4139

GEOCHEMICAL REPORT

ON THE

HUD CLAIM GROUP

Poison Mountain Area
(NTS 92-O/2E)

Clinton & Lillooet Mining Divisions
British Columbia

For

ASELO INDUSTRIES LTD. (N.P.L.)
401 - 550 Burrard Street
Vancouver 1, B.C.

By

M. H. Sanguinetti, B.Sc., Geologist

Supervised by: J. W. Stollery, P.Eng.

CORDILLERAN ENGINEERING LIMITED
1418 - 355 Burrard Street
Vancouver 1, B.C.

JANUARY 15, 1973.

CLAIMS: HUD #1-20 inclusive, Clinton Mining Division

LOCATION: Poison Mountain,
45 airmiles northeast of Lillooet, B.C.

DATE: July 12th - July 25th, 1972.

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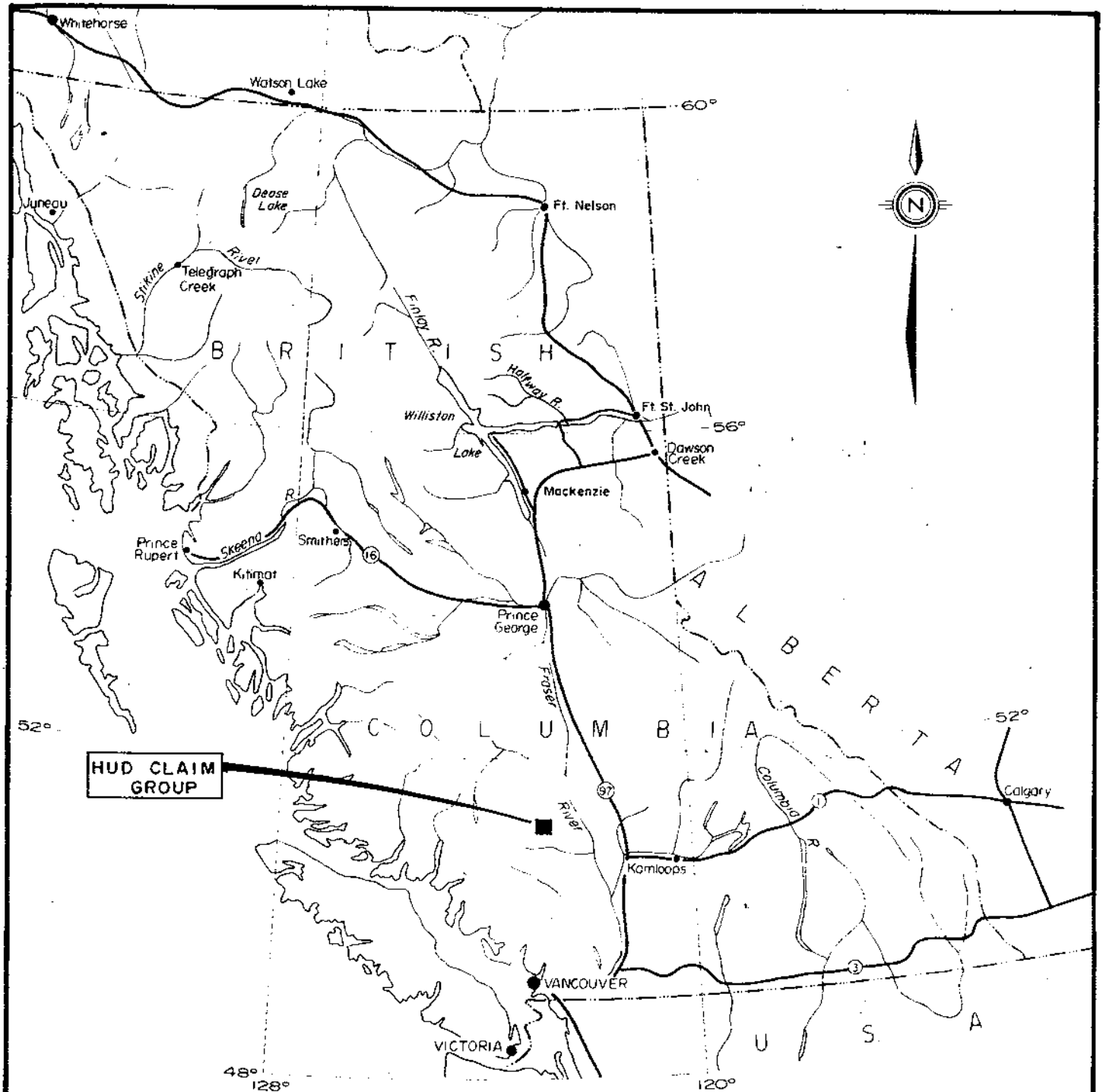


