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5209

82K/12E

GEOLOGICAL EXAMINATION

82K/12E

5209

OF THE

Gilman L.4496; Iron Dollar L.7059; Carbonate Hill L.7060
SILVER DOLLAR PROPERTY

OF

RESOURSEX LTD.

Guy B. Allen, P. Eng.
Allen Resource Consultants Ltd.
September 27, 1974

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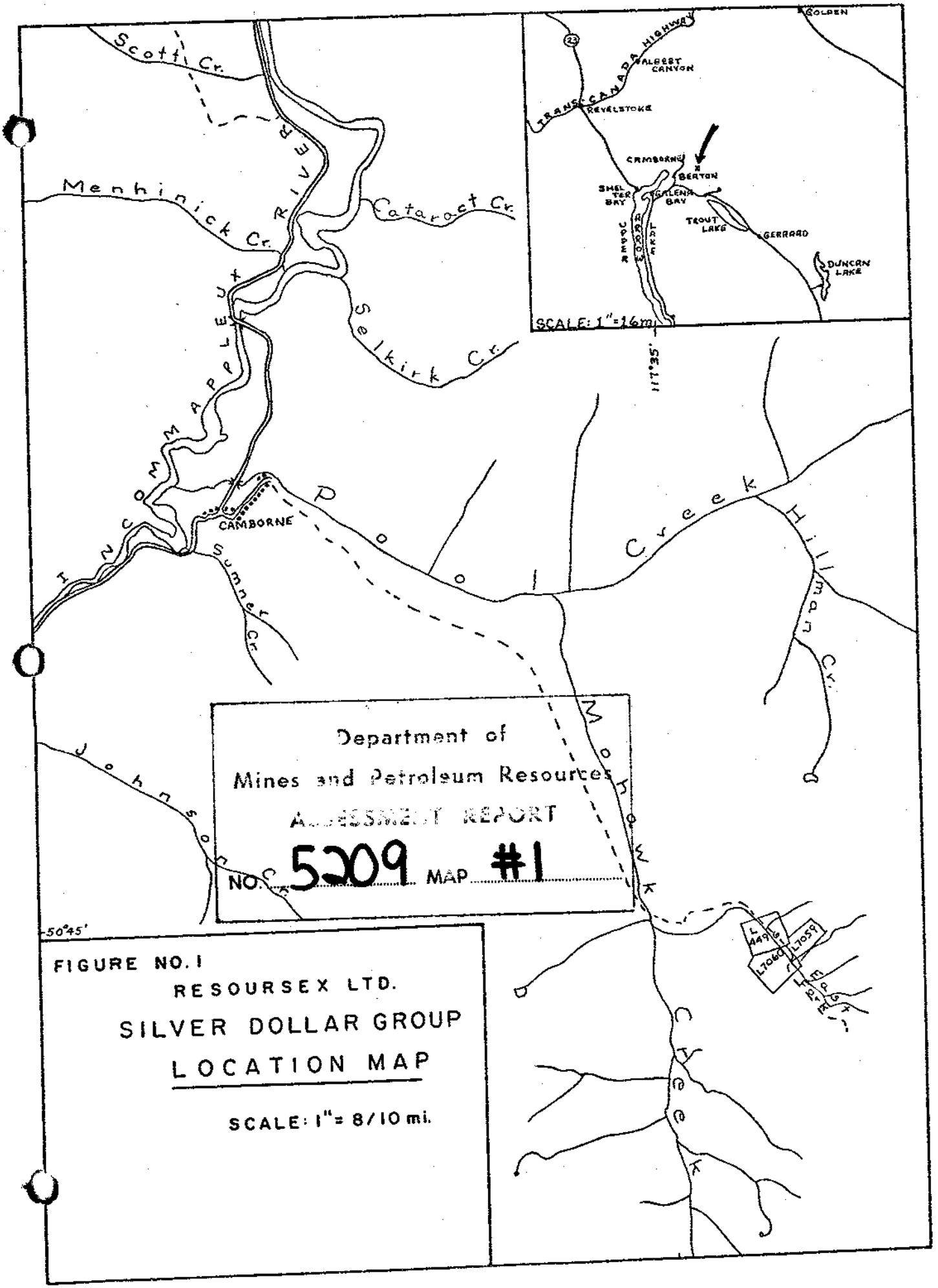

FIGURE NO. 1

RESOURSEX LTD.

