

DON TULLY ENGINEERING LTD.
SUITE 102 - 2222 BELLEVUE AVENUE
WEST VANCOUVER, BRITISH COLUMBIA
V7V 1C7

5239

ASSESSMENT REPORT ON THE

104B/8W

D.O.C. MINERAL CLAIM GROUP
SKEENA MINING DIVISION
STEWART, B. C.

N.L. 56°-16'

W.L. 130°-29'

FOR

NEW MINEX RESOURCES LTD.
202 - 640 WEST HASTINGS STREET
VANCOUVER 2, BRITISH COLUMBIA

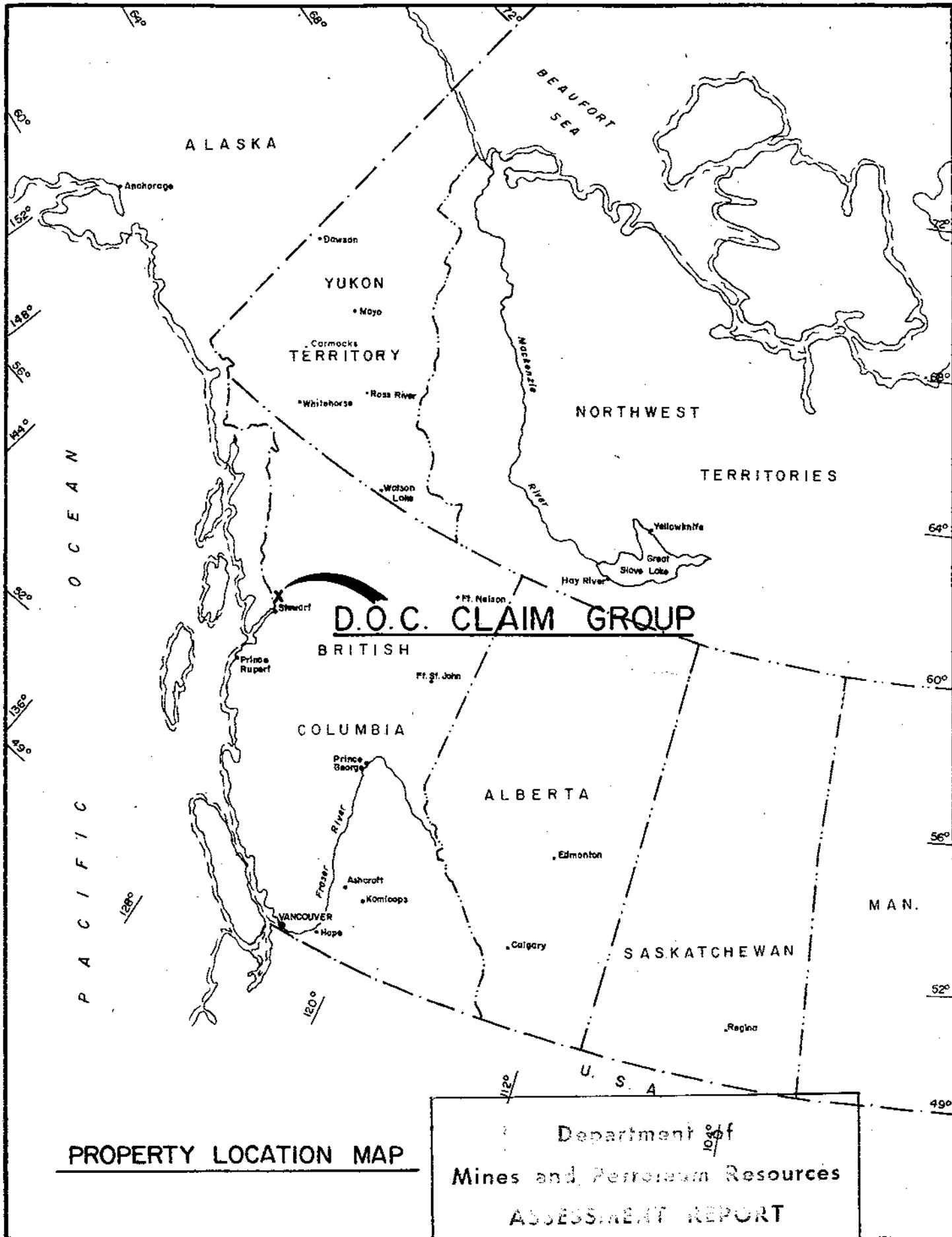
BY

DONALD W. TULLY, P.ENG.

OCTOBER 10, 1974

WEST VANCOUVER, B.C.

Department of
Mines and Technical Resources
ASSESSMENT REPORT
NO. 5239 M.P.



PROPERTY LOCATION MAP

Department of
Mines and Petroleum Resources
ASSESSMENT REPORT

NO. 5239 MAP #1

INTRODUCTION

This report was prepared at the request of New Minex Resources Ltd., Suite 202, 640 West Hastings Street, Vancouver 2, British Columbia, to fulfil the assessment work requirements of the British Columbia Department of Mines and Petroleum Resources.

Work in the field was performed by Thomas J. McQuillan and the writer during September 18 - 23, 1974 inclusive.

Sixteen hand-moiled channel samples were taken across an aggregate width of 129 feet of quartz vein structures and six grab sample specimens for a total of twenty-two samples.