4139 M-1

ASELO INDUSTRIES LTD. (NPL)

PROPERTY LOCATION MAP

HUD CLAIM GROUP

POISON MOUNTAIN AREA

CLINTON AND LILLOOET MINING DIVISIONS BRITISH COLUMBIA

SCALE

MILES 300 150 0 300 600 900 MILES

CORDILLERAN ENGINEERING LIMITED

1418 – 355 BURRARD ST.

VANCOUVER

Figure 1

I N T R O D U C T I O N

This report has been written at the request of Mr. W. J. Coulter, president of Aselo Industries Ltd. (N.P.L.) and describes a geochemical survey conducted on the Hud #1-20 mineral claims during the period from July 12th to July 25th, 1972.

The purpose of this survey was to search for possible copper mineralization, using geochemical methods, on claims to the north of and adjoining those of Copper Giant Mining Corporation where a reported 90 million tons of 0.37% copper has been outlined by drilling.

This report has been written to comply with the British Columbia Department of Mines and Petroleum Resources requirements for assessment purposes.

LOCATION AND ACCESS

(Figure 1)

The property is located on the north side of Poison Mountain, between Churn Creek and the Yalakom River, about 45 airmiles northwest of Lillooet, B.C. This is on map sheet 92-O/2E at approximately 51°10'N latitude and 122°37'W longitude.

Access to the claim group was by means of a four-wheel drive truck from Lillooet via the Bridge River Road, the Yalakom Forest Access Road and recently constructed bulldozer trails. Total distance by road was approximately 60 miles.

PROPERTY

(Figure 2)

The property consists of a total of 60 located mineral claims, Hud #1-60, owned by Aselo Industries Ltd. (N.P.L.). These are situated in the Clinton and Lillooet mining divisions as follows:

CLAIM	RECORD NO.	EXPIRY DATE	MINING DIVISION
HUD # 1-30 incl.	27779-27808 incl.	March 6, 1973	Clinton
HUD #31-40 incl.	35590-35599 incl.	March 1, 1973	Lillooet
HUD #41-60 incl.	27809-27828 incl.	March 6, 1973	Clinton

This survey was conducted on, and pertains only to, the Hud #1-20 inclusive, in the Clinton Mining Division.

These claims lie to the north of and adjoin the "Giant" mineral claims of Copper Giant Mining Corporation and the "A" mineral claims of Mr. H. Reynolds.

PHYSIOGRAPHY
VEGETATION AND CLIMATE

The claims lie at a mean elevation of approximately 6,000 feet above sea level on the north side of Poison and Buck Mountains. Churn Creek flows north and lies to the west of the claims while a branch of the Yalakom River flowing south lies to the southeast side. Topography is mountainous but not rugged, most of the mountains being rounded and frequently overburden covered. Bedrock is generally exposed along creeks and on the steeper slopes.

Vegetation consists of medium-sized pine and fir along the lower valleys but the higher areas are generally open with only scattered clumps of juniper and pine.

The climate is typical of the interior dry belt. Rainfall during summer months is light but snowfall in winter may exceed 10 feet at higher elevations. Average annual precipitation at Lillooet Heights is 17.6 inches with 31.9 inches of snowfall while at Big Creek, 42 miles northwest

PHYSIOGRAPHY, VEGETATION AND CLIMATE (cont'd)

of the claims, precipitation averages 18 inches and snowfall 84.6 inches. Mean Fahrenheit temperatures and recorded extremes for Lillooet and Big Creek respectively are 46° mean, +103° to -14° and 36° mean, +99° to -53°.

HISTORY

Exploration for copper mineralization has been conducted in the Poison Mountain area since the first claims were staked in 1935. Since that time extensive work programs have been conducted, and a reported 90 million tons of material grading 0.37% Cu has been drill indicated by Canadian Superior and Homestake on the property of Copper Giant Mining Corporation Ltd.