SILVER DOLLAR GROUP

LOCATION MAP

SCALE: 1" = 8/10 mi.

Introduction

The following report is the result of a two day visit (Sept. 18 - 19, 1974) by the author to the subject property in conjunction with a prior literature research relating to the immediate area. The purposes for the field examination were; to determine the precise location of the Silver Dollar workings in relation to the Company's claims, map the geology of the claims, determine the condition of the old workings and road into the property, and locate and sample any surface exposures of the vein structure.

Summary

The Iron Dollar and Carbonate Hill claims are located on the east fork of Mohawk Creek at an elevation of approximately 6000' in the Revelstoke Mining Division. The access road from the abandoned town of Camborne to the property is presently passable only by trail bike for its full length. The claims, registered in the name of the author, are in the process of being transferred to Resoursex Ltd., 501 - 315 Eigth Ave. S.W., Calgary, Alberta.

This general area is underlain by metamorphosed sediments and igneous rocks of Precambrian age. The most common varieties found within a belt trending northwest through the claims area are chloritic schists with minor phyllites, slates and carbonates. On the property the geology is characterized by schistose rock varying in chloritic and siliceous content. This assemblage is cut by a substantial quartz-filled vein structure carrying values in silver, gold, lead, and zinc. The structure has been explored by a number of surface trenches, 2,370' of underground workings and diamond drilling throughout its history. It would appear that a portion of these workings occur on the Gillman claim, Lot 4496. There is record of only limited production in the early years of the property.

A program of road building, rehabilitation of underground workings and surface trenches, sampling, assaying and detailed geological mapping of the vein structure is recommended at a cost of $25,875.

Description of Property and Ownership

The Silver Dollar property consists of two mineral claims covering reverted crown granted mineral claims as follows;

Name	Record Number	Lot Number	Expiry Date
Iron Dollar	11302	L7059	Feb. 5, 1975
Carbonate Hill	11303	L7060	Feb. 5, 1975

The claims are registered in the name of the author, but are presently in the process of being transferred to Resoursex Ltd., 501 - 315 Eigth Ave., S.W., Calgary, Alberta.

A portion of the Silver Dollar workings as described in this report are located within the boundaries of the Gilman crown granted mineral claim, Lot No. 4496. (see Fig. No. 2)

Location

The Silver Dollar property is located on the east fork of Mohawk Creek, a tributary of Pool Creek which flows into the Incomappleux River at Camborne. The claims are approximately 35 miles southeast of Revelstoke, B.C. at Longitude 117° 35', and Latitude 50° 44' in the Revelstoke Mining Division.

Accessibility

The property can be reached from Revelstoke by taking Highway No. 23 to Shelter Bay, the ferry across the head of the Upper Arrow Lake to Galena Bay, a secondary road north to the abandoned townsite of Camborne, and then by six miles of rough bush road up Pool Creek and Mohawk Creek.

The journey to Camborne can be covered by car. The first four miles of the bush road is accessible by four wheel drive vehicle, but the last two miles can presently be covered by horse, trail bike, or on foot. This road crosses Mohawk Creek at the Silver Dollar and continues on up Mohawk Creek to the Beatrice workings.

Physiography

This portion of the province lies within the Duncan Range of the Selkirk Mountains. Mountainsides are generally steep divided by deep narrow valleys. Elevations of the higher peaks rise up to 9000' and in many places are topped with glaciers and year around snow fields. Up to treeline at about 6000' the slopes are covered with cedar, spruce, hemlock, and fir. The climate is warm in summer and moderately cold in winter with heavy snowfall.

History

Mining activity in the general Mohawk and Pool Creek areas dates back to before the turn of the century.

The first literature mention of the Silver Dollar was in 1898 when it was referred to as the Carbonate Hill Group. The following year it was indicated that a tunnel was driven 100' on the Silver Dollar, to strike the lead. This would probably be the present upper tunnel. It would appear that the driving of the lower tunnel

was probably begun in 1901. By 1904 the underground development totalled 300 feet. During the next three year considerable production equipment was hauled into the site, but operations were shut down in 1907 when the money ran out. It is indicated that the Company effected some production during this period, which was milled at a location farther down Mohawk Creek. The mill was quite inefficient and much of the values were lost.

