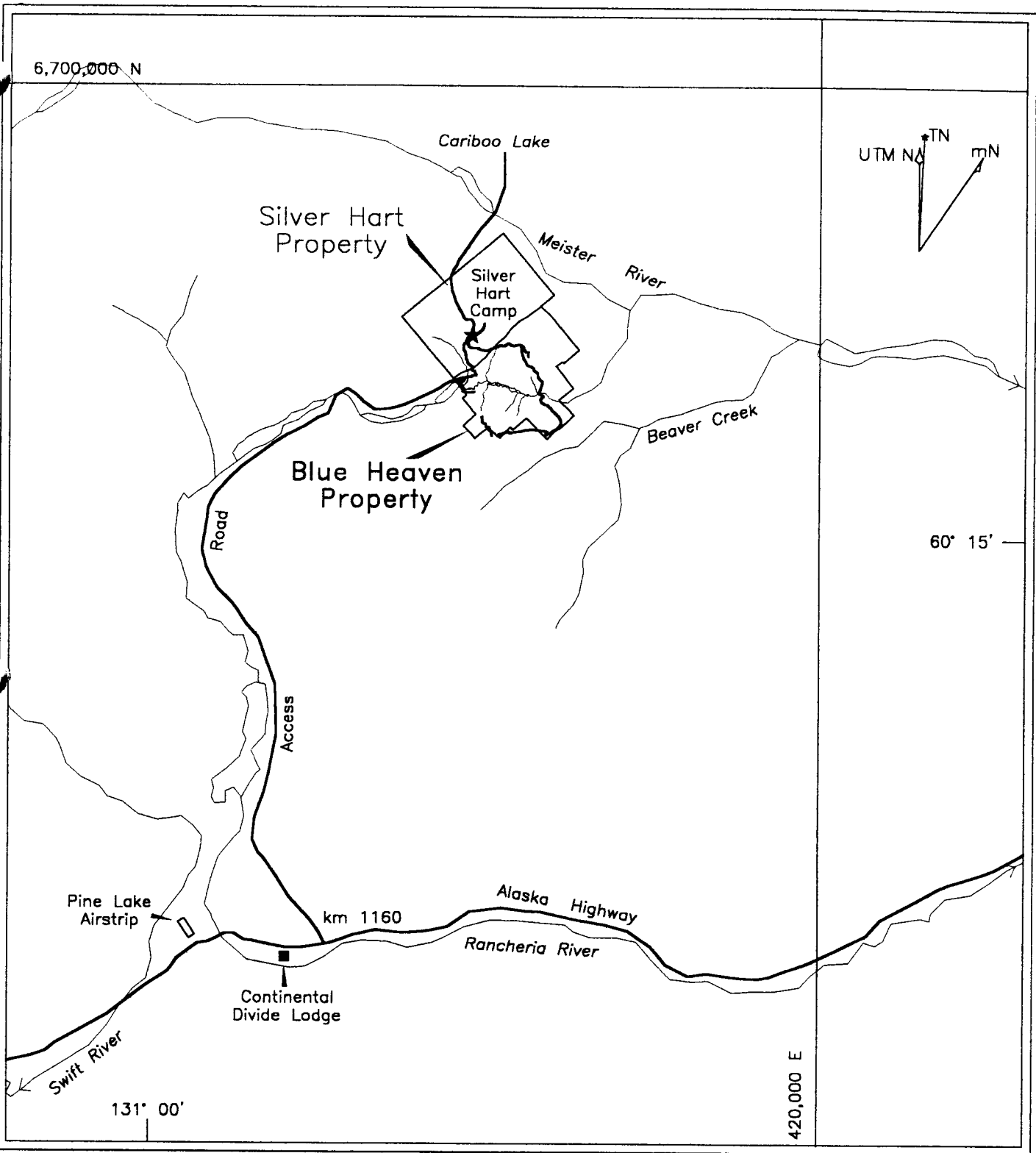
<u>Claim Name</u>	<u>Grant Number</u>	<u>Expiry Date*</u>
Heaven 73F	YB91212	February 24, 2008
74	YB91213	February 24, 2008
75F	YB91214	February 24, 2008
76	YB91215	February 24, 2008
77F	YB91216	February 24, 2008
78	YB91217	February 24, 2008
79F	YB91218	February 24, 2008
80	YB91219	February 24, 2008
81-92	YB91396-YB91407	February 24, 2008
93-102	YB91552-YB91561	February 24, 2008
103-114	YB91630-YB91641	February 24, 2008

*Expiry dates do not include assessment credit for 2000 work which has not yet been filed.

Access is provided by a 40 km road extending from Km 1160 on the Alaska Highway to an abandoned campsite on the adjacent Silver Hart property (Figure 3). The road is suitable for four-wheel drive vehicles but could easily be upgraded for two-wheel drive use. A system of four-wheel drive roads extends from the Silver Hart campsite onto the Blue Heaven property however, because the roads are eroded in places, access to all but the most important parts of the property is limited to off-road vehicles.

Whitehorse, the capital and largest community in Yukon, is located 355 km by road west of the property while Watson Lake, where most exploration services are available, lies 180 km to the east. Whitehorse receives daily scheduled air service from Vancouver. The closest all-season deep water seaport is at Skagway, Alaska 430 km by road to the west-southwest. The nearest railhead is at Fort Nelson, B.C., 720 km to the east-southeast.

In late July a Caterpillar D-7 bulldozer was mobilized from the Alaska Highway to the Blue Heaven property along the Silver Hart Road. Minor improvements were made to the road in accordance with the land use permit. The bulldozer was demobilized along the same route in early August.



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FIGURE 3
ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

ACCESS

BLUE HEAVEN PROPERTY

0 2.5 5 7.5 10 km

DRAWN/REVISED BY: TCB	PROJECT:
FILE: NORDAC\BLUE\ACAD00\BL-ACCESS.DWG	DATE: DECEMBER, 2000

PREVIOUS WORK

The first reported activity on ground now covered by the Blue Heaven property occurred in 1971 when the Nite occurrence, a scheelite-bearing skarn, was staked by Wolf Lake Joint Venture (Ashland Oil Canada Ltd., Caltor Syndicate, Canadian Industrial Gas and Oil Ltd. and Rayrock Mines Ltd). The joint venture explored that year with geological mapping, reconnaissance and grid soil geochemistry, bulldozer trenching and 476.5 m of diamond drilling in eight holes (Figure 4). Although trench results were encouraging, the best drill intersection was 0.17% tungsten over a width of 22.9 m (Archer, 1971; Archer and Cathro, 1972). The property was transferred to Archer, Cathro & Associates Limited in 1976 and was later reduced to four claims. Big Creek Resources Ltd. purchased the claims in 1988 and explored that summer with grid soil sampling and prospecting (Main, 1988). No further work was done before the claims expired. Most of the scheelite-bearing skarn zone is now situated on the Blue Heaven property.

Silver-lead-zinc mineralization was first recognized in 1973 when Hudson Bay Mining and Smelting Co. Ltd. staked the Buc claims covering what is now the Orly Zone on the Blue Heaven property. It carried out mapping and sampling later that year. In 1978 the showing was restaked as the Com claims by the Wolf Lake Project (Comaplex Resources International Limited and Dayton Creek Silver Mines Limited). The showing at that time was described as a zone of highly fractured granodiorite surrounding a 15.2 cm wide quartz vein containing pyrite and galena (Allen, 1979). This showing was restaked in 1983 as part of the Silver Hart property (described in the following paragraphs). Bulldozer trenching at the showing in 1987 exposed two quartz veins containing galena and sphalerite over a 9 m strike length. A specimen taken in 1987 returned 8671.2 g/t silver while chip samples returned 2077.7 g/t silver over a true width of 21 cm from the south vein and 2022.8 g/t silver over 24 cm from the north vein (DIAND, 1995).

Silver-lead-zinc mineralization north of Oake Creek was first recognized in 1980 when prospector Wally Hyde followed up anomalous soil geochemical values defined by Wolf Lake JV and discovered a high grade galena vein about 2.5 km southwest of the Nite occurrence. He and two partners staked a large claim block (part of which covered the area that is now the Blue Heaven property) and performed hand trenching before optioning the property to BRX Mining and Petroleum Corporation in 1982. BRX conducted geological mapping, soil sampling and 197 m of diamond drilling in two holes later that year then dropped its option (DIAND, 1995). In 1983 Hyde and his partners did more hand trenching and briefly optioned the claims to United Greenwood Exploration Limited and Consolidated Montclerg Mines Limited.

Large scale exploration began in 1984 when the property was optioned to a joint venture consisting of Shakwak Exploration Company Limited and Silver Hart Mines Limited. Subsequent exploration was managed by Silver Hart and included geological mapping, prospecting, reconnaissance and grid soil geochemistry, bulldozer trenching and stripping, 3658 m of diamond drilling in fifty holes and 673 m of underground development from an adit (DIAND, 1995). Silver Hart also constructed a road to the property. Most of Silver Hart's work was done on claims that adjoin the Blue Heaven property to the northwest (Silver Hart property on Figure 3).

Work completed by Silver Hart in 1985, 1986 and 1987 identified more than twenty veins in a 6 by 4 km area. Most of its work, including all diamond drilling, stripping and underground development, focussed on the TM, FM, SM and Meteorite Zones located 1 km northwest of the Blue Heaven property. In 1987 a resource of 97,000 tonnes grading 1025 g/t silver was calculated assuming an underground operation with a 1.5 m minimum mining width (DIAND, 1995 and Silver Hart, 1987). The reserve is localized in a small area in the central part of the Silver Hart property and there is good exploration potential along strike, downdip and on parallel veins. None of the veins on the Blue Heaven property received serious exploration by Silver Hart.

Silver prices dropped sharply in the late 1980's and for the next several years the property was inactive. During this period a number of claims were allowed to expire. In 1991 and 1992 Silver Hart performed additional trenching and environmental reclamation before relinquishing its option. A similar program was done in 1993 by Hyde and his partners and since that time the property has been dormant.

In fall 1991 W4 Joint Venture staked the Blue claim after Silver Hart claims in that area had expired. Prospecting the following year showed that the Blue claim was mislocated. W4 JV then staked the Blue 1-2, H 1-2 and Orly 1-2 claims to protect veins exposed in old Silver Hart trenches. In 1994 W4 JV performed prospecting and trench sampling on the claims and staked fourteen Glory claims around them. An additional 24 Glory claims were staked in 1995 and minor reconnaissance soil sampling and prospecting were done. This work was not filed for assessment and the original Blue, both Orly and all 38 Glory claims were allowed to expire.