The Hud claims are reported to be a restaking of ground held in 1967 by Rainbow Lake Explorations Ltd. A programme of line cutting and reconnaissance soil sampling was conducted but no record of this work is available.

REGIONAL GEOLOGY

The following description of the regional geology is quoted from "The Preliminary Report on the Hud Claim Group" by Mr. J. P. Elwell, P.Eng. and is based on reports by W. C. Cheesman of Granby Consolidated and from data obtained from Copper Giant Mining Corporation Ltd. (Elwell, J.P.,1972).

> "The Poison Mountain area is underlain by silicious greywacke of probable Jura-Cretaceous age. Included within the greywacke are minor beds of conglomerate and argillite. Bedding is difficult to determine, but in general, the formation strikes east-west with a dip to the north and is cut off two miles to the east by the north-south Yalakom fault.
>
> The greywacke has been intruded by a porphyry complex which runs in a generally east-west direction and has been traced over a length of about 6,000 feet to the Yalakom River, with exposed widths of 600 to 2,400 feet. In this area the porphyry consists of three distinct dike-like bands produced either by segregation or by different ages of intrusion. From North to South these bands are quartz diorite porphyry, hornblende diorite porphyry, and biotite diorite porphyry. An irregular contact zone of biotite hornfels follows the intrusive-greywacke contact."

PROPERTY GEOLOGY

Only one outcrop of weathered greywacke was noted during the course of this survey (NW-92, NE-126). The rest of the claims area is overburden covered. It was suggested (Elwell, J.P., 1972) that the favourable diorite in which the copper-molybdenum mineralization occurs on the Copper Giant property may extend northward to underlie the Hud claims, however, no field evidence to support this suggestion was found.

GEOCHEMICAL SURVEY

A geochemical soil survey was conducted over a grid consisting of two baselines (totalling 7,000 feet), with cross lines spaced every 400 feet. A total of 56,200 feet of line was sampled. The lines were chained and picketed every 200 feet and sample stations marked with a discrete number and flagging. A chain and brunton compass were used for control.

A total of 299 soil samples were collected by grubhoe and trowel from the enriched B-1 horizon at each 200 foot station. A description of the sample depth, soil type, colour, drainage and slope was recorded at each site. The samples were placed in numbered kraft envelopes and shipped to Crest Laboratories (B.C.) Ltd. in Vancouver. There each sample was dried and seived and the minus 80 mesh fraction digested by perchloric and nitric acids. The atomic absorption method was used for copper analysis.

RESULTS

(Figure 3)

A total of 299 samples were analyzed for copper. The results were plotted on a histogram along with the calculated arithmetic mean and from these the following limits and categories were derived:

Arithmetic Mean	(μ)	= 34.66 ppm
Threshold	($\mu + 1/2\mu$)	= 52 ppm

Background	0	-	52 ppm
Possibly Anomalous	53	-	69 ppm
Probably Anomalous	70	-	87 ppm
Anomalous	Greater than		87 ppm

No significant anomalies are apparent when these results are plotted. Two small areas of weakly anomalous samples are noted at NE-132 - NW-84 and NE-90 - NW-124, however, none of the samples are more than twice the arithmetic mean. Because of the restricted nature and the weak values of the results in these areas they are not considered significant.

SUMMARY AND CONCLUSIONS

Aselo Industries Ltd. (N.P.L.) owns the Hud #1 - 60 full-sized located mineral claims in the Clinton and Lillooet Mining Divisions situated on the north side of Poison Mountain, about 45 airmiles northwest of Lillooet, British Columbia.

These claims adjoin the property of Copper Giant Mining Corporation Ltd. on which a reported 90 million tons of material grading 0.37% Cu has been drill indicated.

The area is underlain by siliceous greywacke, conglomerate and argillite which has been intruded by three distinct bands of porphyry. Because of extensive overburden, the only outcrop seen on the claims was of weathered greywacke. No intrusive rocks or evidence of mineralization were seen during the course of the field work.

A geochemical soil survey consisting of 299 samples over 56,200 feet of line was conducted on the Hud #1-20 claims.

SUMMARY AND CONCLUSIONS (cont'd)

No significant anomalies were located during the course of this survey.

