GEOCHEMICAL REPORT

TELKWA CANYON "B" GROUP CLAIMS

Houston-Tommy Creek - Omineca M.D., B.C.

CLAIMS: Telkwa Canyon "B" Claims consisting of the Mineral Claim Numbers:

B = 1 to 52 inclusive,

B = 69 to 88 inclusive, and

FB=1 to FB=8 inclusive.

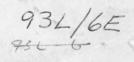
LOCATION: Houston-Tommy Creek
Latitude 54°22' Longitude 127°7'
Omineca M.D., British Columbia

AUTHOR: L. M. Appelgate, BASc.

ENDORSED BY: John L. De Leen, BASc., MASc., E.M., P. Eng. No. 3675.

OWNED BY: Phelps Dodge Corporation of Canada, Limited

DATES OF WORK: August 20, to September 2, 1967





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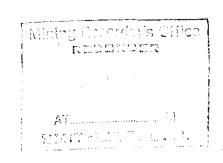
AUTHOR: L. M. Appelgate, BASc.

ENDORSED BY: John L. De Leen, BASc., MASc.,

E.M. P. Eng. No. 3675

Vancouver, B.C.

February 5, 1968



SUMMARY:

A geologist and four assistants worked from August 20 to September 2, 1967 collecting stream-silt samples from all streams in and around the Telkwa Canyon 'B' claims. The following is a report of the silt sampling and the results obtained which are to be applied as assessment work.

Location: Omineca Mining Division

Latitude - 54°22'North Longitude - 127°7'West

The center of the claim block is situated 19 miles west of Houston, B.C.

Access is by helicopter from Houston.

Claims:

The Telkwa Canyon 'B' claims were staked in 1965 and 1966. The 80 claims are grouped as follows:

Orange Group

Blue Group

Claim No's. B-33, B-34, B-35, B-36, B-37, B-38, B-39, B-40, B-41, B-42, B-43, B-44, B-45, B-46, B-47, B-48, B-49, B-50, B-51, B-52, FB-8.

Green Group

Claim No's./B-4, B-8, B-13, B-14, B-15, B-16, B-18, B-19, B-20, B-21, B-22, B-24, B-69, B-70, B-71, B-73, B-75, B-77, B-79, FB-2, FB-4, FB-6.

All claims are owned by Phelps Dodge Corporation of Canada, Limited.

Map -#1

Geology:

The Telkwa Canyon 'B' claims contain fairly flat lying volcanics and sediments of the Hazelton Group. An intrusive dioritic plug occupies the northeast corner of the claim block. Copper mineralization has been found associated with several faults that traverse the area as well as dissemination in the volcanics.

Geochemistry:

A stream silt sampling program was conducted over the entire claim block and the peripheral area. A total of 304 samples were taken, of these 77 samples are within the claim block boundary. Since the samples collected outside the claim block are not applicable to assessment work, only the samples values within the claim block boundary will be discussed.

Method:

Silt samples of organic-free material were taken from stream beds at intervals of approximately one quarter mile. The samples were placed in paper sample bags and shipped to the Company Laboratory at Smithers, B.C. for assaying.

At the laboratory, the stream sediment samples were carefully dried overnight at relatively

low temperatures and subsequently sieved to 80 mesh, collecting approximately 2 to 5 grams for analyses.

Partial extractions for copper were carried out using a hot 0.5 N hydrochloric acid digestion, followed by Atomic Absorption determinations with a Perkin Elmer 303 model. Analytical accuracy was controlled by standards and periodic re-checks.

Interpretation:

All of the copper results, including those of samples taken outside the property boundaries were then tabled to show the frequency distribution and to aid in determining the local background. The following is a general statistical breakdown related to the background range, known mineralization and geology:

0 to 42 ppm - background

43 to 54 ppm - threshold

55 to 78 ppm - third order anomaly

79 to 126 ppm - second order anomaly

126 and above - first order anomaly

The first order anomalies are considered significant, particularly those supported by good downstream "back up" values and anomalous conditions showing up on adjacent drainage.

Two areas yielding anomalous coppers condition are represented on the accompanying map.

Copper mineralization had been found previous to the geochemical survey in the northeastern corner of the claim block. However, anomalous samples tend to extend the area of interest, and shows that further work is warranted.

A second anomaly was found centering on claims B4, B-6, B-15 and B-17. Only scattered copper mineralization had been found previously, but the magnitude and quantity of the anomalous silt sample values indicate significant undiscovered copper metallization. Further work is definitely warranted in this area.

Silt sample values from the remaining claim area are low and indicate a lack of significant copper metallization.

Dr. J. Walker of Barringer Research Ltd., the Company's consultant, reviewed the above results and conclusions and remains in accord with the writer.

Report by: Samy M Coppelat

L.M. Appelgate, BASc.

Endorsed by:

John L. De Leen, BASc.,

MASC., E.M.,

P. Eng. No. 3675.

DOMINION OF CANADA:

PROVINCE OF BRITISH COLUMBIA. In the Matter of

Lawrence McClelland Appelgate

Vancouver of

in the Province of British Columbia, do solemnly declare that

Expen	ditures - Telkwa Canyon	n "B" Group Claims - 19	<u>167</u>
Project Geologist	- L.M. Appelgate - Aug	. 20 to Sept. 2, 1967	\$ 90.00
Assistant	- J.W. Lentsch - Aug	. 20 to Sept. 2, 1967	80.00
Assistant	- D.J. Robertson - Aug	. 20 to Sept. 2, 1967	80.00
Assistant	- B. Herring - Aug	g. 20 to Sept. 2, 1967	80.00
Assistant	- W. Morris - Aug	g. 20 to Sept. 2, 1967	00.08
		Total Labour:-	\$ 410.00
Camp and Supplies			112.00
Airborne Work			2150,00
Assays			91.00
		Total:	\$2763.00

And I make this solemn declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath and by virtue of the "Canada Evidence Act."

of Tausauri , in the Province of British Columbia, this 9 Rany M. Cypely 5

A Commissioner for taking Affidavits within British Columbia of A Notary Public in and for the Province of British Columbia.