Nordac acquired the Blue 1-2 and H 1-2 claims in February 1998 and staked the Heaven 1-80 claims within a surrounding 5 km radius area of interest. All 84 claims, and any other claims that Nordac subsequently stakes within the area of interest, are subject to a 2% net smelter return royalty on any ores that are milled before smelting or a 10% net smelter return royalty on ores that are not milled before smelting. The net smelter royalties are payable to W4 JV.

Exploration by Nordac between mid-June and late September 1998 included staking an additional 34 claims plus geological mapping, prospecting, grid and reconnaissance soil sampling, ground magnetic surveys, hand trenching and 1759 m of excavator trenching in 39 trenches (Becker, 1999). Most of the soil samples were collected from two grids which measure approximately 1500 by 1500 m and 2300 by 3000 m. Results from the sampling outlined areas of strongly anomalous silver, lead, zinc and copper response on both grids and strongly anomalous lead and zinc values within a broad southeast trending band that extends the full length of the larger grid. The first set of anomalies are attributed to mineralized quartz veins while the lead-zinc rich band roughly corresponds to a southeast trending belt of skarn and carbonate rich metasedimentary rocks. Excavator trenching tested known areas of mineralization and previously unexplored soil geochemical anomalies. These trenches successfully expanded and better defined the known vein occurrences and discovered new areas of vein, skarn and carbonate replacement mineralization.

Exploration programs up to and including 1998 have identified three types of mineralization within thirty-six occurrences on the Blue Heaven property. Twenty-three of the occurrences consist of galena and sphalerite with varying amounts of pyrite, arsenopyrite, tetrahedrite and chalcopyrite hosted in northeast trending quartz veins. These veins crosscut both intrusive and metasedimentary rocks. The best veins exposed to date are the Blue and H Zones which returned assays up to 12,396 g/t silver over 20 cm and 10,561 g/t silver over 94 cm, respectively. These veins were the main target of 2000 exploration described in this report. The second type of mineralization consists of galena and sphalerite found in eight strongly oxidized, manganiferous siderite and jasperoid replacement zones developed within the southeast trending belt of carbonate metasedimentary rocks. Chip samples from an excavator trench in one of these zones (Desire Zone) returned a weighted average of 5.0% lead, 3.6% zinc and 65.6 g/t silver over a width of 35.8 m (Becker, 1999). The last type of mineralization consists of five tungsten-copper skarn showings, four of which lay within the same belt of carbonate metasedimentary rocks that hosts the lead-zinc-silver replacement mineralization. A chip sample of garnet-diopside skarn containing pyrite, pyrrhotite, chalcopyrite and scheelite returned 0.3% $W\text{O}_3$ and 0.31% copper over 3.5 m.

Exploration on the property in 1999 evaluated the Blue and H Zones. Both contain northeast trending high grade silver-lead-zinc veins. Work included excavator trenching, bulk sampling and reclamation. During the excavator trenching program galena and tetrahedrite rich mineralization was separated from lower grade material to form a bulk sample. The mineralization was placed in fibreglass bags and sent to a smelter. The net weight of the material was 52.31 tonnes of which 51.47 tonnes were dried ore and 0.84 tonnes (1.6%) moisture. The grade of the shipment was 8563 g/t silver, 56.2% lead, 9.5% zinc and 1.2 g/t gold. The work successfully defined the character and extent of previously discovered sulphide lenses but did not discover additional lenses. These veins will require additional excavator trenching to identify high grade lenses before more bulk sampling can be done.

GEOMORPHOLOGY

The property is situated in the Cassiar Mountains. Local elevations range from 1050 m on Oake Creek to 1600 m on a ridge crest along the southern edge of the claim block. Creeks draining the property flow into the Meister River, a tributary of the Liard River watershed.

Vegetation includes thick stands of mature balsam, spruce and pine interspersed with willow below 1300 m giving way to buckbrush and stunted balsam and finally grasses and lichen above 1500 m. Linear vegetation-depleted zones up to 15 m wide and 100 m long are developed along the surface trace of some known and suspected mineral occurrences. Bedrock is generally obscured by talus above 1400 m or by glacial till at lower elevations.

Climate in the area is categorized as continental and characterized by relatively long cold winters and warm dry summers. Daylight hours range from a minimum of about 6 in December to a maximum of 22 in June. Annual precipitation averages approximately 450 mm. Snow can occur in any month and normally covers the ground from October to May. Maximum snow depth is about 150 cm. Permafrost is common in the area but is not pervasive. The local streams usually break up in late May and freeze over in early November.

REGIONAL GEOLOGY

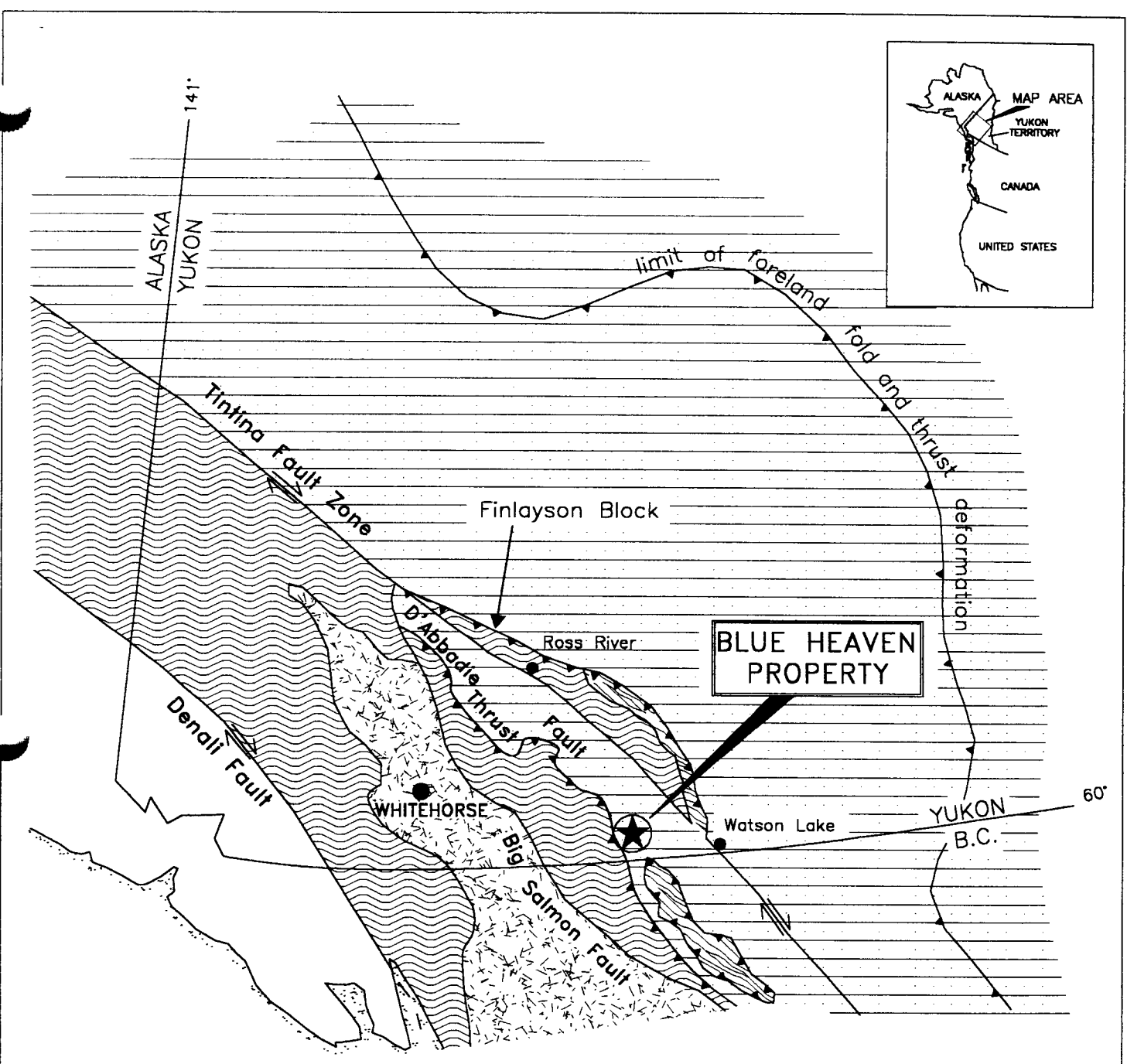
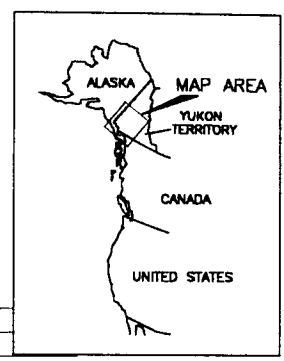
The Blue Heaven property lies within a belt of metamorphic rocks belonging to the Yukon-Tanana Terrane and Cassiar Platform (Figure 5). This belt extends from northern B.C. into central Yukon. The northeastern edge of the belt is defined by the Tintina Fault Zone, a series of subparallel transcurrent faults that produced about 450 km of dextral offset in Late Cretaceous and/or Early Tertiary times (Tempelman-Kluit, et al, 1976). The southwestern side is bounded by the Big Salmon Fault (Keijzer, et al, 1999).







Yukon-Tanana Terrane and Cassiar Platform rocks are composed of Paleozoic stratigraphy, which has been intruded by Jurassic to Cretaceous plutons, as illustrated on Figure 6. Both of the major geological packages are considered "suspect terranes" representing variably distal metamorphosed equivalents of North American continental margin sediments. Yukon-Tanana, the furthest outboard of the two terranes, is thrust onto Cassiar Platform rocks by the D'Abbadie Thrust Fault. The regional metamorphic fabric within both terranes strikes northwesterly and dips moderately toward the northeast.