There was no reported activity on the property until the period 1951 - 1952. At this time the Monterey Mining Company Ltd. repaired the road, rehabilitated the buildings, and drilled a few holes to test the veins to the north of the underground workings. The Company returned to the property in 1957 and drifted on the vein as an extension of the northwest drift in the lower adit. This extended that drift under intersection of the previous drilling. An additional 1,934 feet of drilling was also completed. It would appear that these programs by the Monterey Mining Co. Ltd. were performed within the boundaries of the Gilman claim.

There has been no additional work reported until the present examination.

Regional Geology

This area of the Selkirk Mountains lies within what Emmons, (1914) calls the Central Mineral Belt of the Lardeau Mining Division. The rocks in this area are described as belonging to the Beltian system of Precambrian age. They are essentially " slates and phyllites cut by the green rusty-weathering diabase-schist, lying between broad bands of the green schist." There are quite a number of mineral deposits along this belt with gold, silver, lead and zinc as the principal metals. Most of the deposits occur in quartz-filled vein systems cutting the country rocks.

Geology of the Property

Outcrop exposures in the vicinity of the old workings and rubble derived from excavating the underground development were examined and mapped (see Fig. No. 2). The claims area is underlain by what is essentially a chlorite schist although it varies considerably in appearance and mineral content. On the west side of the road the schist is quite fissile, platy, with good lineation, siliceous, and with considerable carbonaceous content. It is black and green with brownish tinge and is sharp and angular with a high chlorite content. The rock strikes at 320° with the dip vertical. On the east side of the creek just above the road edge there is considerable loose rock which appears to have been derived from the lower adit. This is essentially chlorite schist with the schistocity in some cases quite distorted and convoluted. The material is quite iron-stained and carbonaceous to some extent. There are occasional carbonate lenses within the schist and some quartz. There is a fair amount of iron-stained quartz pieces lying about. Galena, pyrrhotite, and pyrite were observed associated with the quartz.

To the east, just above the lower adit portal is a substan-

ial outcrop of chlorite schist with a high graphite content, striking at 305° with an 80° dip to the northeast. The schistocity is well-defined; convoluted; irregular; weathers medium grey, brownish; and is quite soft and crumbly where weathered. It is brownish-black on the fresh surface. The outcrop is about 30 feet long and 15 feet wide elongate in a nortwest direction and tapering down at the ends. The widest portion is just above the portal. Above this is the rubble pile from the upper adit which can be described in a similar fashion to that from the lower workings.

At the portal to the upper adit is exposed a very sharp, angular, siliceous schist, with much chlorite. There is quartz veining along and across the schistocity. The schistocity is well-defined. The material strikes at 310°. The dip appears to be southwest at about 75°.

Above the upper adit on the same general strike and about 40' away is the surface trace of the vein at the base of a fairly sheer cliff that rises up above this point for quite a distance. From this point the cliff face seems to strike at 350° and at 120° as if it formed a promontory at this location. There is considerable excavated material here, however the trench itself is caved and filled with talus, soil, and vegetation. Just above the trench boundary to the east there is considerable quartz in the outcropping rock, which is siliceous schist, chloritic, with the schistocity not quite as well defined. The strike of the country rock is 320° with a northeast dip of about 80°. The quartz near the excavation occurs in veins and pockets. Higher up on the cliff face can be seen bands of darker slickensided rock.

The next trench to the south is approximately 25' long and strikes at 330°. This is cut No.6, as described in the old reports. The trench is on a quartz vein of the same strike which dips northeast at 45°. The trench is slumped in, but the quartz vein is exposed for a 3' width against the hangingwall, and continues under the filled-in portion of the trench. The quartz is massive, partly fractured, and weathers yellowish-brown. The country rock is a siliceous, chloritic schist that strikes at 300° and dips 75° northeast. There are mineralized seams and bands in the quartz containgalena, pyrite, and arsenopyrite. Along the side of the trench are some large, highly mineralized chunks of quartz which came from an obviously richer portion of the vein than that exposed. Sample No. 1 is composed of random chips from the mineralized material beside this trench. Just above the trench is an outcrop area measuring the length of the trench and rising up about 25' in elevation above it.