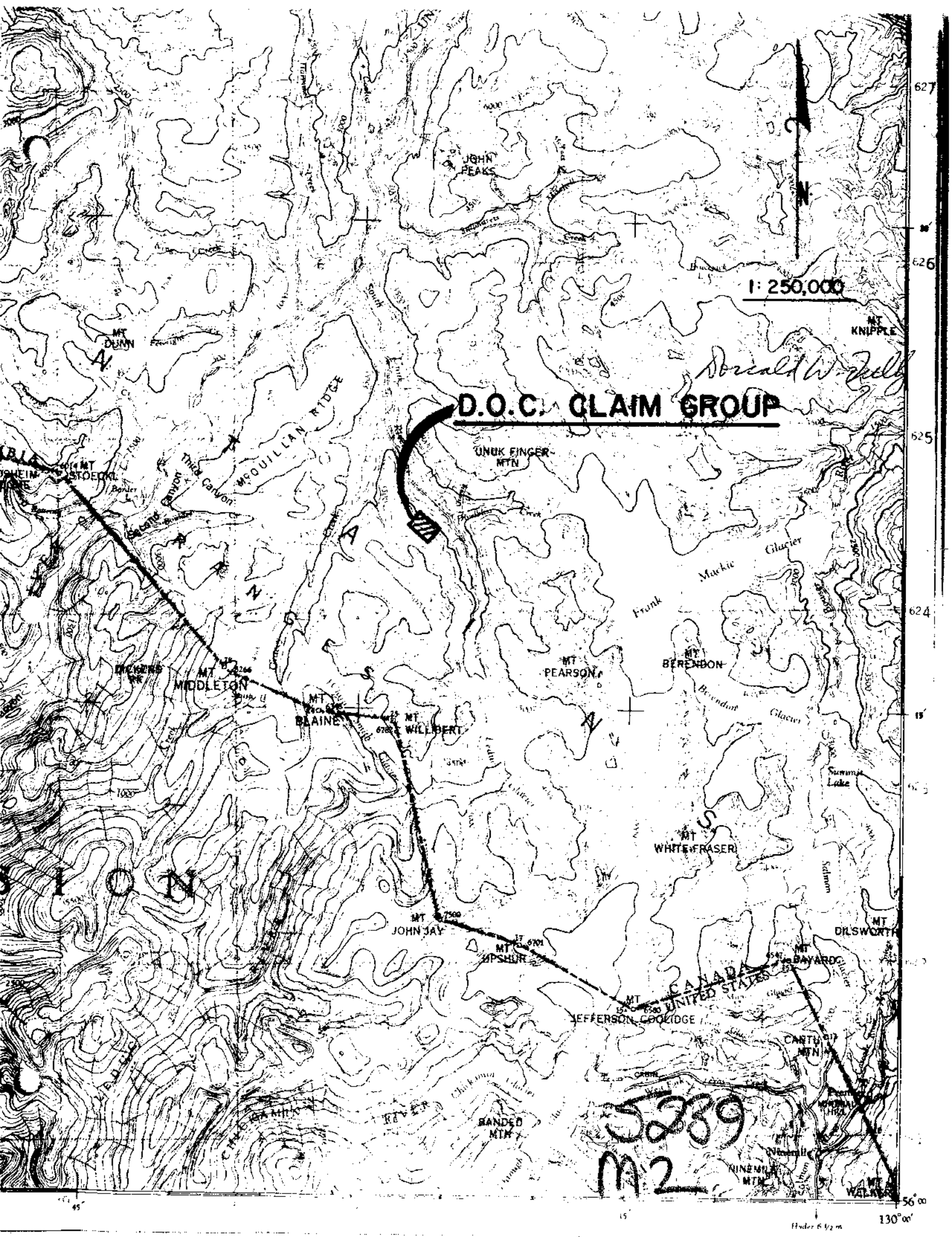
6.7 miles of magnetometer traversing were completed in the general area of the strike of the quartz vein structures.

SUMMARY AND CONCLUSIONS

Channel sampling established an arithmetic average grade of 0.309 ounces gold across an arithmetic average width of 8.1 feet for an exposed length of 260 feet of quartz vein (Q-17). One channel sample across 5.8 feet on another quartz vein (Q-25) assayed 1.82 ounces gold and 8.18 ounces silver.

Arithmetic average silver content of the samples taken on Q-17 vein was about one ounce.

Magnetometer results showed the gold-bearing quartz veins occur in the area of magnetic "lows" from the limited amount of this work done to date.