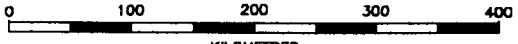
Although rocks of the Yukon-Tanana Terrane and Cassiar Platform are generally similar and approximately the same age, the two packages are distinguished by higher proportions of carbonate strata in the Cassiar Platform and metavolcanics in the Yukon-Tanana Terrane. The Blue Heaven claims straddle the contact between the Cassiar Platform and the Cassiar Batholith, a Mid-Cretaceous pluton up to 20 km wide and 400 km long that extends from northern British Columbia into southern Yukon. The batholith is cut by a major dextral strike-slip fault, the Cassiar Fault.

Movement on this structure and other major faults resulted in a series of smaller extensional, northeast trending faults that are associated with much of the mineralization in the Blue Heaven area.

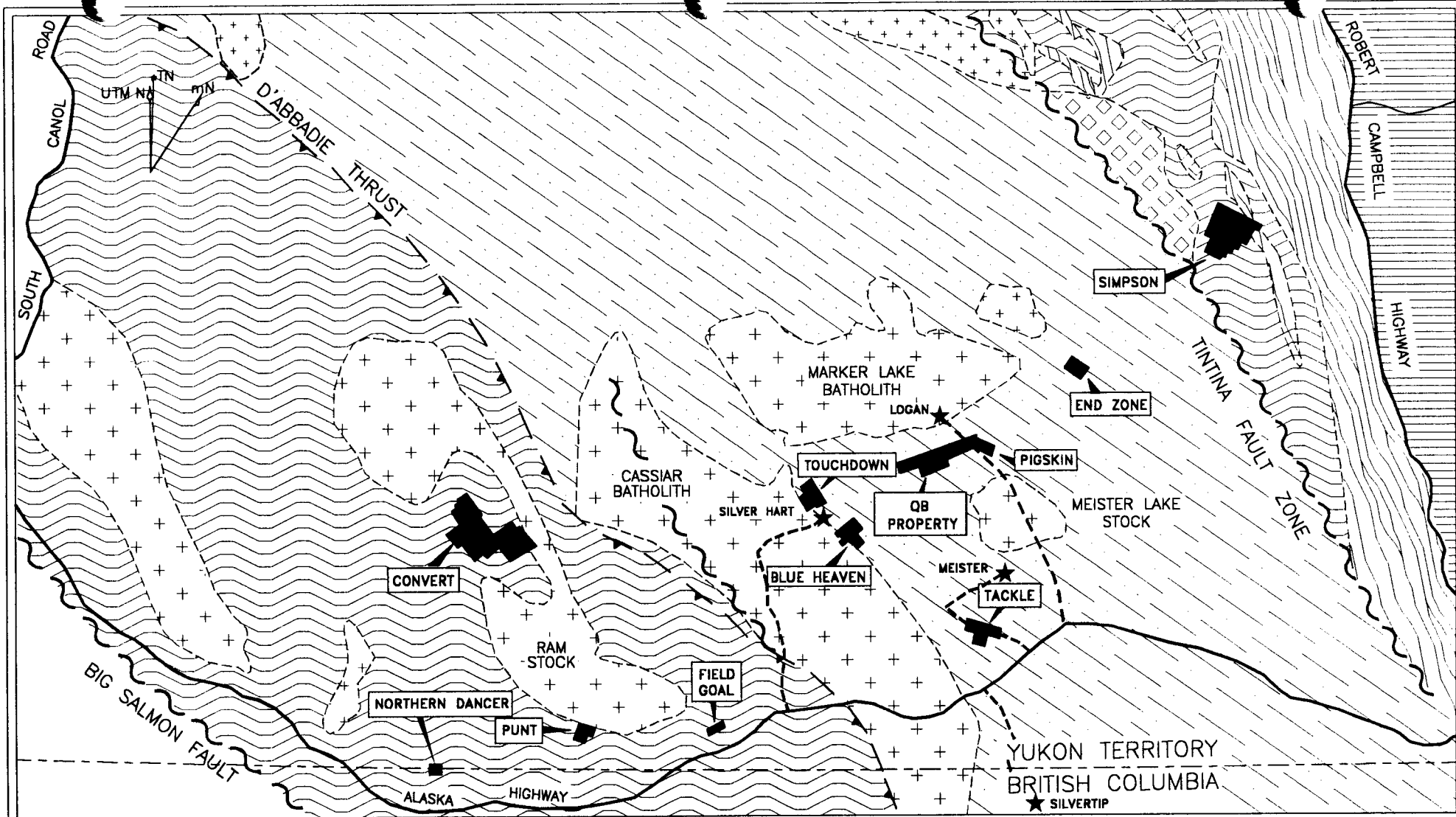
Geology in the Rancheria area was mapped at 1:250,000 scale in 1960 by the Geological Survey of Canada (Poole, et al, 1960). More detailed mapping in the Rancheria District (105B/1, 2, 7 and 8) was done in 1985 and 1986 at 1:50,000 scale by DIAND (Lowey and Lowey, 1986; Amuken and Lowey, 1987) in response to numerous base and precious metal discoveries in the area.



-  Thrust fault
-  Steep fault
-  Yukon-Tanana Terrane
-  Slide Mountain Terrane
-  Stikinia and other Terranes
-  Cassiar Platform and other North American Miogeoclinal Strata

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FIGURE 5 ARCHER, CATHRO & ASSOCIATES (1981) LIMITED	
TECTONIC SETTING BLUE HEAVEN PROPERTY	
 0 100 200 300 400 KILOMETRES	
DRAWN/REVISED BY: TCB/AG	PROJECT:
FILE: NORDAC\BLUE\ACAD99\BL-TECTO	DATE: JANUARY, 2000

Modified after Mortensen and Jilson (1985), Mortensen (1992) and Johnston and Mortensen (1994).



North American Miogeocline

Pre-Triassic sedimentary and volcanic rocks

Slide Mountain Terrane

Chert, ultramafic, metavolcanic, and carbonate rocks

Yukon-Tanana Terrane

Paleozoic metasedimentary and metavolcanic rocks

Cassiar Platform

Paleozoic metasedimentary and metavolcanic rocks

Intrusive Suites

Paleozoic metaplutonic rocks

Mesozoic plutonic rocks

Property owned by Nordac Resources Ltd.

★ Deposit owned by others

----- Access road to property

NORDAC RESOURCES LTD.

FIGURE 6
ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

REGIONAL GEOLOGY
BLUE HEAVEN PROPERTY



DRAWN/REVISED BY: TCB/AD

PROJECT:

FILE: NORDAC\BLUE\ACAD88\QB-RGE1.DWG

DATE: JANUARY, 2000

REGIONAL MINERALIZATION

The Cassiar Platform and intrusive rocks of the Rancheria area are host to numerous mineral occurrences including: silver-lead-zinc±copper±gold veins; tin±tungsten±zinc skarns; and, silver-zinc-lead replacement bodies. The most significant discoveries in this region to date are the Silvertip (Midway), Logan and Silver Hart Deposits. The locations of these deposits are shown on Figure 6.

The Silvertip Deposit is classified as a manto replacement body hosted in Devonian-age strata. Diamond drilling and underground development have outlined a mineral resource of 2,570,000 tonnes with an average grade of 325.0 g/t silver, 6.4% lead, 8.8% zinc and 0.63 g/t gold (GCNL #10, January 15, 1998). Vein- and shear-hosted mineralization occurs within the Cretaceous Marker Lake Batholith at the Logan Deposit where reserves are estimated at 12.3 million tonnes grading 6.17% zinc and 26.0 g/t silver (DIAND, 1995). The Silver Hart Deposit consists of a series of high grade, silver bearing veins reportedly containing 99,000 kg of silver (DIAND, 1995). Most high grade silver veins and silver-zinc-lead replacement bodies in the Rancheria area are associated with northeast trending extensional faults.

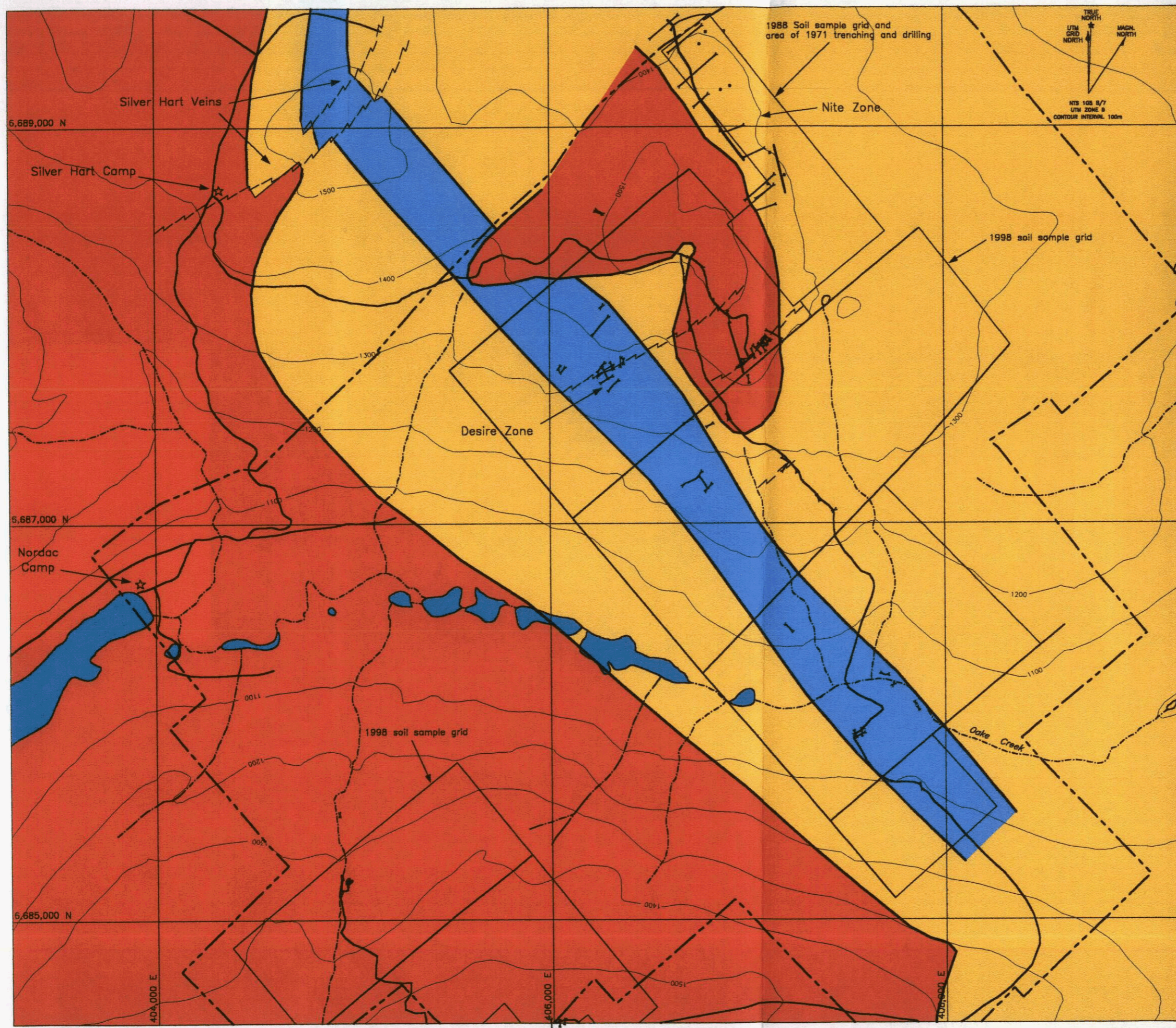
PROPERTY GEOLOGY

Bedrock exposure on the property is poor (<5%) and generally restricted to creek cuts, outcrops above treeline or small windows through the glacial till. The main units are Lower Cambrian schist, limestone and skarn belonging to the Cassiar Platform and granitic rocks of the mid-Cretaceous Cassiar Batholith. Mineralized quartz veins crosscut both the metasedimentary and plutonic rocks but are in turn crosscut by younger felsic and mafic dykes.