RECOMMENDATION

No further work is recommended on the Hud #1-20 mineral claims at this time.

Respectfully submitted

CORDILLERAN ENGINEERING LIMITED

M.H. Sanguinetti

M.H.Sanguinetti, B.Sc.,Geologist

PROFESSIONAL ENGINEER
PROVINCE OF BRITISH COLUMBIA
J. W. STOLLERY

Supervised by:

J. W. Stollery, P.Eng.
Geological Engineer

MHS/z

January, 1973.

APPENDIX "A"

ANALYSES

PHONE 688-8586

CREST LABORATORIES (B.C.) LTD.

B.C. REGISTERED ASSAYERS
GEOCHEMISTS

1068 HOMER STREET,
VANCOUVER 3, B.C.

August 2, 1972

Aselo Industries Ltd.,
401 - 550 Burrard Street,
Vancouver, B.C.

cc Little Fort

TL-299

Lab 872G — Geochemical analysis for copper

Mesh Size: - 80
Analytical Method: Atomic Absorption
Digestion Method: $HClO_4 + HNO_3$

Sample Marked:	Copper ppm	Sample Marked:	Copper ppm	Sample Marked:	Copper ppm
BL - B		BL - B		BL - A	
NW 80 -NE 126	26	NW 92 -NE 118	28	NW 100 - NE 86	28
128	28	120	36	88	28
130	29	122	28	90	34
132	38	124	42	92	26
134	38	126	42	94	36
NW 80 -NE 136	30	128	28	96	26
NW 84 -NE 120	26	130	40	98	34
122	26	132	38	100	28
124	24	134	52	102	40
126	30	NW 92 -NE 136	44	104	30
128	40	NW 96 -NE 116	60	106	28
130	60	118	22	108	22
132	63	120	26	110	25
134	57	122	30	112	26
NW 84 -NE 136	34	124	26	114	26
NW 88 -NE 118	32	126	30	116	28
120	24	128	32	118	29
122	20	130	42	120	24
124	44	132	56	122	30
126	50	134	26	124	40
128	52	NW 96 -NE 136	50	126	32
130	56			128	28
132	54			130	30
134	38			132	30
NW 88 -NE 136	47			NW 100 -NE 134	22

Aselo Industries Ltd.,
Lab 872G

BL - A

Sample Marked:	Copper ppm	Sample Marked:	Copper ppm	Sample Marked:	Copper ppm
NW 100 -NE 136	38	NW 108 -NE 108	26	NW 112 -NE 130	36
NW 104 -NE 86	36	110	48	132	21
88	26	112	24	134	24
90	32	114	28	136	35
92	32	116	28	NW 112 -NE 138	28
94	30	118	28	NW 116 -NE 86	38
96	16	120	28	88	30
98	54	122	26	90	36
100	30	124	32	92	33
102	24	126	32	94	22
104	32	128	31	96	40
106	26	130	26	98	34
108	34	132	30	100	32
110	30	134	28	102	40
112	32	136	18	104	40
114	28	NW 108 -NE 138	14	106	40
116	26	NW 112 -NE 86	26	108	42
118	28	88	32	110	42
120	24	90	38	112	40
122	29	92	22	114	46
124	26	94	30	116	40
126	20	96	28	118	34
128	24	98	30	120	34
130	28	100	42	122	32
132	27	102	42	124	52
134	20	104	42	126	50
NW 104 -NE 136	28	106	34	128	46
NW 108 -NE 86	36	108	42	130	40
88	18	110	30	132	38
90	26	112	34	134	26
92	36	114	58	136	24
94	26	116	37	NW 116 -NE 138	34
96	32	118	29	NW 120 -NE 86	32
98	32	120	32	88	20
100	38	122	26	90	48
102	62	124	34	92	58
104	28	126	34	94	38
NW 108 -NE 106	36	NW 112 -NE 128	28	NW 120 -NE 96	40