627
626
625
624
623
622
621
620
619
618
617
616
615
614
613
612
611
610
609
608
607
606
605
604
603
602
601
600
599
598
597
596
595
594
593
592
591
590
589
588
587
586
585
584
583
582
581
580
579
578
577
576
575
574
573
572
571
570
569
568
567
566
565
564
563
562
561
560
559
558
557
556
555
554
553
552
551
550
549
548
547
546
545
544
543
542
541
540
539
538
537
536
535
534
533
532
531
530
529
528
527
526
525
524
523
522
521
520
519
518
517
516
515
514
513
512
511
510
509
508
507
506
505
504
503
502
501
500
499
498
497
496
495
494
493
492
491
490
489
488
487
486
485
484
483
482
481
480
479
478
477
476
475
474
473
472
471
470
469
468
467
466
465
464
463
462
461
460
459
458
457
456
455
454
453
452
451
450
449
448
447
446
445
444
443
442
441
440
439
438
437
436
435
434
433
432
431
430
429
428
427
426
425
424
423
422
421
420
419
418
417
416
415
414
413
412
411
410
409
408
407
406
405
404
403
402
401
400
399
398
397
396
395
394
393
392
391
390
389
388
387
386
385
384
383
382
381
380
379
378
377
376
375
374
373
372
371
370
369
368
367
366
365
364
363
362
361
360
359
358
357
356
355
354
353
352
351
350
349
348
347
346
345
344
343
342
341
340
339
338
337
336
335
334
333
332
331
330
329
328
327
326
325
324
323
322
321
320
319
318
317
316
315
314
313
312
311
310
309
308
307
306
305
304
303
302
301
300
299
298
297
296
295
294
293
292
291
290
289
288
287
286
285
284
283
282
281
280
279
278
277
276
275
274
273
272
271
270
269
268
267
266
265
264
263
262
261
260
259
258
257
256
255
254
253
252
251
250
249
248
247
246
245
244
243
242
241
240
239
238
237
236
235
234
233
232
231
230
229
228
227
226
225
224
223
222
221
220
219
218
217
216
215
214
213
212
211
210
209
208
207
206
205
204
203
202
201
200
199
198
197
196
195
194
193
192
191
190
189
188
187
186
185
184
183
182
181
180
179
178
177
176
175
174
173
172
171
170
169
168
167
166
165
164
163
162
161
160
159
158
157
156
155
154
153
152
151
150
149
148
147
146
145
144
143
142
141
140
139
138
137
136
135
134
133
132
131
130
129
128
127
126
125
124
123
122
121
120
119
118
117
116
115
114
113
112
111
110
109
108
107
106
105
104
103
102
101
100
99
98
97
96
95
94
93
92
91
90
89
88
87
86
85
84
83
82
81
80
79
78
77
76
75
74
73
72
71
70
69
68
67
66
65
64
63
62
61
60
59
58
57
56
55
54
53
52
51
50
49
48
47
46
45
44
43
42
41
40
39
38
37
36
35
34
33
32
31
30
29
28
27
26
25
24
23
22
21
20
19
18
17
16
15
14
13
12
11
10
9
8
7
6
5
4
3
2
1
0
-1
-2
-3
-4
-5
-6
-7
-8
-9
-10
-11
-12
-13
-14
-15
-16
-17
-18
-19
-20
-21
-22
-23
-24
-25
-26
-27
-28
-29
-30
-31
-32
-33
-34
-35
-36
-37
-38
-39
-40
-41
-42
-43
-44
-45
-46
-47
-48
-49
-50
-51
-52
-53
-54
-55
-56
-57
-58
-59
-60
-61
-62
-63
-64
-65
-66
-67
-68
-69
-70
-71
-72
-73
-74
-75
-76
-77
-78
-79
-80
-81
-82
-83
-84
-85
-86
-87
-88
-89
-90
-91
-92
-93
-94
-95
-96
-97
-98
-99
-100

1:250,000

D.O.C. CLAIM GROUP

Ronald W. Kelly

SIOUX

5289
M2

Further magnetometer work and geological mapping is warranted to further prospect the potential of the property prior to diamond drill testing.

PROPERTY - LOCATION, ACCESS, TOPOGRAPHY

Nineteen mineral claims comprise the property which is located 8 miles northwest of the Leduc Portal at Granduc Mines and about 30 miles in a direct line northwest of Stewart, British Columbia, in the Skeena Mining Division.

The property is situated on the east flank of the Coast Mountains.

Helicopter access from Stewart, British Columbia is the best means of travel. A former bulldozer trail is visible from the air leading from the Leduc Portal area at the Granduc Mine traversing the Leduc Glacier and trending along the headwaters of the South Fork of the Unuk River to a sawmill site at the mouth of Divilbliss (Cabin) Creek. Early prospecting activity on the claims was achieved through access by boat from Burroughs Bay, Alaska, to the Canadian Border area and a 50-mile hike thence to the property along the Unuk and South Fork of the Unuk River.

Elevations over the claim group vary from 3800 - 4500 feet above sea-level.

Above 4000 feet the property is generally glaciated and free of vegetation. Remnants of glaciers still remain on the upper reaches of the claims.

CLAIMS

The claims are situated in the Skeena Mining Division. The following information is on file with the British Columbia Department of Mines and Petroleum Resources:

<u>CLAIM NAME</u>	<u>RECORD NUMBER</u>	<u>RECORDED HOLDER</u>	<u>EXPIRY DATE</u>
D.O.C. #1	37736E	New Minex Resources Ltd.	June 10, 1976 (Work Filed)
" #3	37E	"	" " " " "
" #4	38E	"	" " " " "
" #11	37745E	"	" " " - -
" #12	38052M	"	Sept 20, 1974 (Work Filed)
" #13	53M	"	" " " " "
" #14	54M	"	" " " " "
" #15	55M	"	" " " " "
" #17	38057M	"	" " " " "
" #19	38059M	"	" " " " "
" #21	38061M	"	" " " " "
D.O.C. #25		Staked September 21, 1974	
" #26		" " " "	
" #27		" " " "	
" #28		" " " "	
" #29		" " " "	
" #30		" " " "	
" #31		" " " "	
" #32		" " " "	

