

AU - RAIN CLAIM GROUP

6 Miles Southeast of Okanagan Falls, B.C. Lat. 49° 18'N., Long. 119° 26'W (82E/6)

BY

R.S. Verzosa, P. Eng.

Teck Corporation Limited

On Behalf Of

K.G. Ewers, R.W. McLean, K.G. Thompson

(Owners)

Work Period: June 10 - 13, 1974.

June 24, 1974

Vancouver, B.C.

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INTRODUCTION

General Statement

An orientation survey in the vicinity of a gold and silver showing in Okanagan Falls, B.C. done in November, 1973 showed that soil geochemistry was an applicable method for further exploration. Thus, in June, 1974, a two-man crew carried out additional soil sampling in a grid that was essentially an enlargement of the grid done in 1973. The grid was oriented N70E, a strike assumed as that of the nearby mineralization.

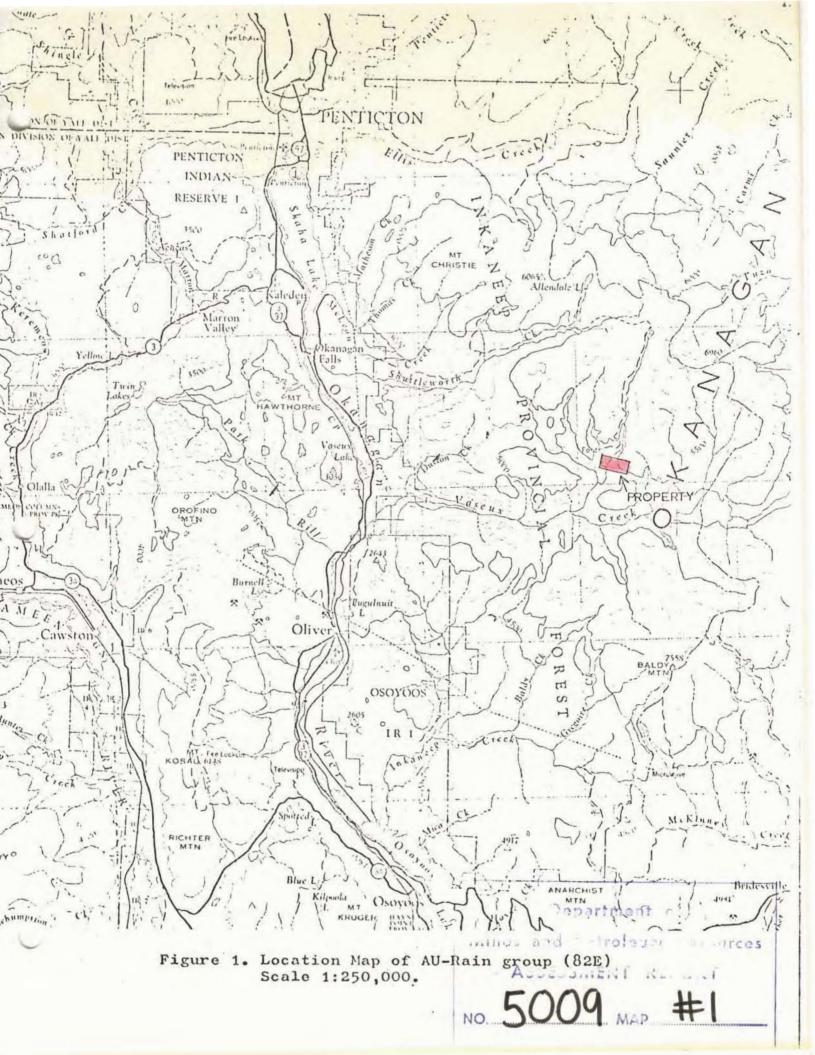
In 1973, rock samples taken from the main showing returned values ranging from nil to 0.10 oz/ton in gold and 0.02 oz/ton to 0.90 oz/ton in silver.

Location and Access

The Au - Rain group of claims is located six miles east - southeast of the town of Okanagan Falls, B.C. (Figure 1). It is accessible through ten miles of a well-maintained gravel road serviced by Northwood Pulp Limited. The main showing is on a road cut on the east side of Fish Creek at an elevation of approximately 4600 feet.

Property and Ownership

The property comprises eight contiguous claims staked in June, 1973 by K.G. Ewers and his partners, K.G. Thompson and R.W. McLean, all of Okanagan Falls, B.C. (Figure 2). The claims are in good standing until June, 1975.