Geology for the entire property is shown on Figure 7. The main rock types are described below and followed by a few paragraphs on structural geology.

Schist is usually tan to dark brown weathering, medium grained, well foliated and light grey to pale green when fresh. It varies from hard and massive to crenulated and highly fissile. The unit consists of various combinations of quartz-muscovite±biotite±chlorite±feldspar. It was subdivided during outcrop and trench mapping but for the purpose of this report all schist has been grouped together. Quartz and feldspar augen are present in some layers with the feldspar often weathering to kaolinite. Foliaform quartz sweets are locally present while manganese and limonite stained fractures are common.

Limestone is white and coarsely crystalline or pale greenish grey and fine grained. The finer grained material contains biotite and muscovite along schistose partings and laminations. Trace amounts of pyrite and pyrrhotite occur as thin laminae (2 to 4 mm wide). This unit is interbedded with schist in a 350 to 500 m wide band that trends southeasterly across the centre of the property. Limestone outcrops are rare and locally exhibit weak skarnification which grades into rocks assigned to the skarn unit.



- Pre-1998 and 1998 hand/equipment trench
- 1971 diamond drill hole collar
- Property boundary
- Road
- Creek
- Geological contact
- Fault
- Schist
- Skarn and carbonate rich metasediments
- Granodiorite

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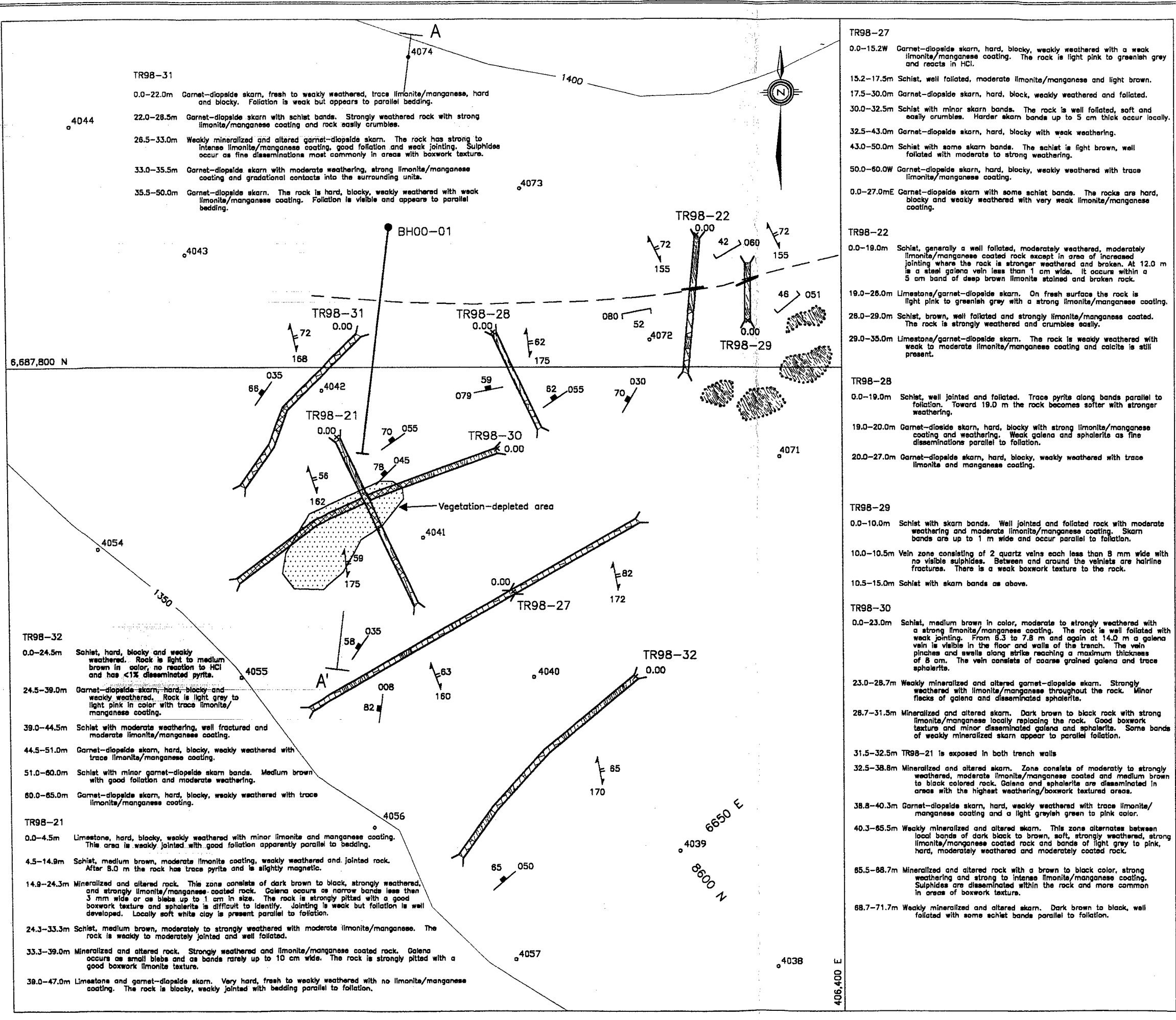
FIGURE 7
ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

PROPERTY GEOLOGY

BLUE HEAVEN PROPERTY

0 100 200 400 600 800 1000 m

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FILE: NORDAC\BLUE\ACAD00\BL-GEO.DWG	DATE: DECEMBER, 2000



- TR98-27**
 0.0-15.2m Garnet-dioapside skarn, hard, blocky, weakly weathered with a weak limonite/manganese coating. The rock is light pink to greenish grey and reacts in HCl.
 15.2-17.5m Schist, well foliated, moderate limonite/manganese and light brown.
 17.5-30.0m Garnet-dioapside skarn, hard, blocky, weakly weathered and foliated.
 30.0-32.5m Schist with minor skarn bands. The rock is well foliated, soft and easily crumbles. Harder skarn bands up to 5 cm thick occur locally.
 32.5-43.0m Garnet-dioapside skarn, hard, blocky with weak weathering.
 43.0-50.0m Schist with some skarn bands. The schist is light brown, well foliated with moderate to strong weathering.
 50.0-60.0m Garnet-dioapside skarn, hard, blocky, weakly weathered with trace limonite/manganese coating.
 0.0-27.0mE Garnet-dioapside skarn with some schist bands. The rocks are hard, blocky and weakly weathered with very weak limonite/manganese coating.
- TR98-22**
 0.0-19.0m Schist, generally a well foliated, moderately weathered, moderately limonite/manganese coated rock except in area of increased jointing where the rock is stronger weathered and broken. At 12.0 m is a steel galena vein less than 1 cm wide. It occurs within a 5 cm band of deep brown limonite stained and broken rock.
 19.0-26.0m Limestone/garnet-dioapside skarn. On fresh surface the rock is light pink to greenish grey with a strong limonite/manganese coating.
 26.0-29.0m Schist, brown, well foliated and strongly limonite/manganese coated. The rock is strongly weathered and crumbles easily.
 29.0-35.0m Limestone/garnet-dioapside skarn. The rock is weakly weathered with weak to moderate limonite/manganese coating and calcite is still present.
- TR98-28**
 0.0-19.0m Schist, well jointed and foliated. Trace pyrite along bands parallel to foliation. Toward 19.0 m the rock becomes softer with stronger weathering.
 19.0-20.0m Garnet-dioapside skarn, hard, blocky with strong limonite/manganese coating and weathering. Weak galena and sphalerite as fine disseminations parallel to foliation.
 20.0-27.0m Garnet-dioapside skarn, hard, blocky, weakly weathered with trace limonite and manganese coating.
- TR98-29**
 0.0-10.0m Schist with skarn bands. Well jointed and foliated rock with moderate weathering and moderate limonite/manganese coating. Skarn bands are up to 1 m wide and occur parallel to foliation.
 10.0-10.5m Vein zone consisting of 2 quartz veins each less than 8 mm wide with no visible sulphides. Between and around the veinlets are hairline fractures. There is a weak boxwork texture to the rock.
 10.5-15.0m Schist with skarn bands as above.
- TR98-30**
 0.0-23.0m Schist, medium brown in color, moderate to strongly weathered with a strong limonite/manganese coating. The rock is well foliated with weak jointing. From 6.3 to 7.8 m and again at 14.0 m a galena vein is visible in the floor and walls of the trench. The vein pinches and swells along strike reaching a maximum thickness of 8 cm. The vein consists of coarse grained galena and trace sphalerite.
 23.0-28.7m Weakly mineralized and altered garnet-dioapside skarn. Strongly weathered with limonite/manganese throughout the rock. Minor flecks of galena and disseminated sphalerite.
 28.7-31.5m Mineralized and altered skarn. Dark brown to black rock with strong limonite/manganese locally replacing the rock. Good boxwork texture and minor disseminated galena and sphalerite. Some bands of weakly mineralized skarn appear to parallel foliation.
 31.5-32.5m TR98-21 is exposed in both trench walls
 32.5-38.8m Mineralized and altered skarn. Zone consists of moderately to strongly weathered, moderate limonite/manganese coated and medium brown to black colored rock. Galena and sphalerite are disseminated in areas with the highest weathering/boxwork textured areas.
 38.8-40.3m Garnet-dioapside skarn, hard, weakly weathered with trace limonite/manganese coating and a light greyish green to pink color.
 40.3-65.5m Weakly mineralized and altered skarn. This zone alternates between local bands of dark black to brown, soft, strongly weathered, strong limonite/manganese coated rock and bands of light grey to pink, hard, moderately weathered and moderately coated rock.
 65.5-88.7m Mineralized and altered rock with a brown to black color, strong weathering and strong to intense limonite/manganese coating. Sulphides are disseminated within the rock and more common in areas of boxwork texture.
 88.7-71.7m Weakly mineralized and altered skarn. Dark brown to black, well foliated with some schist bands parallel to foliation.