GRACEY



UNUK FINGER MTN

D.O.C. CLAIM GROUP

Granite Cr

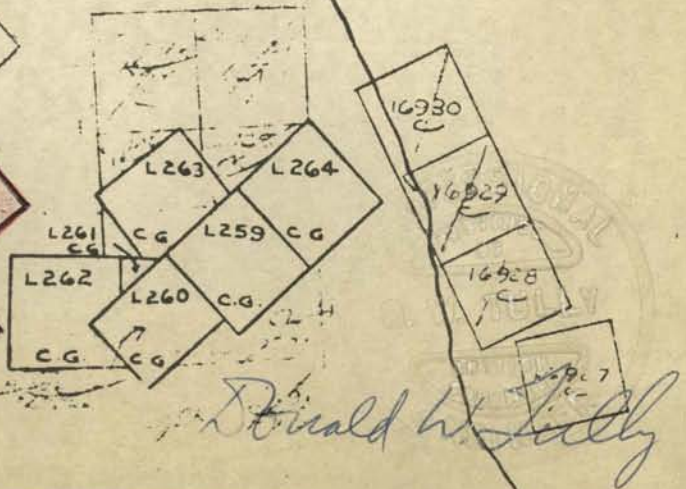
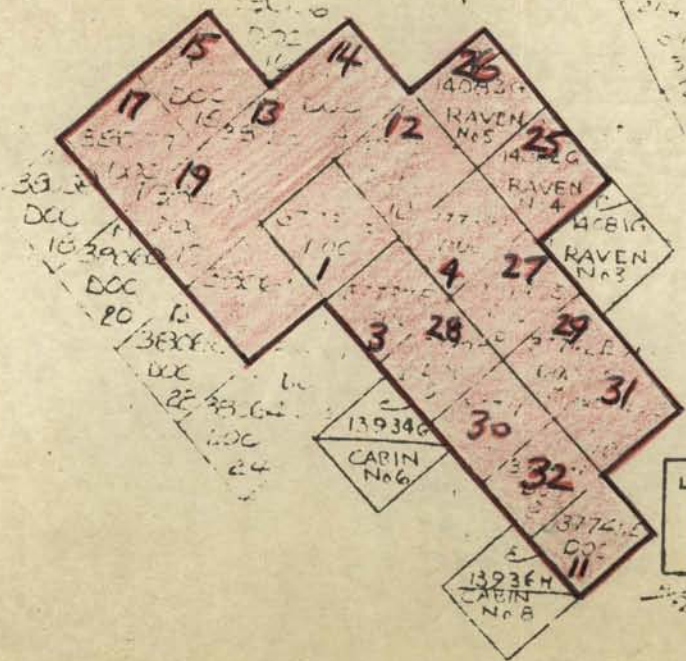
1" = 1500' APPR.

10 Oct/74

Department of
 Mines and Technical Surveys
 Geological Resources

NO. 5239
 M.P. #13

REPORT



Donald W. Lilly

HISTORY - PREVIOUS DEVELOPMENT

In 1946, Thomas J. McQuillan and his partner, Pat Onhasy, staked the Gracey group of claims between Gracey Creek and the South Fork of the Unuk River opposite Divilbliss (Cabin) Creek. More than twenty quartz veins were sampled. Some of these assayed over half an ounce of gold with minor values in gold and silver.

Halport Mines Limited acquired the Gracey claims in 1947 and did considerable exploration work. Most of the equipment and supplies were flown from Stewart and air-dropped at the work site for this program.

Surface trenching was done on several quartz veins in 1947 and 1948. In 1948 two of these veins were diamond drilled and this work plus further trenching appeared to indicate that the two veins were actually the same, being separated by a minor fault. In all, 19 EX holes were drilled for a total footage of 4,230 feet. This work was stated to prove the persistence of the Q-17 lode for a strike length of 1250 feet and to a depth of 250 feet.

In 1949 ten holes were diamond drilled for a total footage of 2044 feet on the Q-25 lode.

Coring of the vein material was somewhat less than satisfactory. The quartz cored reasonably well but the sheared margins of the veins (where the values are apparently concentrated) cored poorly. In addition, sludges were not recovered and thus the diamond drilling results to date are not quantitatively conclusive. They did indicate economically (at \$35 gold) interesting gold (plus silver) values across widths up to 5.8 feet.

Most of the results of the diamond drilling by Halport Mines are not immediately available.

GENERAL GEOLOGY

The D.O.C. claim group is underlain by sediments and intrusives of the Coast Intrusions Group.

Limestone, argillite, siltstone and tuff are the main lithological units observed on the property. Intrusives are mainly dikes of aplite, felsite, syenite, gneissic diorite and lamprophyre and a small plug of diorite which underlies a magnetic anomaly on D.O.C. #1 at lines 16E, 18E, 20E at 4S.

Strikes of the sediments are generally along a northwest trend with local dragfolded areas. Dips vary from southwest to northeast suggesting the presence of local fold-axes. Dikes of intrusive trend both northwesterly and northeasterly suggesting these filled a post-folding tension fracture pattern.

Vein structures strike northwesterly and dip at angles above 60 degrees to the northeast.

MINERALIZATION - ASSAY RESULTS

Mineralization is generally restricted to quartz vein structures. Hematite, specularite, pyrite, galena, sphalerite and free gold are present in that order of apparent abundance.

The main vein is Q-17. This vein is exposed in previously dug trenches and pits and was sampled using a mail and hammer as shown on the plan accompanying this report. A sampled length of 260 feet of this vein assayed as follows:

<u>SAMPLE #</u>	<u>WIDTH</u>	<u>GOLD</u>	<u>SILVER</u>	<u>SOLUBLE FE</u>
0733 (#3)	9.2 feet	.076 ozs	0.27 ozs	2.52%
0734 (#4)	7.6 "	.535 "	1.04 "	4.55%
0735 (#5)	16.4 "	.124 "	0.56 "	4.73%
0736 (#6)	14.0 "	.649 "	1.78 "	4.40%
0737 (#7)	6.1 "	.184 "	0.77 "	7.09%
0738 (#8)	6.8 "	.500 "	0.47 "	7.75%
0739 (#9)	4.1 "	.206 "	2.06 "	7.43%
0740 (#10)	3.4 "	.213 "	0.84 "	6.69%
0741 (#11)	5.2 "	.438 "	1.64 "	4.34%
0742 (#12)	5.8 "	.042 "	0.16 "	1.16%
0743 (#13)	5.0 "	.042 "	0.21 "	1.64%
0744 (#14)	11.2 "	.632 "	2.23 "	4.30%
0745 (#15)	10.4 "	.379 "	0.78 "	2.51%

Arithmetic Average Width = 8.1 feet
Arithmetic Average Gold = 0.309 ozs
Arithmetic Average Silver = 0.99 ozs

There does not appear to be any significant correlation between the gold and soluble iron content of samples.