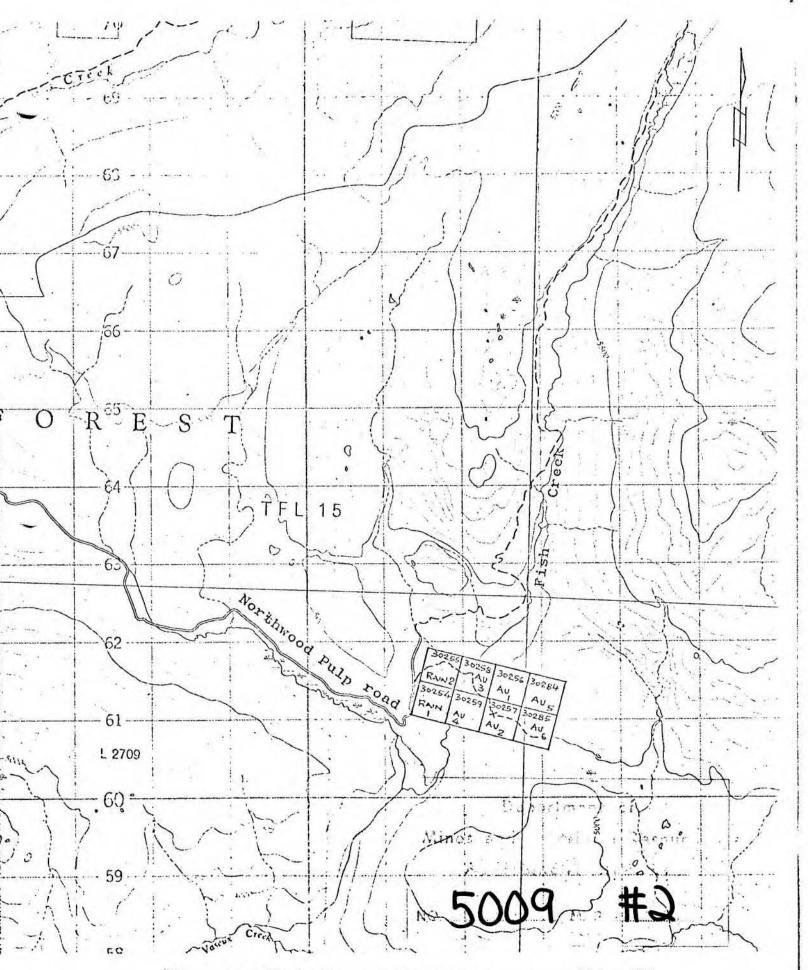


Figure 2. Claim Map of the AU-Rain group.(82 E/6) Scale 1:50,000.

GENERAL GEOLOGY

The area is generally drift-covered and only a few outcrops were found within the grid area. Regionally the property appears to be underlain by Tertiary volcanics and is probably close to the contact with Tertiary sediments. The main showing consists mainly of a 100 foot wide rusty, highly altered sheared zone containing patches and bands of silicified material as well as bands and veinlets of calcite. The shears and fractures are mostly vertical and strike N70E. Mineralization is sparse and where found, occur as patches and small aggregates of very fine pyrite. In places, highly altered and silcified volcanic breccia is present which is reminiscent of the nearby Dusty Mac property at Okanagan Falls.