Approximately 175' southeast of the previous trench is another excavation referred to in the literature as Cut No. 7. This trench strikes at 50°, is about 3' - 4' wide and is all filled in. There is no exposure of the vein in place. The country rock is siliceous schist, laced with a few quartz veins ¼" - 1" wide, and with irregular schistocity. It is impossible to get a reliable dip and strike. Mineralized quartz vein material lies along the sides of the trench. This quartz has considerable schistose country rock mixed in. The quartz

is highly weathered, vuggy, with a fair amount of sulphide mineralization mainly in the form of pyrite and galena. There is considerable iron staining. Sample No. 2 is random sampling of the pieces of mineralized quartz along the side of the trench.

Economic Geology

The mineralized quartz vein system exposed in the surface and underground workings, according to field observation and the old reports, appears to be strong and have good continuity. Since sampling results in the literature are extensive, only two samples were taken by the author, one from each of the two more southerly of the surface excavations. These assay results can be found in the Appendix to this report.

The following are assay reports gleaned from the literature for the surface and underground workings:

Location	Interval	Gold oz./T	Silver oz./T	Lead %	Zinc %
Cut No. 6	Ave. over 6'	0.3	3.2	-	-
Cut No. 7	Grabs of mineralized material	0.15 to 0.2	22.4 to 32.25	10.6 to 15.16	-
Upper adit at intersection of crosscut & drifts	5.5' of hanging-wall	0.05	1.5	-	-
Upper adit at intersection of crosscut & drifts	2' of footwall	0.15	0.5	-	-
	8" orestreak	0.1	16.5	8.05	-
NW drift, upper adit, 25' from crosscut	10" footwall section of vein	-	44.0	14.36	-
NW drift, upper adit, 65' from crosscut	8" hanging-wall orestreak	-	29.0	8.6	-
NW drift, upper adit, 100' from crosscut	12" hanging-wall orestreak	0.1	17.8	7.95	-
SE drift, upper adit, 10' from crosscut	3' vein width	0.25	1.05	-	-
	30" vein width	0.15	0.95	-	-
SE drift, upper adit, 40' from crosscut	4" streak of sulphide ore	0.1	13.5	5.87	-
SE drift, upper adit, 200' from crosscut	2' to 4' vein widths	0.1 to 0.16	0.6 to 2.5		

Location	Interval	Gold oz./T	Silver oz./T	Lead %	Zinc %
NW drift, lower adit, various locations along 325' of drift	3' to 5' of vein width	0.1 to 0.2	0.1 to 11.7	-	-
SE drift, lower adit, various locations along 375' of drift	8" to 48" of hanging-wall section of vein	0.05 to 0.25	0.05 to 0.9	-	-
SE drift, lower adit, three cross-cuts into foot-wall of vein	-	0.2 to 0.4	0.3 to 0.5	-	-
SE drift, lower adit, No. 3 cross-cut	26"	0.1	7.0	2.12	-
SE drift, lower adit, 640' from crosscut	8"	0.05	0.75	-	-

According to the descriptions of the underground development there is a displacement of the vein structure between the upper and lower adits. This is evidenced from the fact that the two raises put up from the lower to the upper adit along the vein, ended within the hanging-wall on the upper level. Whether there are two veins, or one that has been faulted off between the two levels is not known.

Extrapolation of the reported assay values over a three foot width would give a rough average grade of Gold - 0.12 oz./T, Silver - 3.4 oz./T, and Lead - 2.1%.

Descriptions of Workings

According to the literature descriptions and what was observed on the ground there are three surface prospect trenches and two adit openings leading to underground workings on the subject claims. The pits are old and filled in with talus, soil and vegetation.

The portal to the upper adit is open and appears to be in reasonably good shape. Since the author was alone at the time of the field examination, there was no attempt to examine these workings. This reportedly opens into a crosscut of 92' with drifts along the vein from its intersection for 100' to the northwest and 375' to the southeast

The lower adit, although open, contains considerable water and appears to be partially caved near the portal. It also was not entered. In 1914 it was reported to have a 259' crosscut which intersected the vein and passed beyond for 180' of its length. Drifts from the vein intersection ran northwest for 325' and southeast for 375'. Two raises from this level to the upper were driven. In 1957 an additional 464' of drifting and cross-cutting was done to the northwest.