A channel sample was cut across 5.8 feet on Q-25 vein located about 1000 feet west of Q-17 vein. The assay result was 1.82 ozs gold and 8.18 ozs silver. Considerable fine galena was noted in this vein with much less hematite-specularite and pyrite content.

MAGNETOMETER SURVEY

The instrument used was Coni-Mag #00134 manufactured by Coniagas Research Inc., Toronto, Ontario.

CONTROL PROCEDURE:

A baseline was established in a direction 580E (Magnetic Azimuth 100°) from a small lake for a distance of 3600 feet east and 400 feet west. Points were marked using a chain and compass at every 200-foot interval along the baseline with red flagging at marker points.

Pace and compass lines were run at mostly 200 feet apart and south at Magnetic Azimuth 190° and north Magnetic Azimuth 10° . Magnetometer readings were taken at 100-foot intervals along these lines and occasionally at 50-foot intervals where deemed necessary. Because of the open and barren nature of the terrain intervisibility of points established as the progress permitted relatively easy control on the location of the pace and compass magnetometer survey. 6.7 miles of line were surveyed.

Magnetometer base station control was designated at 4E on the baseline.

RESULTS:

The results are plotted on the plan on Scale 1" = 100 feet accompanying this report.

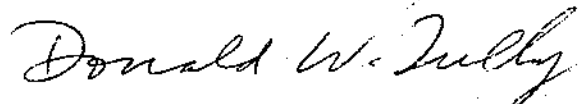
Two magnetic trends are apparent.

- (a) Northwesterly trending magnetically "low" areas appear to accompany the known gold-bearing veins.

- (b) A north-northeasterly trend of magnetically higher intensity is apparent.

Total magnetic relief in the area surveyed varies between 16146 and 20392 gammas.

Respectfully submitted,



October 10, 1974

Donald W. Tully, P.Eng.

I, DONALD WILLIAM TULLY, do hereby declare the following to be true:

TIME - COST DISTRIBUTION

D.O.C. Claims #1, 3, 13, 19, 21

September 18, 1974 - Establish baseline and conduct magnetometer survey
September 19, 1974 - Magnetometer survey
September 20, 1974 - Channel sampling
September 21, 1974 - Channel sampling
September 22, 1974 - Channel sampling
September 23, 1974 - Channel sampling

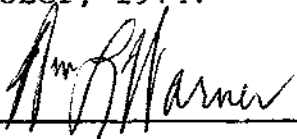
<u>Cheque #</u>	<u>Paid By</u>	<u>Description</u>	<u>Detail</u>	<u>Amount</u>
61	New Minex Resources Ltd	Don Tully Engineering Ltd	- field supplies and magnetometer rental	\$ 442.91

<u>Cheque #</u>	<u>Paid By</u>	<u>Description</u>	<u>Detail</u>	<u>Amount</u>
63	New Minex Resources Ltd	Van. Is. Helic. (#3876, #3878)	- transportation	\$ 838.50
64	"	T.J. McQuillan	- wages	\$ 450.00
65	"	General Testing Labs	- assaying	\$ 268.50
66	"	Don Tully Engineering Ltd	- maps, drafting, report preparation	\$ 154.63
TOTAL:				\$2,154.54 =====

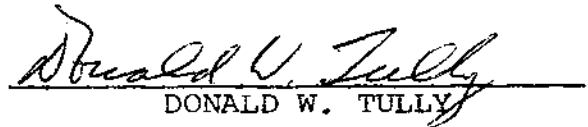
STATUTORY DECLARATION

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 the City)
of Vancouver, in the Province)
of British Columbia, this 18th)
day of October, 1974.)



A Commissioner for taking Affidavits)
for British Columbia)

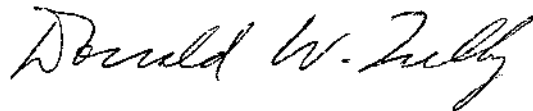

DONALD W. TULLY

CERTIFICATE

I, DONALD WILLIAM TULLY, of the Municipality of West Vancouver, in the Province of British Columbia, hereby certify as follows:

1. I am a Consulting Geologist with an office at Suite 102, 2222 Bellevue Avenue, West Vancouver, British Columbia.
2. I am a registered Professional Engineer in the Provinces of British Columbia and Ontario.
3. I graduated with a degree of Bachelor of Science, Honours Geology, from McGill University in 1943.
4. I have practiced my profession for twenty-eight years.
5. I have a direct interest in the shares of NEW MINEX RESOURCES LTD.
6. This report dated October 10, 1974 is based on a personal examination of the ground and performance of the field work with T.J. McQuillan in the period September 18-23, 1974 inclusive.

DATED at West Vancouver, British Columbia this 10th day of October, 1974.



Donald W. Tully, P.Eng.
Consulting Geologist



GENERAL TESTING LABORATORIES

DIVISION SUPERINTENDENCE COMPANY (CANADA) LTD.

1001 EAST PENDER ST., VANCOUVER, B.C., CANADA, V6A 1W2
 PHONE (604) 254-1647 TELEX 04-507514 CABLE SUPERVISE

TO:
NEW MINEX RESOURCES LTD.
 210 - 470 Granville St.
 Vancouver, B.C.