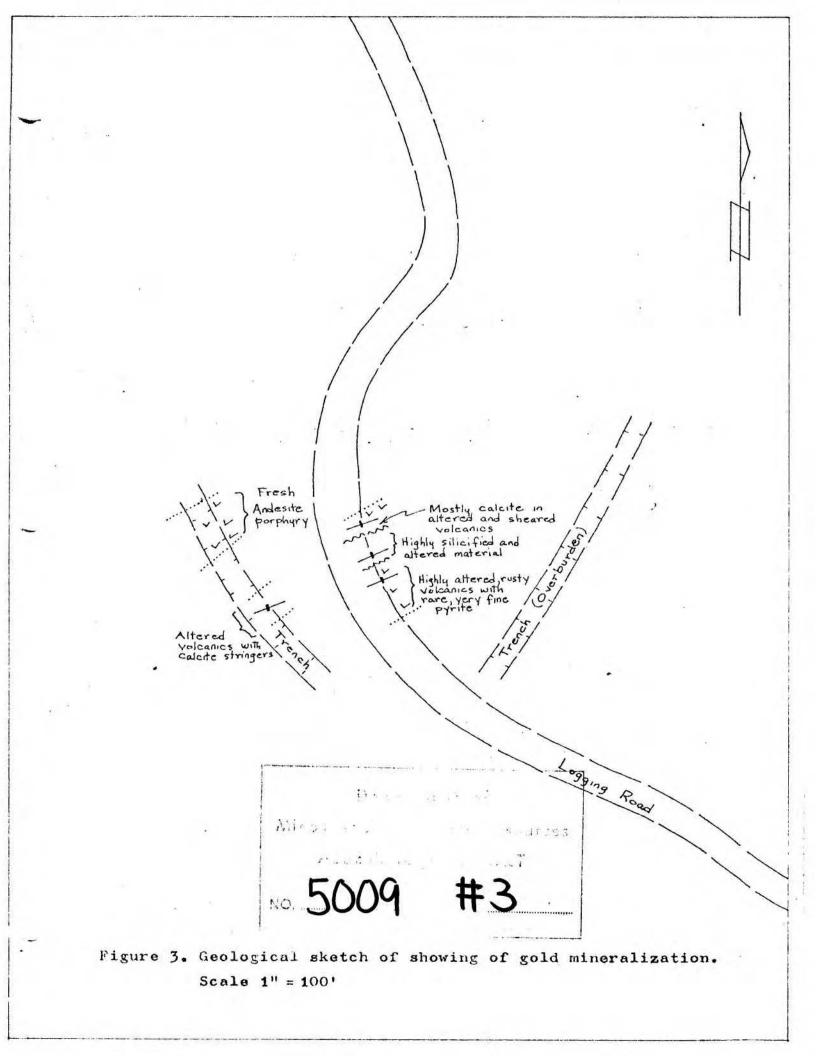
Locally and at least within the grid area, the country rocks consist of a dark, fine-grained porphyry, probably of andesitic composition. The phenocrysts are largely feldspars and sometimes are as large as 5 millimeters across. Another type of rock within the grid outcrops along the road east of the main showing and probably represents a tuff. The rock is buff coloured, very fine-grained, and probably altered.

GEOCHEMISTRY

Field Procedures

A previous grid with 200 foot spacings between lines and 50 feet between samples was enlarged in a northeasterly direction (Figures 3, 4, 5). A grub hoe was used to collect the soil samples and in most cases, the 'B' layer which invariably appeared from six inches down was sampled. An exception to this was samples taken in swampy areas where only humic soil could be collected. The soil samples consisted of not less than 60 grams and were packaged in $3 \frac{1}{2} \ge 9 \frac{1}{2}$ kraft paper envelopes. They were sent unprocessed to Chemex Labs Limited in North Vancouver where they were air-

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dried, screened to minus 80 mesh and analysed for gold, silver, and mercury using the atomic absorption method.

Discussion of Results

The geochemical orientation survey of 1973 showed a close relationship between higher values of gold, silver, and mercury and the known mineralization. This conclusion forms the basis for the discussion and interpretation of results in this survey.

Figures 3, 4, and 5 are individual plans for each of the metal values of gold, silver, and mercury. The results of the orientation survey of 1973 are included to provide a means for correlation.

For practical purposes, the values of 0.5 ppm for silver and 30 ppb for gold can be considered to be background. However, it must be pointed out that these values represent the practical lowest limit of detection for silver and gold respectively using the atomic absorption method.

In Figure 3, two additional anomalies for gold from those indicated last year appear on lines 4 + 00 E and 10 + 00 E. The anomaly on line 10 + 00 E appear particularly significant since it coincides with a fairly consistent anomaly for silver. The gold anomaly on line 4 + 00 E while having a relatively large value in gold appears dubious and is significant only in regard to its relative position with the other two anomalies on lines 8 + 00 E and 10 + 00 E.

CONCLUSIONS

The gold, silver, and mercury anomalies defined in this survey appear related to a nearby gold and silver mineralization of very limited areal extent.

R.S. Verzosa, P. Eng.