Aselo Industries Ltd.,
Lab 872G

Sample Marked:	Copper ppm	Sample Marked:	Copper ppm	Sample Marked:	Copper ppm
BL - A					
NW 120 -NE 98	64	NW 132 -NE 86	32	NW 140 -NE 104	24
100	56	88	40	106	30
102	44	90	46	108	36
104	62	92	46	110	38
106	24	94	32	112	34
108	34	96	26	NW 140 -NE 114	32
110	42	98	36	NW 144 -NE 86	36
112	16	100	56	88	32
NW 120 -NE 114	48	102	34	90	28
NW 124 -NE 86	38	104	30	92	40
88	60	106	40	94	30
90	54	108	28	96	24
92	50	110	42	98	26
94	38	112	34	100	32
96	40	NW 132 -NE 114	34	102	28
98	42	NW 136 -NE 86	30	104	42
100	40	88	38	106	28
102	37	90	40	108	38
104	42	92	38	110	42
106	42	94	30	112	28
108	44	96	38	NW 144 -NE 114	38
110	42	98	34	NW 148 -NE 86	30
112	46	100	32	88	26
NW 124 -NE 114	50	102	28	90	34
NW 128 -NE 86	38	104	32	92	28
88	44	106	44	94	26
90	42	108	32	96	24
92	72	110	52	98	20
94	12	112	36	100	30
96	30	NW 136 -NE 114	42	102	34
98	46	NW 140 -NE 86	30	104	34
100	40	88	44	106	34
102	28	90	32	108	30
104	68	92	30	110	28
106	46	94	26	112	32
108	36	96	30	NW 148 -NE 114	20
110	44	98	29		
112	34	100	28		
NW 128 -NE 114	40	NW 140 -NE 102	24		

CREST LABORATORIES (B.C.) LTD.,

F.C. Burgess, Chief Assayer

QUALIFICATIONS OF PERSONNEL

Horne, Andrew P.

Box 25
Little Fort, B.C.

Experience: Miner, prospector, linecutter geochemical sampler, geophysical assistant and operator.

Employed: July 13 - July 24, 1972.

Salary: $40/day for 12 days = $480.00.

Ellefsen, Joseph

174 St. Paul Street
Kamloops, B.C.

Experience: linecutter, geochemical sampler, prospector.

Employed: July 13 - July 24, 1972

Salary: $30/day for 12 days = $360.00.

REFERENCES

British Columbia:

Department of Mines Annuarl Reports; Geology Exploration and Mining for the years 1946, 1956, 1960, 1961, 1966, 1967, 1968 and 1970.

Dujardin, R:

1972: Personal communication, Canadian Superior Exploration Co.

Elwell, J.P.:

1972: "Preliminary Report on the Hud Claim Group. Poison Mountain Area", for Aselo Industries Ltd. (N.P.L.), Qualifying Report.

Tipper, H.W.:

1963: Taseko Lakes, Geol.Surv.Can., Map 29-1963.

APPENDIX "D"

Form No. 47. Statutory Declaration.

WILLIAMS & MACKIE LTD. Printers and Stationers, Vancouver, B.C.

Canada

Province of **British Columbia**

To Wit:

In the Matter of

A geochemical report on behalf of

ASELO INDUSTRIES LTD. (N.P.L.)

I, **Michael H. Sanguinetti for Cordilleran Engineering Limited**, of the **City** of **Vancouver** in the Province of **British Columbia**

Do Solemnly Declare that **linecutting and a geochemical soil survey were conducted on the Hud #1 to 20 (inclusive) mineral claims in the Clinton Mining Division located on the north side of Poison Mountain, 45 airmiles northwest of Lillooet, B.C., during the period July 13th to July 25th, 1972. The following expenses were incurred:**

1.	**Wages:**		
	A.P.Horne (sampler, linecutter)		
	12 days at $40/day, July 13-25	$480.00	
	J. Ellefsen (linecutter, assistant)		
	12 days at $30/day, July 13-25	360.00	
	M.H.Sanguinetti (geologist)		
	1 day at $125/day, July 9	125.00	$ 965.00
2.	Truck Rental - 4-wheel drive on property		186.21
3.	Supplies, sample shipment, food		134.61
4.	Analysis, Crest Laboratories (B.C.) Ltd.		358.80
5.	Consulting Services, interpretation of results		125.00
6.	Report, data compilation, draughting		735.00
		TOTAL	$2,404.62

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.