Conclusions

1. The main workings of the Silver Dollar mine including the two adit portals are on the Iron Dollar claim (Rec. No.11302). A portion of the underground workings to the northwest, however, underlie the Gilman crown granted mineral claim (Lot No. 4496.

2. The property is underlain by siliceous, chloritic schist, with many variations which is cut by a major quartz bearing fault system striking in north-northwest direction.

3. The quartz vein or veins are mineralized with iron sulphides and minerals carrying values in gold, silver, lead, and zinc.

Recommendations

A program designed to upgrade the access road, rehabilitate the underground workings, clean out the trenches is recommended. A systematic sampling for assay of these old workings would then be possible along with detailed geological mapping of the surface and underground exposures of the vein system.

A subsequent drilling program would be dependent on the results of this work.

Cost Estimate

1. Road Building	$3,000.00
2. Clean out underground workings & Rehabilitate. Clean out Trenches	$10,000.00
3. Sampling & Assays: 100 @ $20	$2,000.00
4. Detailed Geological Mapping of Vein System	$5,000.00
5. Supervision, Cosultant Fees	$1,500.00
6. Head Office Expense	$1,000.00
	$22,500.00
7. Contingencies @ 15%	$3,375.00
Total	$25,875.00

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1. Coursier, H.N., 1899; Carbonate Hill Group, Annual Report of the Minister of Mines, 1899 British Columbia Dep't of Mines 1899, p. 674.

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4. Gunning, Walker, & Bancroft, 1929; Silver Dollar, Geol. Surv. of Can. Memoir 161, 1929, p. 40

5. Holland, S. S., 1952; Silver Dollar, Annual Report of the Minister of Mines, 1952, Dep't of Mines and Petroleum Resources, p. 182

6. Peck, J. W., 1951, 1957; Silver Dollar, Annual Report of the Minister of Mines, 1951, 1957, Dep't of Mines and Petroleum Resources, 1951, p. A178; 1957, p. 58.

7. Scott, Walter, 1899; Carbonate Hill Group, Annual Report of the Minister of Mines 1899, British Columbia Dep't of Mines, 1899, p. 679.

8. Sibbald, J.D., 1898; Carbonate Hill Group, Annual Report of the Minister of Mines 1898, British Columbia Dep't of Mines 1898, p. 1064.

9. Sumner, George, 1901, 1904, 1905, 1906; Silver Dollar, Annual Reports of the Minister of Mines 1901, 1904, 1905, 1906. British Columbia Dep't of Mines 1901, p. 1022; 1904, p. 121; 1905, p. 156, 1906, p. 139.

Allen Resource Consultants Ltd.
September 27, 1974

Guy B. Allen

Guy B. Allen

Expiry Date: April 22, 1975

APPENDIX - SILVER DOLLAR ASSAYS

To: RESOURCEX LIMITED,
501 315 8th Avenue S.W.,
CALGARY, Alberta

Attn: Mr. Guy Allen

File No. 8822
Date September 24, 1974
Samples Chip

Certificate of ASSAY

LORING LABORATORIES LTD.

SAMPLE No.		OZ./TON GOLD	OZ./TON SILVER	% Pb	% Zn
5773	Sample No.1 (Cut No. 6)	.020	.48	.04	.87
5774	Sample No.2 (Cut No. 7)	.080	4.20	1.57	22.12