CERTIFICATE OF ASSAY

No.: 7409-3056 DATE: Oct. 8, 1974

We hereby certify that the following are the results of assays on: **ORE**

MARKED	GOLD	SILVER	COPPER	IRON				
	OZ/ST GR/MT	OZ/ST GR/MT	(Cu%)	(Fe%)	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
0726-C	trace	trace	0.03	-				
0727	0.006	-	-	-				
0728	trace	-	-	-				
0729	trace	-	0.01	-				
0730	0.563	2.41	0.011	-				
0731	0.052	0.26	-	-				
0732	0.348	0.66	-	-				
0733	0.076	0.27	-	2.52				
0734	0.535	1.04	-	4.55				
0735	0.124	0.56	-	4.73				
0736	0.649	1.78	-	4.40				
0737	0.184	0.77	-	7.09				
0738	0.500	0.47	-	7.75				
0739	0.206	2.06	-	7.43				
0740	0.213	0.84	-	6.69				
0741	0.438	1.64	-	4.34				
0742	0.042	0.16	-	1.16				
0743	0.042	0.21	-	1.64				
0744	0.632	2.23	-	4.30				
0745	0.379	0.78	-	2.51				
0746	0.098	0.24	-	6.06				
0747	1.82	8.18	-	1.41				

LW/k1

RE: REJECTS RETAINED ONE MONTH. PULPS RETAINED THREE MONTHS. ON REQUEST PULPS AND REJECTS WILL BE STORED FOR A MAXIMUM OF ONE YEAR.

ALL REPORTS ARE THE CONFIDENTIAL PROPERTY OF CLIENTS. PUBLICATION OF STATEMENTS, CONCLUSION OR EXTRACTS FROM OR REGARDING OUR REPORTS IS NOT PERMITTED WITHOUT OUR WRITTEN APPROVAL. ANY LIABILITY ATTACHED THERETO IS LIMITED TO THE FEE CHARGED.

L. Wong
 L. Wong

PROVINCIAL ASSAYER

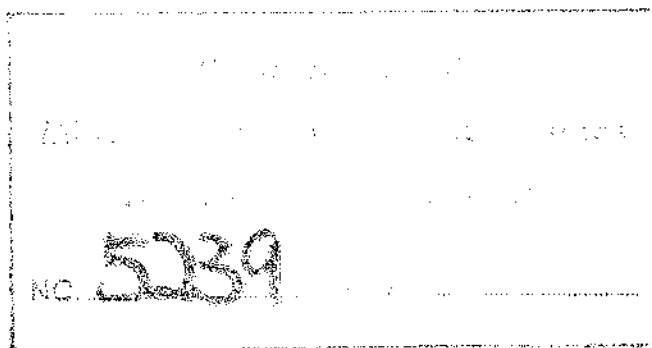
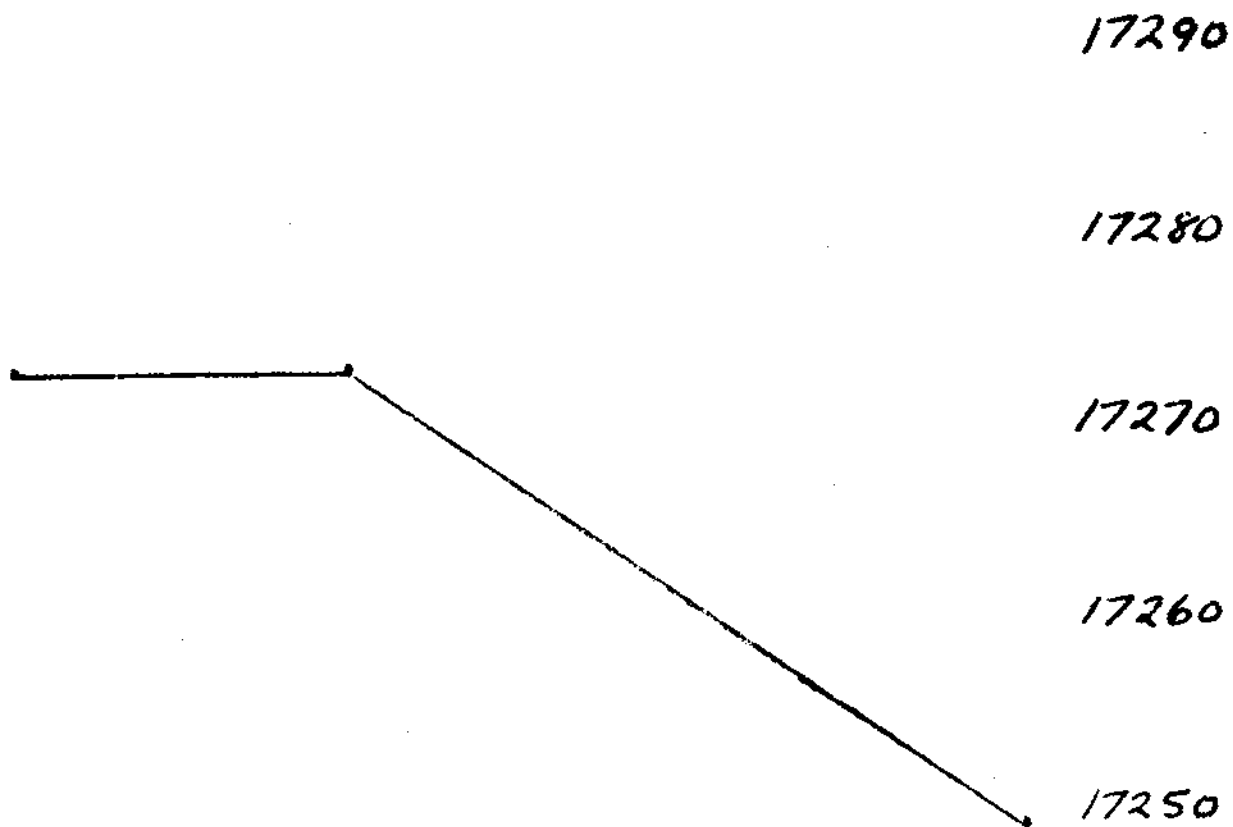
COPY