June 24, 1974

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STATEMENT OF COST

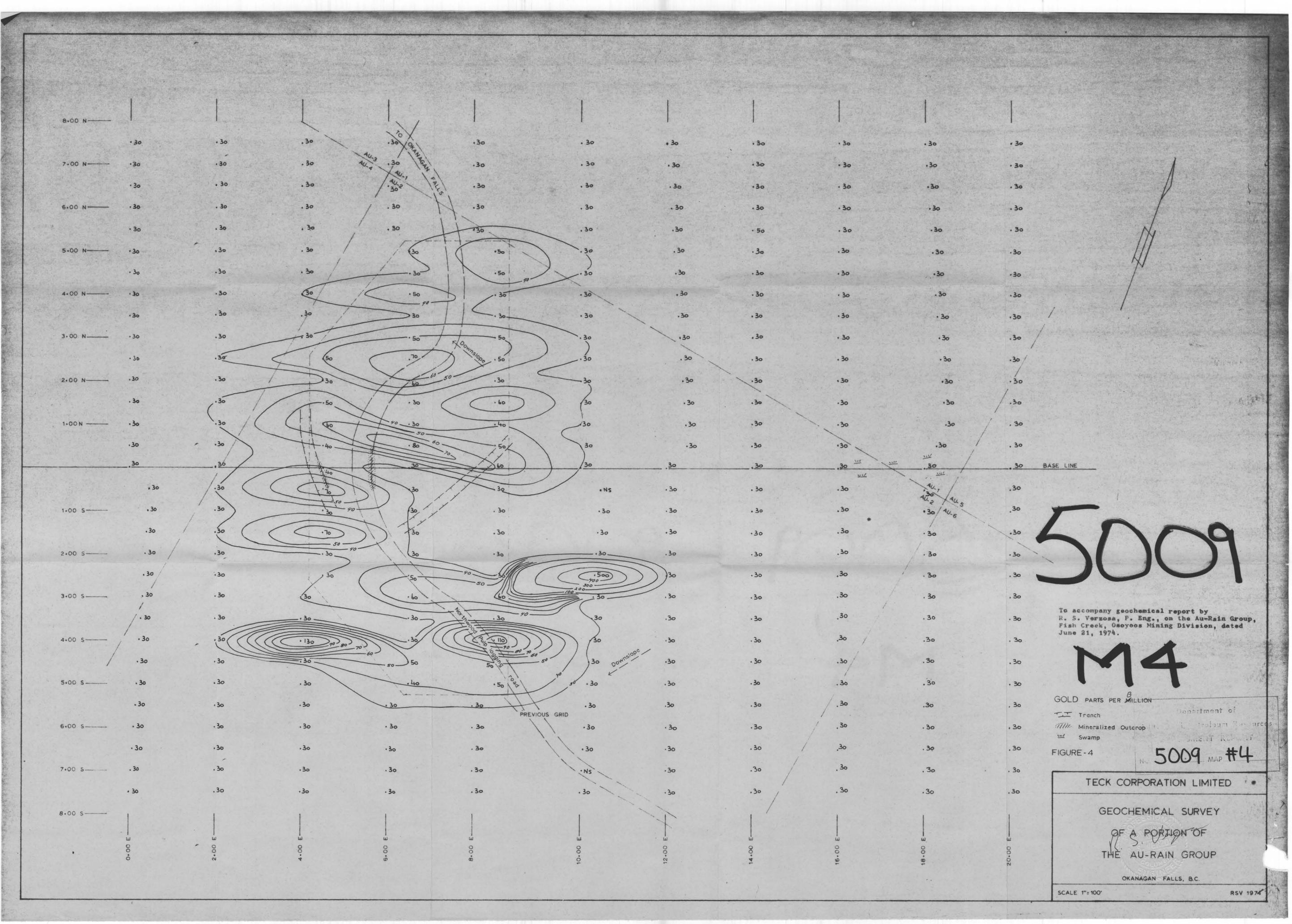
Soil Sampling, 8 man days @ \$50.00/man day	\$ 400.00
Board and Lodging, 8 man days @ \$25.00/man	200.00
Truck Rental, 4 days @ \$20.00	80.00
Soil Analysis, 286 samples @ \$6.00/sample	1716.00
Supervision (R.S. Verzosa) 1 day	100.00
Drafting	50.00
Report Preparation	100.00
Total	\$2646