- Limit of outcrop
- Fault
- Linear
- 1998 excavator trench
- X GPS survey station with standard fix
- 934722 Rock sample location with sample number
- 1463 Soil sample location with sample number
- * Mineralized float
- ↖ 110 Joint
- ↖ 88 Mineralized vein
- ↖ 080 Foliation
- ↖ 42
- ▤ Limestone or garnet-dioapside skarn
- ▨ Schist
- ▩ Mineralized and altered rock
- Vein
- Geological contact
- ⦿ BH00-01 Diamond drill hole

NORDAC RESOURCES LTD.

FIGURE 8
 ARCHER, CATHRO & ASSOCIATES (1981) LIMITED
DESIRE ZONE
 BLUE HEAVEN PROPERTY

0 5 10 20 30 40 50 m

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FILE: NORDAC\BLUE\ACAD00\BL-DES.DWG	DATE: DECEMBER, 2000

Skarn is moderately banded, resistant weathering and varies in colour from green to white. It typically consists of alternating diopside and diopside-garnet rich bands but occasionally contains 60 to 80% coarse almandine garnet (<20 mm in diameter) in a white marble matrix. This unit contains up to 50% thinly interbedded schist in some exposures but averages less than 10%. Skarnified rocks occur in two main belts. The largest belt is 350 to 500 m wide and trends southeast across the central part of the property. The other belt is 200 to 300 m wide and is centred on the Nite Zone in the northeastern part of the property. The skarnification postdated regional metamorphism and is likely related to emplacement of the Cassiar Batholith.

Granodiorite is grey, non-foliated and blocky weathering. Composition is relatively consistent with approximately 60% feldspar, 20% quartz, 15% biotite and 5% muscovite. The Cassiar Batholith underlies the southwestern part of the property while a 1.5 by 2 km plug of similar material occurs along a ridge in the northeastern part of the property. The contact between plutonic and metasedimentary rocks is irregular and marked by increased weathering and fracturing.

Felsic or mafic dykes have only been found in a few outcrops. Both dykes are aphanitic with the felsic dykes having quartz and albite phenocrysts in a light grey groundmass and the mafic dykes having biotite and rare augite phenocrysts in a dark green groundmass. The dykes are generally less than 1 m wide and altered to green clay near surface.

Foliation is well developed within the metasedimentary rocks and consistently strikes southeast with moderate dips toward the northeast. It appears to parallel compositional layering and relic bedding. All units are conformable and there is no evidence of large scale folding.

Jointing is well developed in all rock types and three sets of orientations predominate. The strongest jointing on the property strikes northeast and dips moderately northwest. The second set strikes east and dips steeply to the south. The weakest joints strike north and dip near vertical. Mineralized veins approximately parallel the strongest joint set, striking northeast and dipping to the northwest, while unmineralized veins strike east and dip moderately to the north. The veins postdate skarnification.

Two sets of topographic linears have been identified on airphotos. The strongest linears trend northeast and are best developed on ridge tops within the granodiorite. On surface these zones are marked by depressions from 2 to 10 m deep and up to 20 m wide. They can be easily followed for up to 800 m. Most are U-shaped with flat bottoms containing intermittent streams and angular granodiorite boulders. These linears are interpreted as zones of increased jointing adjacent to faults. They parallel mineralized veins and the dominant joints.

The second set of topographic linears trend southeast and occur within the metasedimentary units. These linears are found at lower elevations and range from 2 to 4 m deep and average 5 m wide. They are usually filled with intermittent streams, overburden and thick vegetation. This set of linears appears to have developed due to differential weathering of the metasedimentary units.

2000 DIAMOND DRILLING

Work in 2000 focused on evaluating lead-zinc-silver carbonate replacement mineralization at the Desire Zone and consisted of one diamond drill hole. Descriptions of other mineral zones on the property can be found in Becker, 1999 and 2000.

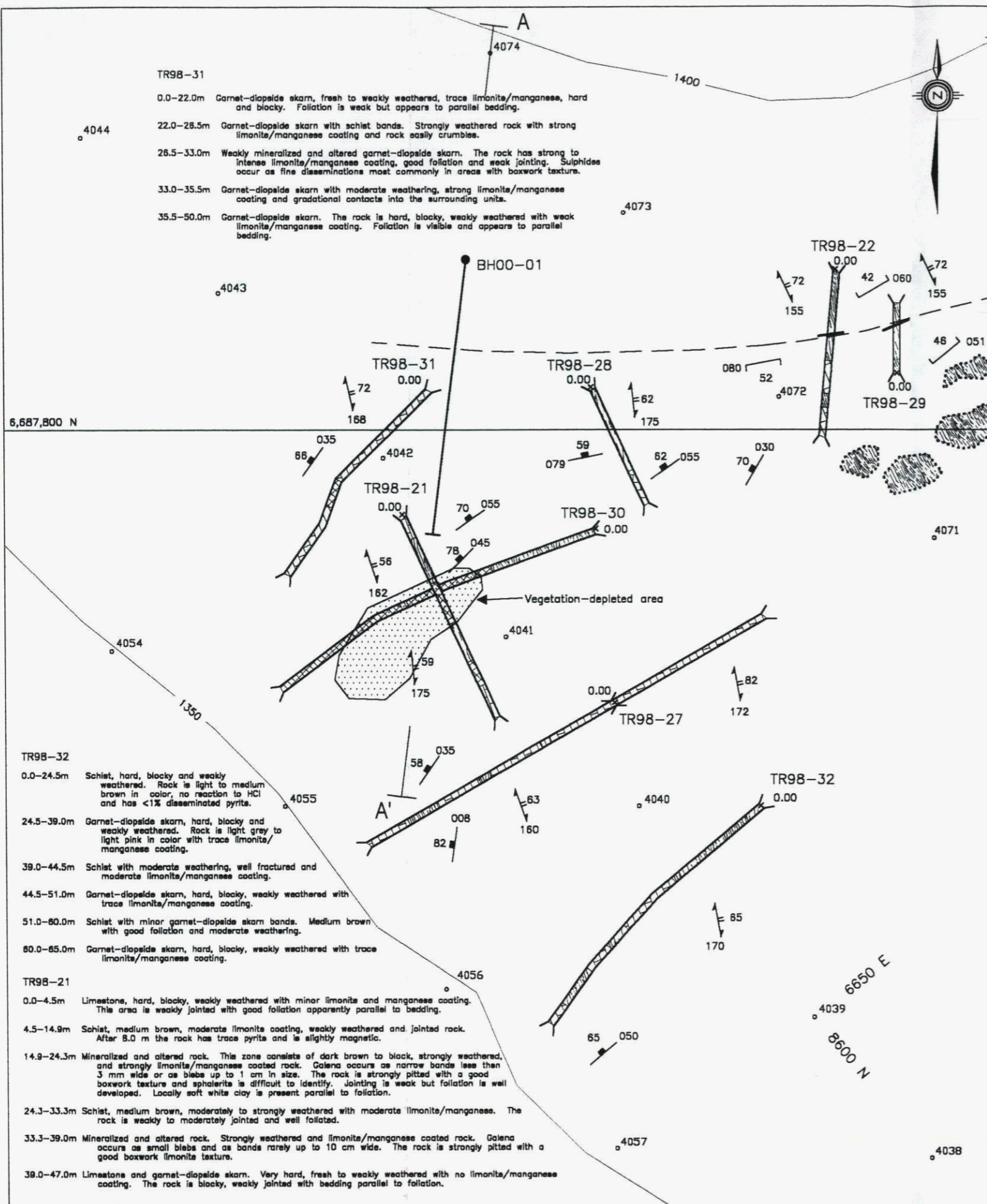
Access to the drill site was provided by a 550 m bulldozer trail. The drill, a wireline-equipped Longyear 38, was flown by helicopter from the QB property to a staging area alongside the access trail. The hole was drilled with HQ size equipment to 91.44 m depth at an azimuth of 185° and a -50° dip. Upon completion of the program the drill site was fully reclaimed and the collar location was marked with a wooden post inscribed with drill hole information. The hole was geologically logged and selected mineralized intervals were split in half for assay purposes. The core is stored on the property beside the drill collar.

All drill core samples were sent to ALS Chemex, North Vancouver, B.C. where they were geochemically analysed for 22 or 34 elements using Induced Coupled Plasma technique. Drill logs are in Appendix II while Certificates of Analysis are included in Appendix III.

The Desire Zone was discovered in 1998 and is marked by strongly anomalous soil geochemical response centred on a 30 by 30 m vegetation-depleted area containing mineralized float. A specimen of the mineralized float collected from the vegetation depletion area returned 8.32% lead, 12.10% zinc and 107 g/t silver. Later that year eight excavator trenches were dug in the vicinity of the vegetation depleted area (Figures 8 and 9). Five of the trenches tested for carbonate replacement mineralization while the others were explored for vein mineralization.

Carbonate replacement deposits are characterized by strong structural and stratigraphic controls. At the Desire Zone the mineralization occurs where northeast trending vein structures intersect a belt of southeast trending skarn and carbonate rich metasediments. The line of intersection between these two structures trends about 007° and plunges 43°. Strong surface weathering of mineralized rocks hampered detailed mapping of this zone. Many of the original sedimentary and regional metamorphic textures were destroyed by replacement during the mineralizing event. Nearly all sulphide minerals have been converted to limonite by surface oxidation. Replacement mineralization is highly irregular. It is well developed where vein structures cut carbonate rich metasediments but is negligible in non-carbonate bearing schist and skarnified horizons.