Declared before me

at **Vancouver**

in the Province of **British Columbia**

this **30th** day of

January A.D. 19 **73**

Michael H. Sanguinetti

L. Jeannotte

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

APPENDIX "D"

APPENDIX "E"

CORDILLERAN ENGINEERING LIMITED

MINERAL EXPLORATION
MANAGEMENT AND
ENGINEERING CONSULTANTS

1418-355 BURRARD STREET
VANCOUVER 1, B.C.
TELEPHONE (604) 681-8381

WRITER'S CERTIFICATE

I, Michael H. Sanguinetti, of Vancouver, B.C. hereby certify that:

1. I am a geologist residing at 2208 West 35th Avenue, and employed by Cordilleran Engineering Limited of 1418 - 355 Burrard Street, Vancouver 1, B.C.

2. I am a graduate of the University of British Columbia, B.Sc., in 1965, and have practiced my profession since that time.

3. I am the author of this report which is based on a geochemical survey conducted on the Hud mineral claims, Poison Mountain Area during July, 1972.

CORDILLERAN ENGINEERING LIMITED

M. H. Sanguinetti, B.Sc.
Geologist

January 15, 1973
Vancouver, B.C.

CORDILLERAN ENGINEERING LIMITED

MINERAL EXPLORATION
MANAGEMENT AND
ENGINEERING CONSULTANTS

1418-355 BURRARD STREET
VANCOUVER 1, B.C.
TELEPHONE (604) 681-8381

SUPERVISOR'S CERTIFICATE

I, John W. Stollery of North Vancouver, B.C. hereby certify that:

1. I am a geological engineer residing at 4076 Ruby Ave., and employed by Cordilleran Engineering Limited of 1418 - 355 Burrard Street, Vancouver 1, B.C.

2. I am a graduate of the Provincial Institute of Mining, Haileybury, Ontario (1958) and received a Bachelor of Science degree from Michigan Technological University, Houghton, Michigan, (1961).

3. I am a certified member of the Association of Professional Engineers of Ontario and British Columbia.

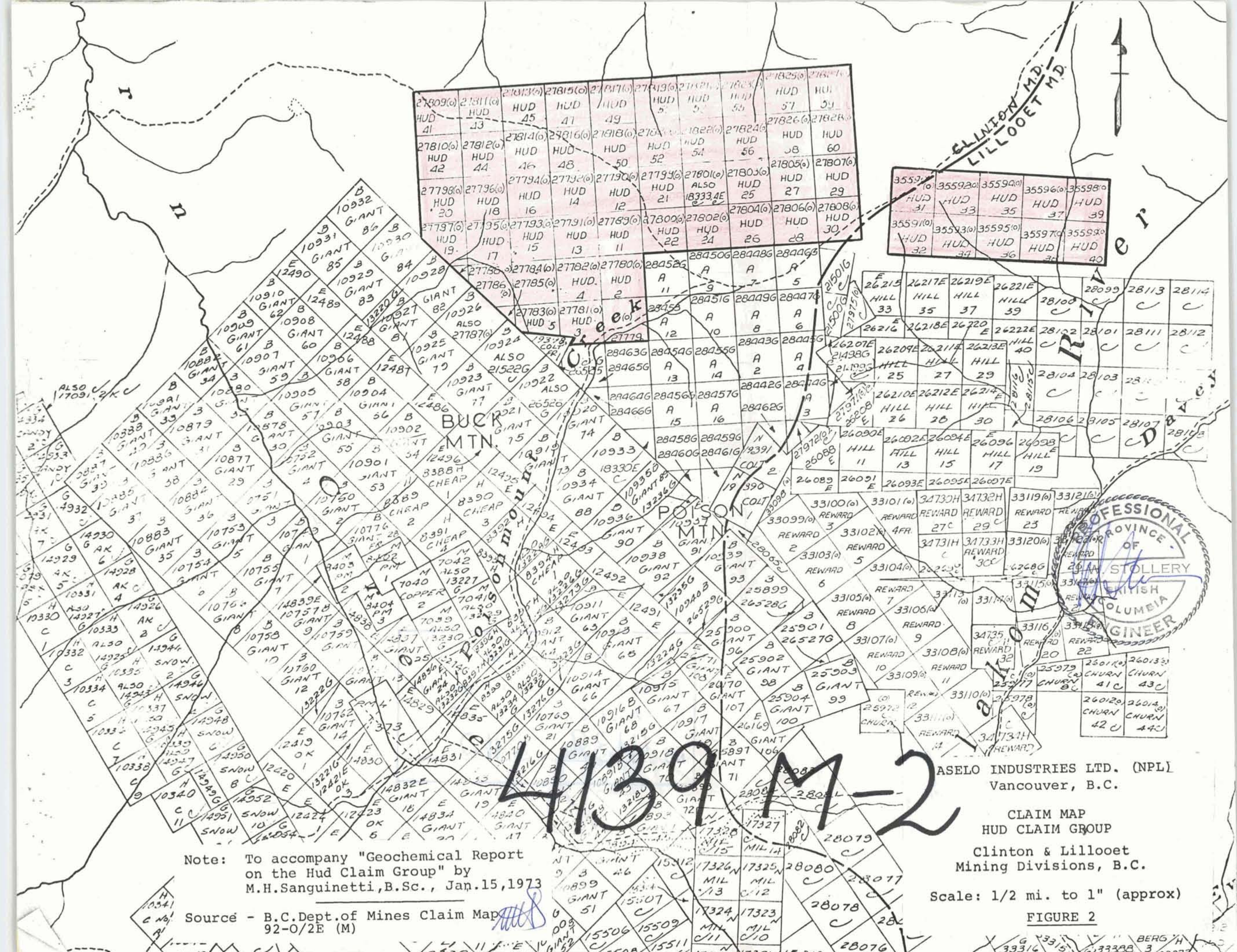
4. I supervised the writing of this report which is based on a geochemical survey conducted on the Hud mineral claims, Poison Mountain Area during July, 1972.