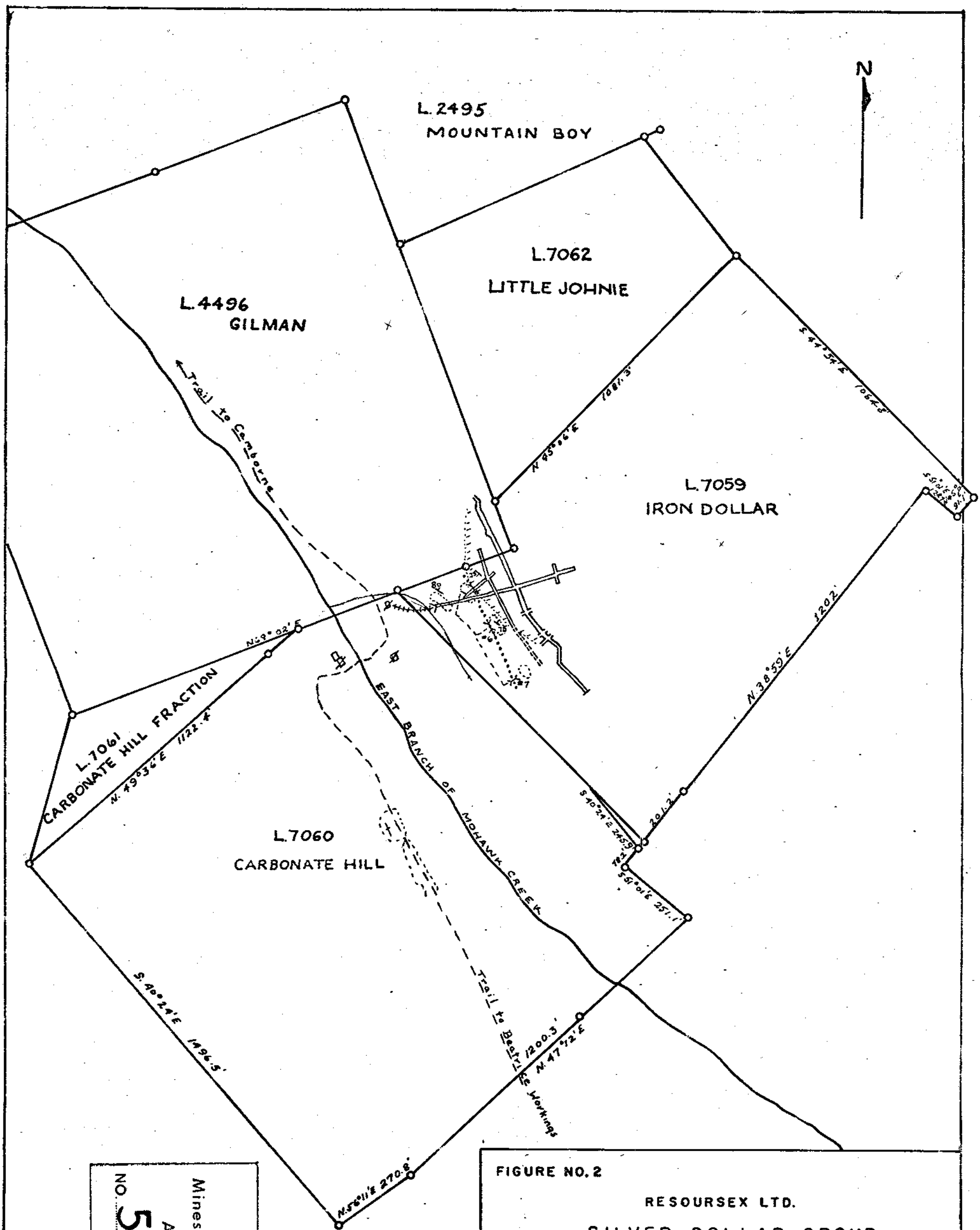
I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES . . . .

Rejects Retained one month.

Pulps Retained one month unless specific arrangements made in advance.

A. Leonard Pace

Licensed Assayer of British Columbia



Department of
Mines and Petroleum Resources
ASSESSMENT REPORT
NO. 5209 MAP #2

FIGURE NO. 2

RESOURSEX LTD.

SILVER DOLLAR GROUP

LOCAL GEOLOGY & DIAGRAM OF WORKINGS

SCALE: 1" = 300'

LEGEND

- AREA OF OUTCROP - SCHIST: CHLORITIC, SILICEOUS
- AREA OF OUTCROP - CLIFF FACE
- QUARTZ VEIN TRACE: OBSERVED, ASSUMED
- ADIT, PLAN OF UNDERGROUND WORKINGS (AFTER EMMONS, 1914)
- SURFACE TRENCH
- ROCK STRIKE & DIP
- TRACK
- ROAD OR TRAIL
- BUILDING: USABLE, CAVED
- CLAIM BOUNDARY