Trenches TR98-21 and TR98-30 provide the best exposure of the mineralization. TR98-21 exposed hard and blocky skarnified limestone on either side of dark brown to black, strongly weathered manganiferous siderite and jasperoid material containing disseminated grains of residual galena and sphalerite. The mineralized exposure averaged 4.2% lead, 3.4% zinc and 115.6 g/t silver over 24.1 m. TR98-30 was oriented approximately perpendicular to foliation and the mineralized interval cut in TR98-21. It intersected similar material and graded 5.0% lead,



TR98-27
 0.0-15.2m Garnet-diopeide skarn, hard, blocky, weakly weathered with a weak limonite/manganese coating. The rock is light pink to greenish grey and reacts in HCl.
 15.2-17.5m Schist, well foliated, moderate limonite/manganese and light brown.
 17.5-30.0m Garnet-diopeide skarn, hard, blocky, weakly weathered and foliated.
 30.0-32.5m Schist with minor skarn bands. The rock is well foliated, soft and easily crumbles. Harder skarn bands up to 5 cm thick occur locally.
 32.5-43.0m Garnet-diopeide skarn, hard, blocky with weak weathering.
 43.0-50.0m Schist with some skarn bands. The schist is light brown, well foliated with moderate to strong weathering.
 50.0-60.0m Garnet-diopeide skarn, hard, blocky, weakly weathered with trace limonite/manganese coating.
 0.0-27.0mE Garnet-diopeide skarn with some schist bands. The rocks are hard, blocky and weakly weathered with very weak limonite/manganese coating.

TR98-22
 0.0-19.0m Schist, generally a well foliated, moderately weathered, moderately limonite/manganese coated rock except in area of increased jointing where the rock is stronger weathered and broken. At 12.0 m is a steel galena vein less than 1 cm wide. It occurs within a 5 cm band of deep brown limonite stained and broken rock.
 19.0-26.0m Limestone/garnet-diopeide skarn. On fresh surface the rock is light pink to greenish grey with a strong limonite/manganese coating.
 26.0-29.0m Schist, brown, well foliated and strongly limonite/manganese coated. The rock is strongly weathered and crumbles easily.
 29.0-35.0m Limestone/garnet-diopeide skarn. The rock is weakly weathered with weak to moderate limonite/manganese coating and calcite is still present.

TR98-28
 0.0-19.0m Schist, well jointed and foliated. Trace pyrite along bands parallel to foliation. Toward 19.0 m the rock becomes softer with stronger weathering.
 19.0-20.0m Garnet-diopeide skarn, hard, blocky with strong limonite/manganese coating and weathering. Weak galena and sphalerite as fine disseminations parallel to foliation.
 20.0-27.0m Garnet-diopeide skarn, hard, blocky, weakly weathered with trace limonite and manganese coating.

TR98-29
 0.0-10.0m Schist with skarn bands. Well jointed and foliated rock with moderate weathering and moderate limonite/manganese coating. Skarn bands are up to 1 m wide and occur parallel to foliation.
 10.0-10.5m Vein zone consisting of 2 quartz veins each less than 8 mm wide with no visible sulphides. Between and around the veinlets are hairline fractures. There is a weak boxwork texture to the rock.
 10.5-15.0m Schist with skarn bands as above.

TR98-30
 0.0-23.0m Schist, medium brown in color, moderate to strongly weathered with a strong limonite/manganese coating. The rock is well foliated with weak jointing. From 6.3 to 7.8 m and again at 14.0 m a galena vein is visible in the floor and walls of the trench. The vein pinches and swells along strike reaching a maximum thickness of 8 cm. The vein consists of coarse grained galena and trace sphalerite.
 23.0-28.7m Weakly mineralized and altered garnet-diopeide skarn. Strongly weathered with limonite/manganese throughout the rock. Minor flecks of galena and disseminated sphalerite.
 28.7-31.5m Mineralized and altered skarn. Dark brown to black rock with strong limonite/manganese locally replacing the rock. Good boxwork texture and minor disseminated galena and sphalerite. Some bands of weakly mineralized skarn appear to parallel foliation.
 31.5-32.5m TR98-21 is exposed in both trench walls
 32.5-38.8m Mineralized and altered skarn. Zone consists of moderately to strongly weathered, moderate limonite/manganese coated and medium brown to black colored rock. Galena and sphalerite are disseminated in areas with the highest weathering/boxwork textured areas.
 38.8-40.3m Garnet-diopeide skarn, hard, weakly weathered with trace limonite/manganese coating and a light greyish green to pink color.
 40.3-65.5m Weakly mineralized and altered skarn. This zone alternates between local bands of dark black to brown, soft, strongly weathered, strong limonite/manganese coated rock and bands of light grey to pink, hard, moderately weathered and moderately coated rock.
 65.5-68.7m Mineralized and altered rock with a brown to black color, strong weathering and strong to intense limonite/manganese coating. Sulphides are disseminated within the rock and more common in areas of boxwork texture.
 68.7-71.7m Weakly mineralized and altered skarn. Dark brown to black, well foliated with some schist bands parallel to foliation.

- Limit of outcrop
- Fault
- - - Linear
- 1998 excavator trench
- X GPS survey station with standard fix
- 934722 Rock sample location with sample number
- 1463 Soil sample location with sample number
- * Mineralized float
- 110 Joint
- 88 Mineralized vein
- 42 080 Foliation
- 42 080
- Limestone or garnet-diopeide skarn
- Schist
- Mineralized and altered rock
- Vein
- - - Geological contact
- BH00-01 Diamond drill hole

NORDAC RESOURCES LTD.

FIGURE 8
 ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

DESIRE ZONE
 BLUE HEAVEN PROPERTY

0 5 10 20 30 40 50 m

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FILE: NORDAC\BLUE\ACAD00\BL-DES.DWG	DATE: DECEMBER, 2000

TR98-21 RESULTS

From (m)	To (m)	Sample Interval(m)	Sample No.	Ag (ppm)	Pb (ppm)	Zn (ppm)	Cu (ppm)
7.00	9.00	2.00	451539	0.2	22	250	23
9.00	14.30	5.30	451540	2	445	3430	65
14.30	14.90	0.60	451541	1.0	182	3.53X	78
14.90	17.00	2.10	451542	75	26000	5.31X	80
17.00	18.20	1.20	451543	21.2	1.33X	12.80X	71
18.20	20.00	1.80	451544	3.2	1515	6.20X	28
20.00	22.00	2.00	451545	317	15.30X	27000	125
22.00	24.30	2.30	451546	68.2	2.01X	1.83X	106
24.30	27.00	2.70	451547	4.8	806	6070	48
27.00	33.30	6.30	451548	38.4	1.84X	7030	63
33.30	35.00	1.70	451549	543	11.35X	2.97X	52
35.00	38.00	3.00	451550	45	24900	44000	35
38.00	39.00	1.00	451551	363	20.10X	9.88X	65
39.00	40.00	1.00	451552	1.0	378	1200	7

TR98-22 RESULTS

From (m)	To (m)	Sample Interval(m)	Sample No.	Ag (ppm)	Pb (ppm)	Zn (ppm)	Cu (ppm)
11.00	12.00	1.00	451553	5	495	1480	400
12.00	13.00	1.00	451554	161	16290	41500	490
13.00	14.00	1.00	451555	6	1100	24600	55
12.00		Grab	451651	1835	16.65X	6.66X	1055

TR98-27 RESULTS

From (m)	To (m)	Sample Interval(m)	Sample No.	Ag (ppm)	Pb (ppm)	Zn (ppm)	Cu (ppm)
13.00V	15.20	2.20	451611	0.2	14	92	47
15.20	17.50	2.30	451612	0.2	10	62	208
17.50	23.00	5.50	451613	0.2	18	408	27
23.00	27.00	4.00	451614	0.2	12	166	9
27.00	30.00	3.00	451615	0.2	14	346	11
30.00	32.50	2.50	451616	0.2	12	282	9
32.50	35.00	2.50	451617	0.2	10	338	3
43.00	47.00	4.00	451618	0.2	10	262	40
47.00	50.00V	3.00	451619	0.2	32	106	13
20.00E	25.00E	5.00	451620	1.4	182	822	72

TR98-28 RESULTS

From (m)	To (m)	Sample Interval(m)	Sample No.	Ag (ppm)	Pb (ppm)	Zn (ppm)	Cu (ppm)
4.00	6.00	2.00	451621	0.2	8	94	60
14.80	16.80	2.00	451622	0.2	10	232	23
16.80	19.00	2.20	451623	4.8	1590	1970	41
19.00	20.00	1.00	451624	12.6	4440	1.66X	83
20.00	22.00	2.00	451625	0.2	38	1190	22

TR98-29 RESULTS

From (m)	To (m)	Sample Interval(m)	Sample No.	Ag (ppm)	Pb (ppm)	Zn (ppm)	Cu (ppm)
9.90	10.90	1.00	451626	1.6	72	562	209

TR98-30 RESULTS

From (m)	To (m)	Sample Interval(m)	Sample No.	Ag (ppm)	Pb (ppm)	Zn (ppm)	Cu (ppm)
3.00	8.00	5.00	451627	50.2	1.68X	3620	49
7.00		GRAB	451628	1425	58.8X	12300	115
8.00	13.00	5.00	451629	3.6	890	2690	58
13.00	18.00	5.00	451630	2.4	356	2620	80
18.00	23.00	5.00	451631	2.4	942	6620	71
23.00	26.00	3.00	451632	3.6	1685	1.43X	123
26.00	26.70	0.70	451633	7	6.35	26400	20
26.70	27.70	1.00	451634	57.4	3.31X	2.88X	48
27.70	28.70	1.00	451635	33	4170	6.40X	105
28.70	29.80	1.10	451636	24.6	1.40X	6.88X	52
29.80	31.50	1.70	451637	106	7.45X	6.88X	105
32.50	34.00	1.50	451638	51	30000	38700	53
34.00	35.00	1.00	451639	704	38.4X	38100	105
35.00	38.80	3.80	451640	24	4970	25300	125
38.80	40.30	1.50	451641	3.4	318	5360	125
40.30	44.00	3.70	451642	21	8840	38000	90
44.00	46.00	2.00	451643	20	11390	36500	75
46.00	50.50	4.50	451699	25	2360	30600	115
50.50	53.00	2.50	451644	54	10350	36700	435
53.00	56.30	3.30	451645	49	28600	37500	135
65.50	67.40	1.90	451646	89	48700	12970	80
67.40	68.70	1.30	451647	223	57.3X	25300	95
68.70	71.70	3.00	451653	54	38400	19660	50