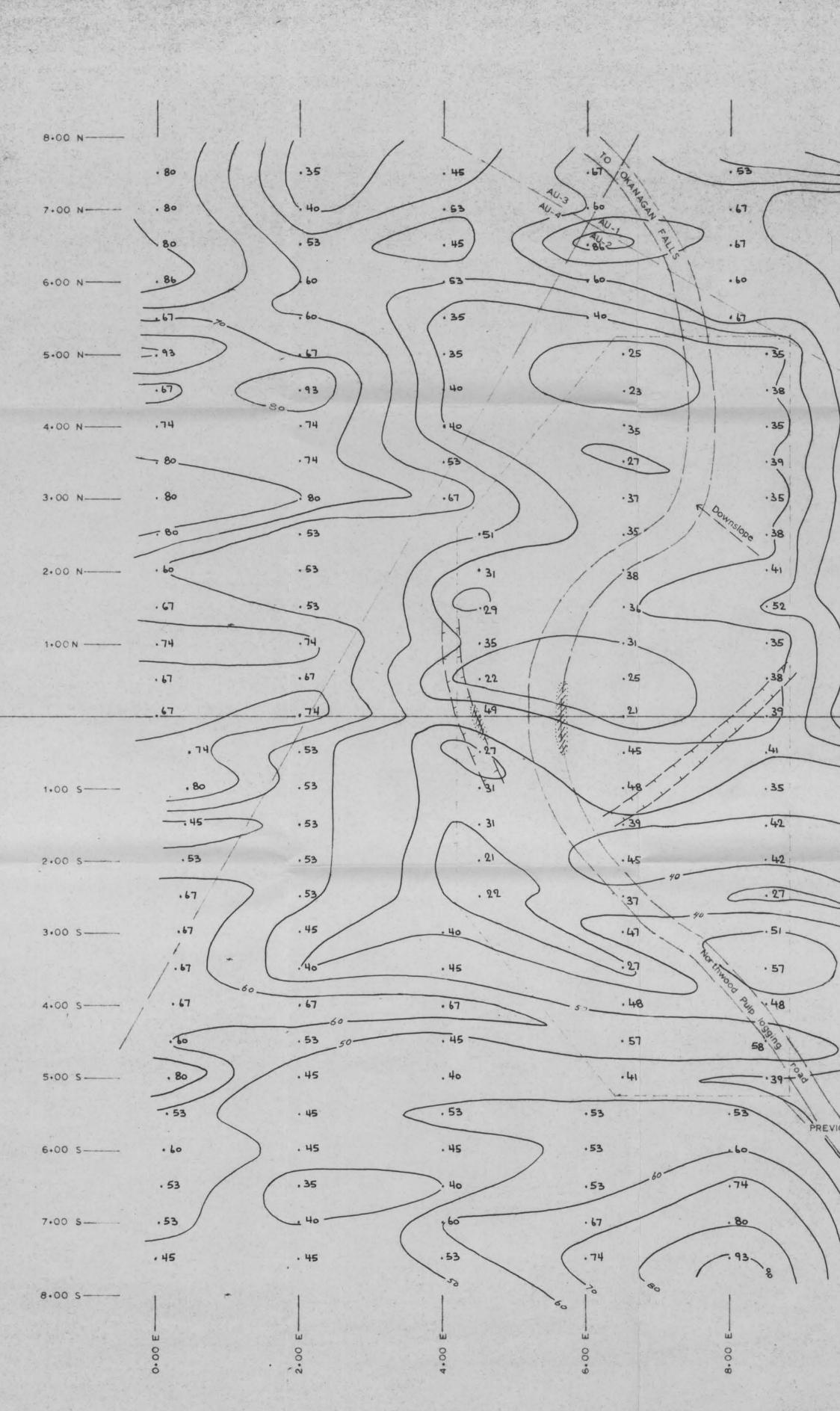
I hereby certify that the above statement is correct.

St.

Deciared before me at the Sele 38 26 7, in the 25 h of Frovince of British Columbia, this R.S. Verzosa, P. Eng. June 24, 1974 day of / , A.D. lin A Commissioner for ration Affidavits within British Columbia or, A Notary sublic in and for Ne crawfree of British Potentia

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. 35 \$28-.28 . 53 . 35 .53 28 6.93 .28 .21 . 93 .35 .35 . 60 . 45 . 86 .35 35 . 45 .28 . 53 .86 . 45 . 961 . 45 .28 .35 1.28 .93 (105) 28 . 35 . 45 .28 . 45 .53 . 86 .35 .53 . 86 . 35 .35 .28 . 21 . 86 .35 .28 .28 86 1111 -28-BASE LINE 411 . 45 . 28 . 35 .28) . 45 .28 . 67 .35 .35 . 60 + -.35 . 60 . 45 40 (-28 . 45 . 45 .35 . 40 40 40-. 35 . 35 . 40 . 35 . 40 . 40-. 40 .35 . 45 .45 .40 (.28) . 35 .28 .40 . 40 -67 . 35 . 45 . 28 PREVIOUS GRID . 40 ,40 .28 . 45 .45 .40 .40 .28 . 35 .40 . 45 .53 .40 -28 . 40 WS .40 . 40 .53 .35 . 35 . 40