CORDILLERAN ENGINEERING LIMITED

PROFESSIONAL ENGINEER
PROVINCE OF BRITISH COLUMBIA
J. W. STOLLERY

J. W. Stollery, P.Eng.
Geological Engineer

January 15, 1973
Vancouver, B.C.



Note: To accompany "Geochemical Report on the Hud Claim Group" by M.H.Sanguinetti,B.Sc., Jan.15,1973

Source - B.C.Dept.of Mines Claim Map 92-O/2E (M)

ASELO INDUSTRIES LTD. (NPL)
Vancouver, B.C.

CLAIM MAP
HUD CLAIM GROUP

Clinton & Lillooet
Mining Divisions, B.C.

Scale: 1/2 mi. to 1" (approx)

FIGURE 2

APPENDIX "B"

QUALIFICATIONS OF PERSONNEL

APPENDIX "C"

REFERENCES

APPENDIX "D"

STATUTORY DECLARATION

APPENDIX "E"

CERTIFICATES

APPENDIX "F"

MAPS

LEGEND

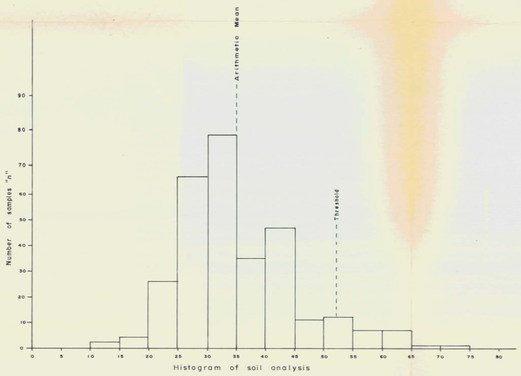
- Claim line and post
- Grid line and soil sample site, (value in ppm)
- Road

N.B. Ground control by chain and brunton

GEOCHEMICAL RESULTS

Copper content in PPM (parts per million)

Background	0-52
Possibly anomalous	53-69
Probably anomalous	70-87
Anomalous	87 or greater



NOTE: To accompany, "Geochemical Report On The Hud Claim Group" by M.H. Sanguinetti B.Sc. January 15, 1973

M-3
4139

ASELO INDUSTRIES LTD. (NPL)

HUD CLAIM GROUP

POISON MOUNTAIN AREA

CLINTON AND LILLOOET MINING DIVISIONS BRITISH COLUMBIA

GEOCHEMICAL SURVEY

COPPER

SCALE: 1" = 200'

CORDILLERAN ENGINEERING LIMITED
1418 — 355 BURRARD STREET
VANCOUVER 1, B. C.

PROFESSIONAL ENGINEER — PROVINCE OF BRITISH COLUMBIA — J.W. STOLLERY

Figure 3