TR98-31 RESULTS

From (m)	To (m)	Sample Interval(m)	Sample No.	Ag (ppm)	Pb (ppm)	Zn (ppm)	Cu (ppm)
22.00	26.50	4.50	451648	2.8	2330	3870	37
26.50	30.00	3.50	451649	5	4270	21700	45
30.00	33.00	3.00	451650	5	1365	17400	45
33.00	35.00	2.00	451652	1.4	140	2690	39

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FIGURE 9
 ARCHER, CATHRO & ASSOCIATES (1981) LIMITED
DESIRE ZONE RESULTS
 BLUE HEAVEN PROPERTY

DRAWN/REVISED BY: TCB

PROJECT:

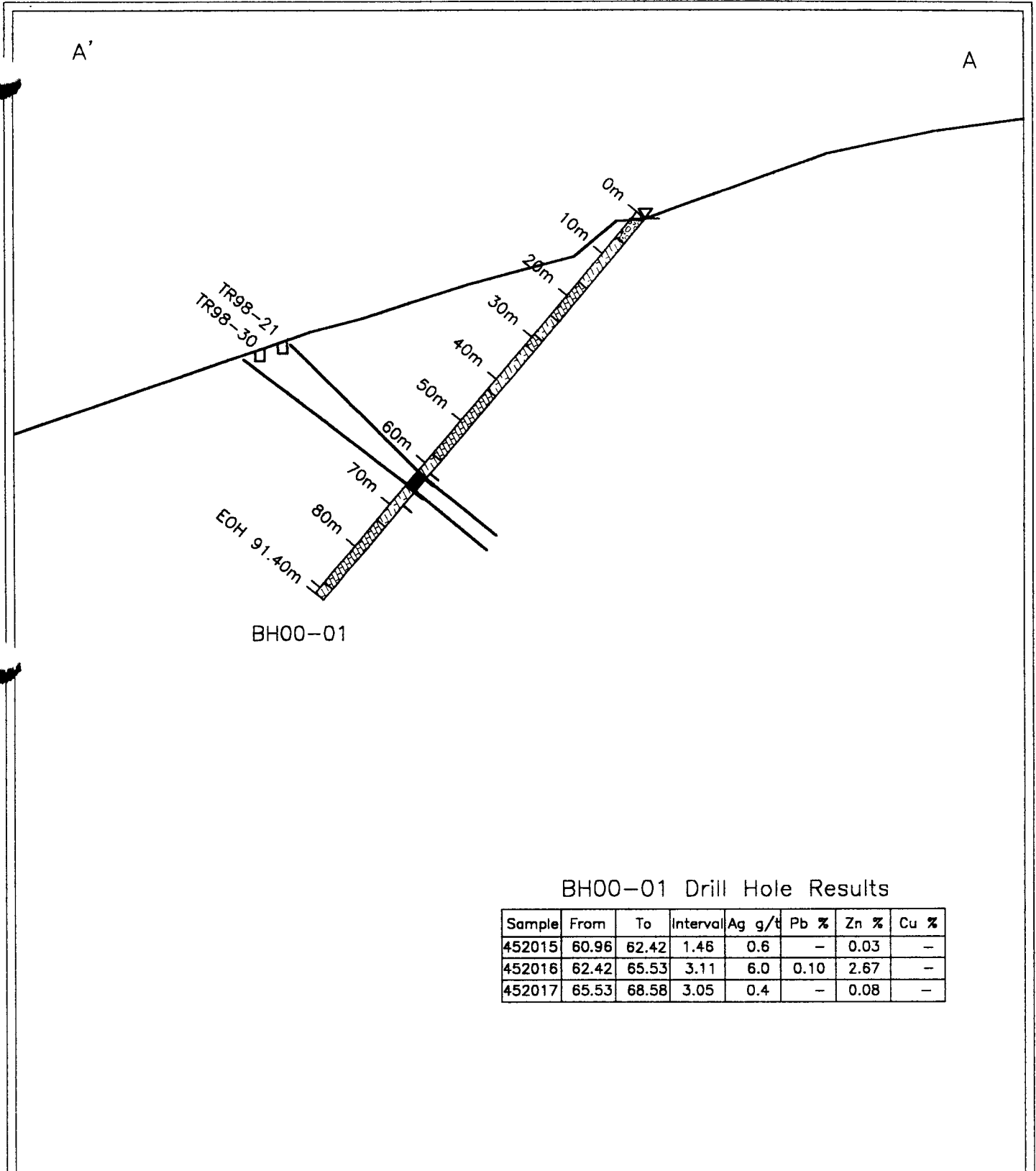
FILE: NORDAC\BLUE\ACAD00\BL-DES-A.DWG

DATE: DECEMBER, 2000

3.6% zinc and 65.5 g/t silver over 35.8 m ending in mineralization. Two trenches east of the mineralization intersected barren limestone and schist but a trench about 35 m to the west intersected an 11.0 m zone of strongly weathered, weakly mineralized material

Northeast trending structures are present within this area but strong surface weathering made them difficult to map. At the top of TR98-30 a 4 to 8 cm wide discontinuous galena vein was found in the middle of the trench. A specimen from the vein returned 1425 g/t silver and 58.8% lead. Three trenches dug uphill to the northwest tested a linear depression and intersected northeast trending structures. One trench (TR98-22) exposed a narrow discontinuous galena vein, a specimen of which returned 1835 g/t silver, 16.65% lead and 6.66% zinc. A chip sample across this vein and adjacent wallrocks assayed 161 g/t silver, 1.63% lead and 4.15% zinc over 1.0 m.





Diamond drill hole BH00-01 was collared to test down plunge from the mineralization exposed in trenches TR98-21 and TR98-30 (Figure 10). The hole was collared 70 m north of the surface intersection of the vein fault and the band of limestone hosting the carbonate replacement mineralization. The hole was oriented approximately perpendicular to the plunge axis and was intended to intersect unoxidized mineralization. Although the mineralized structure was intersected at the expected location, the wallrocks were chemically unreactive skarn rather than reactive limestone. Mineralizing fluids moving along the vein fault were not able to react with the skarn and therefore mineralization was confined to the vein fault. The hole was a further disappointment because it showed that surface weathering extended deeper than anticipated. The mineralized zone returned 6.0 g/t silver, 0.10% lead and 2.67% zinc from a 3.11 m interval of intensely weathered, dark brown to black manganiferous siderite with abundant limonite rimmed pits plus rare partially oxidized galena and sphalerite as disseminations and veinlets.



BH00-01

BH00-01 Drill Hole Results

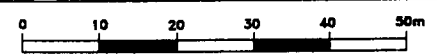
Sample	From	To	Interval	Ag g/t	Pb %	Zn %	Cu %
452015	60.96	62.42	1.46	0.6	-	0.03	-
452016	62.42	65.53	3.11	6.0	0.10	2.67	-
452017	65.53	68.58	3.05	0.4	-	0.08	-

-  Overburden
-  Skarn
-  Limestone
-  Mineralized and altered rock

NORDAC RESOURCES LTD.

Figure 10
ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

CROSS SECTION
BH00-01
BLUE HEAVEN PROPERTY



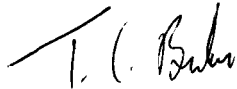
CONCLUSIONS AND RECOMMENDATIONS

Exploration by Nordac on the Blue Heaven property in 2000 tested beneath carbonate hosted lead-zinc-silver replacement mineralization exposed in excavator trenches at the Desire Zone. The diamond drill hole successfully intersected the vein fault that channelled the mineralizing fluid but found the wallrocks were chemically unreactive skarn rather than favourable limestone. The lack of vertical continuity of the favourable host unit suggests that the shape of the carbonate replacement mineralization is probably highly irregular, making it difficult to explore or develop. No further work is recommended on the carbonate replacement mineralization due to limited size potential and intense surface weathering which has removed the sulphides to considerable depth.

Continued exploration of silver rich veins is warranted if there is a sharp increase in the price of silver. The veins will require additional excavator trenching to identify high grade lenses before more bulk sampling can be done. The tungsten-copper skarn zones are also interesting but are too low grade to be of economic interest at current metal prices.

Respectfully submitted,

ARCHER, CATHRO & ASSOCIATES (1981) LIMITED



T.C. Becker, B.Sc., P.Geo.

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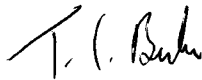
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APPENDIX I
AUTHOR'S STATEMENT OF QUALIFICATIONS

STATEMENT OF QUALIFICATIONS

I, Thomas C. Becker, geologist, with business addresses in Vancouver, British Columbia and Whitehorse, Yukon Territory and residential address in Port Moody, British Columbia, do hereby certify that:

1. I graduated from the University of Alberta in 1989 with a B.Sc. (Honours) in Geological Sciences.
2. I am a member of the Association of Professional Engineers and Geoscientists of British Columbia in the Province of British Columbia (registration number 20021).
3. I have been actively involved in mineral exploration in the Northern Cordillera since 1984.
4. I have personally participated in or supervised the field work reported herein.



Thomas C. Becker, B.Sc., P.Geo.

APPENDIX II

DRILL LOGS

DRILL HOLE LOG
RANCHERIA PROJECT
 NORDAC RESOURCES LTD.

Hole: BH00-01 Property: Blue Heaven
 Northing: _____ Easting: _____ Elevation: _____
 Drilling Dates: Aug 1 to 3 Logged By: RFG Length: 91.49 m
 Core Diameter: 1 HQ Casing Depth: 5.49m Casing: In/Out

Depth	Collar	91.4		
Dip	-50			
Azimuth	185	na		

Visual Log		From (m)	To (m)	Interval (m)	Unit	Description	Sulphides				Alteration				From (m)	To (m)	Interval (m)	Sample Number	Rec. (m)	Rec. %
Visual	Struc.						Sp	Ga	Py	Pb										
		0.00	5.49	5.49	CASN	Casing														
		5.49	6.10	.61	OVRB	Overburden - granodiorite and limestone														
		6.10	16.68	10.58	SKRN	Garnet-Dropside Skarn - moderate to intensely weathered white, green, light brown calcareous skarn - banded garnet-drop side rich bands in a white marble matrix														
		16.68	24.35	8.07	LMST	Light Grey Fine Grained Limestone - weakly to moderately weathered light grey limestone w biotite and muscovite laminations at 20-25° trace of diss py and po - a few bands of garnet-drop side skarn throughout interval														
		22.56	23.01	.45		- clay and limestone fragments less than 7cm														
		24.75	29.35	4.60	SKRN	Garnet-Dropside Skarn - wlkly to moderately weathered typical Garnet-Drop side skarn bands at 29° - interbedded with limestone contacts between 28 & 30°														
		29.35	31.93	2.58	LMST	Light Grey Fine Grained Limestone - fresh to weakly weathered typical light grey fine grained limestone laminations at 29° - interval contains several bands of garnet-drop side skarn														

**DRILL HOLE EGG
RANCHERIA PROJECT
NORDAC RESOURCES LTD.**

Hole: BH00-01 Property: Blue Heaven
 Northing: _____ Easting: _____ Elevation: _____
 Drilling Dates: _____ Logged By: _____ Length: _____
 Core Diameter: _____ Casing Depth: _____ Casing: _____ In / Out _____

Visual Log		From (m)	To (m)	Interval (m)	Unit	Description	Sulphides				Alteration				From (m)	To (m)	Interval (m)	Sample Number	Rec. (m)	Rec. %	
Visual	Struc.						Sp	Ga	Py	Po											
		35	31.93	42.61	10.68	SKRN	Garnet-Dropside Skarn														
			-relatively fresh greenish grey calcareous garnet dropside skarn																		
			-w/ky banded at 39°																		
			-interbedded with grey limestone																		
		40	42.61	58.00	15.39	LMST	Grey Fine Grained Limestone														
			-relatively fresh light to medium grey fine grained limestone																		
			-biotite & muscovite laminae at 21° to 38°																		
			-trace drss py & po																		
		45																			
		50																			
		55	58.00	62.42	4.42	SKRN	Garnet-Dropside Skarn								60.96	62.42	1.46	M452015			
			-moderate to intense weathering, green to brown calcareous garnet dropside skarn																		
			-interbedded to grey limestone @ 42°																		
		60	62.42	65.53	3.11	ZONE	Mineralized + Altered Rock				1	3			62.42	65.53	3.11	M452016			
			-intensely weathered dark brown to black, pitted, manganeseiferous siderite																		
			-62.42 to 63.10 shattered to "gouge"																		
			-galena 3-5% as veinlets & disseminated, disseminated sphalerite																		
		65	65.53	73.81	8.28	SKRN	Garnet Dropside Skarn								65.53	68.58	3.05	M452017			
			-w/ky weathered light pink to light green, calcareous, Garnet Dropside Skarn																		
			-interbedded with limestone @ 39°																		
		70	-68.58 to 70.00 m 1mm carbonate vein parallel to core axis																		

APPENDIX III
CERTIFICATES OF ANALYSIS



ALS Chemex

Aurora Laboratory Services Ltd.
 Analytical Chemists * Geochemists * Registered Assayers
 212 Brooksbank Ave., North Vancouver
 British Columbia, Canada V7J 2C1
 PHONE: 604-984-0221 FAX: 604-984-0218



To: NORDAC RESOURCES LTD.
 C/O ARCHER, CATHRO & ASSOCIATES (1981) LIMITED
 BOX 4127, 2054 SECOND AVE.
 WHITEHORSE, YT
 Y1A 3S9

Project: BLUE HEAVEN
 Comments:

Page: 1-A
 Total: 1
 Certificate Date: 28-AUG-2000
 Invoice No.: I0026248
 P.O. Number:
 Account: MTT

CERTIFICATE OF ANALYSIS	A0026248
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SAMPLE	PREP CODE		Ag	Al	As	B	Ba	Be	Bi	Ca	Cd	Co	Cr	Cu	Fe	Ga	Hg	K	La	Mg	Mn
			ppm	%	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm	ppm	%	ppm	ppm	%	ppm	%	ppm
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CERTIFICATION:



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 212 Brooksbank Ave., North Vancouver
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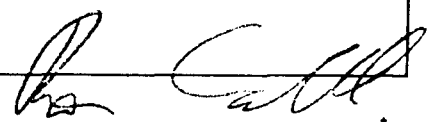
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 Y1A 3S9

Project: BLUE HEAVEN
 Comments:

Page: 1-B
 Total: 1
 Certificate Date: 28-AUG-2000
 Invoice No.: I0026248
 P.O. Number:
 Account: MTT

CERTIFICATE OF ANALYSIS **A0026248**

SAMPLE	PREP CODE		Mo	Na	Ni	P	Pb	S	Sb	Sc	Sr	Ti	Tl	U	V	W	Zn	Ag	ppm	Al %	Ba ppm	Be ppm
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M452017	205	276	< 1	0.03	9	330	6	0.18	< 2	1	1090	0.01	< 10	< 10	6	< 10	796	-----	-----	-----	-----	

CERTIFICATION: 



ALS Chemex

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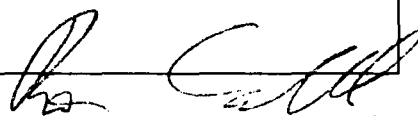
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 WHITEHORSE, YT
 Y1A 3S9

Project: BLUE HEAVEN
 Comments:

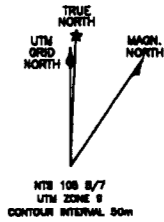
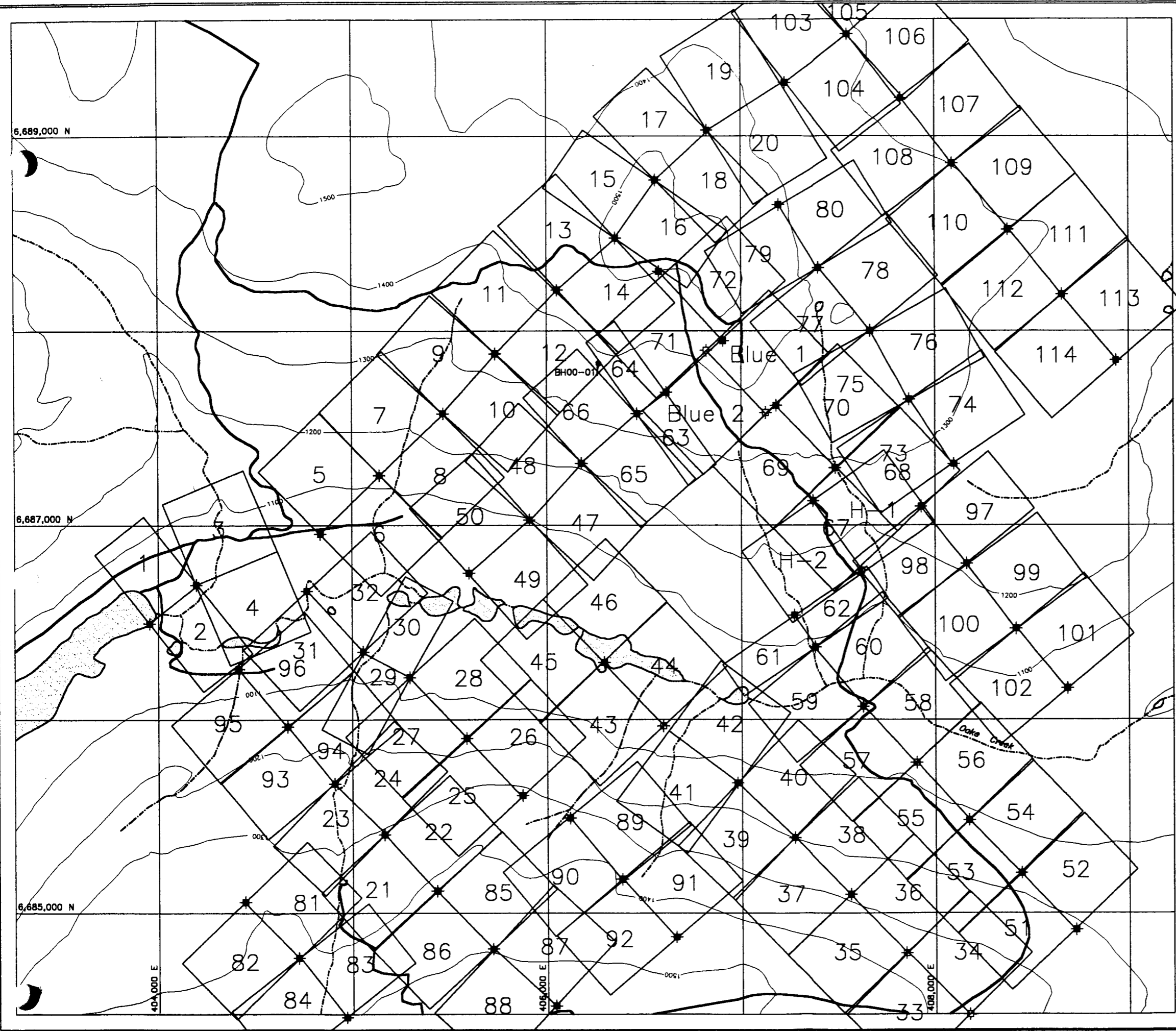
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 Account : MTT

CERTIFICATE OF ANALYSIS A0026248

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M452016	205	276	< 20	0.60	90	10	10	60	>30.0	0.5	0.15	>100000	50	< 0.05	10	0.103	230	0.05	10	26700	
M452017	205	276	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

CERTIFICATION: 

094224



- ★ Post location with standard GPS fix
- ⊕ Post location with poor GPS fix
- ⊖ Post location with uncorrected or no GPS fix
- BH00-01 2000 drill hole location with hole number

NORDAC RESOURCES LTD.	
FIGURE 2 ARCHER, CATHRO & ASSOCIATES (1981) LIMITED	
CLAIM LOCATION BLUE HEAVEN PROPERTY	
DRAWN/REVISED BY: TCB	PROJECT:
FILE: NORDAC\BLUE\ACAD00\BL-CU.DWG	DATE: DECEMBER, 2000