Analytical and Consulting Chemists, Bulk Cargo Specialists, Surveyors, Inspectors, Samplers, Weighers

MEMBER: American Society For Testing Materials • The American Oil Chemists' Society • Canadian Testing Association
 REFEREE AND OR OFFICIAL CHEMISTS FOR: Vancouver Merchants Exchange • National Institute Of Oilseed Products • The American Oil Chemists' Society
 OFFICIAL WEIGHMASTERS FOR: Vancouver Board Of Trade • Vancouver Merchants Exchange

DIURNAL CHART
MAGNETOMETER SURVEY
18 SEPTEMBER, 1974

D. O. C. CLAIMS
STEWART, B.C.

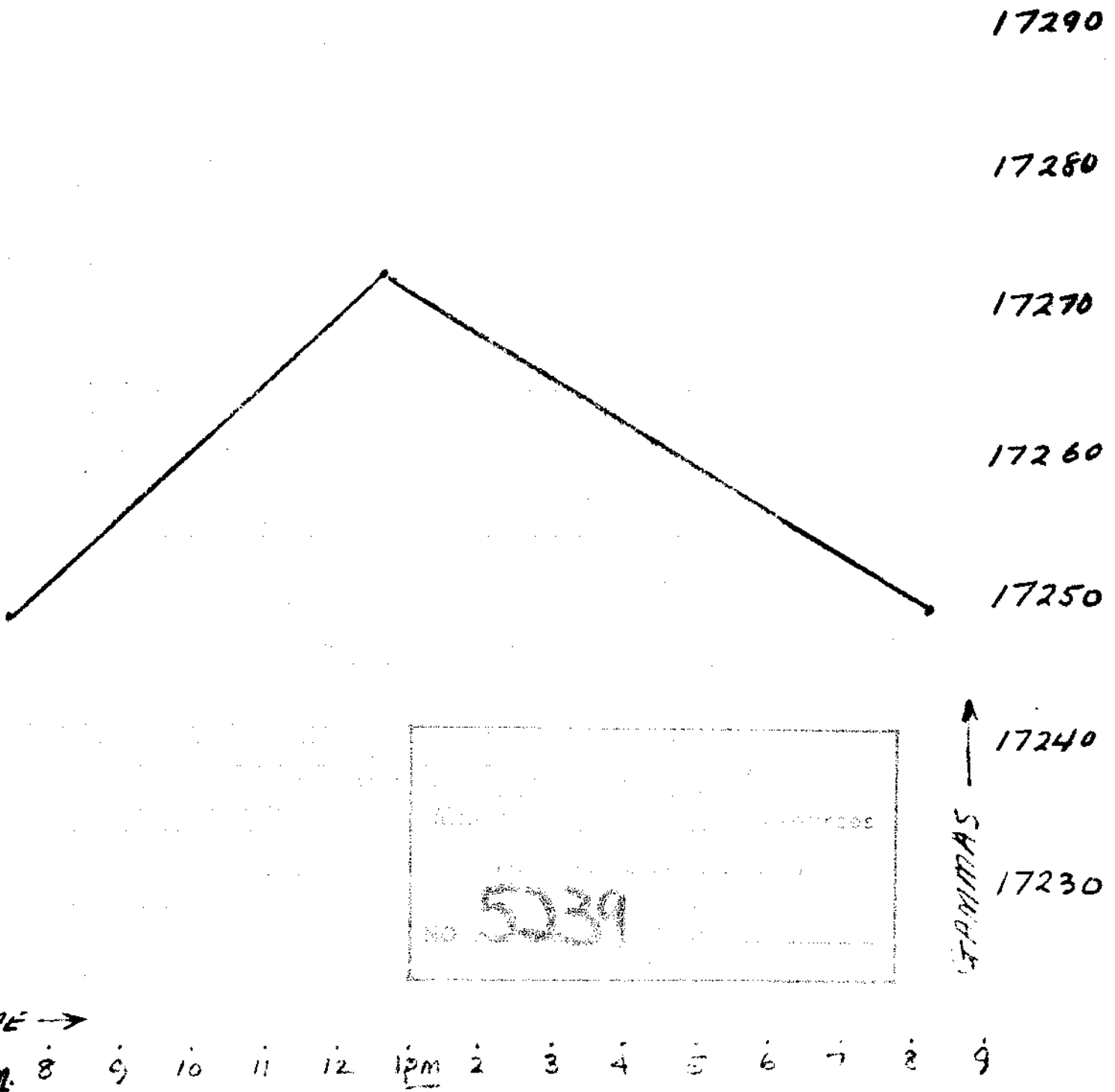


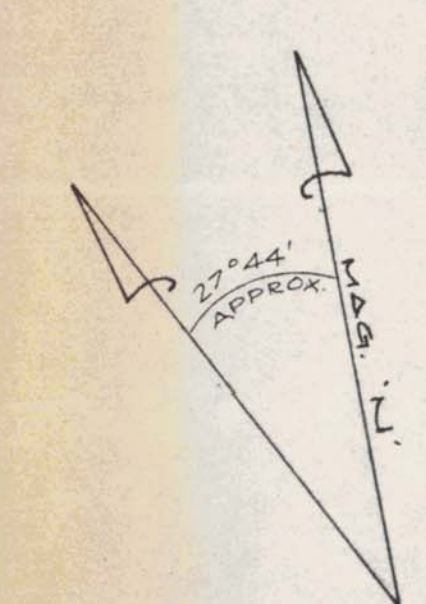
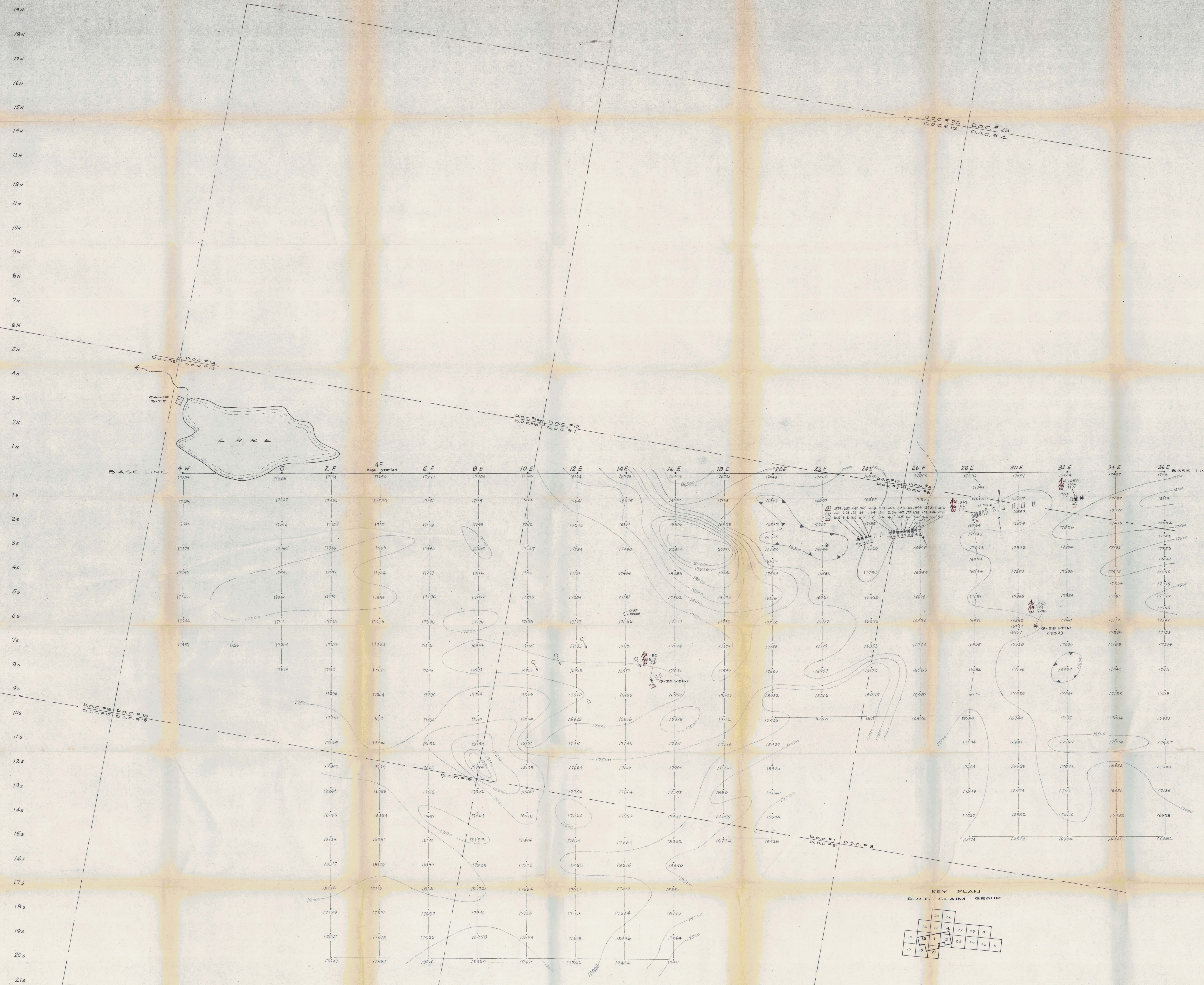
↑ 17240
GAMMAS
17230

TIME →
7 AM 8 9 10 11 12 1 PM 2 3 4 5 6 7 8 9

DIURNAL CHART
MAGNETOMETER SURVEY
19 SEPTEMBER, 1974

D. O. C. CLAIMS
STEWART, B.C.





- LEGEND & SYMBOLS**
- CLAIM POST - POSITION ESTABLISHED - ASSUMED
 - CLAIM LINE
 - CHAIN AND COMPASS LINE WITH FLAGGED STATIONS
 - PACE AND COMPASS LINE WITH FLAGGED STATIONS WITH MAGNETOMETER READINGS
 - 17043 - TOTAL INTENSITY READING (MAGNETOMETER)
 - 17000 - ISOMAGNETIC CONTOUR (INTERVAL - 500 GAMMAS)
 - ISOMAGNETIC DEPRESSION CONTOUR
 - CREEK
 - TRENCHED ZONE WITH QUARTZ VEIN, WITHOUT VEIN AND SAMPLE NUMBER
 - AU - 500 GOLD ASSAY IN OUNCES
 - AG - 200 SILVER ASSAY IN OUNCES
 - W. - 5.0' WIDTH IN FEET
 - DIAMOND DRILL HOLE LOCATION

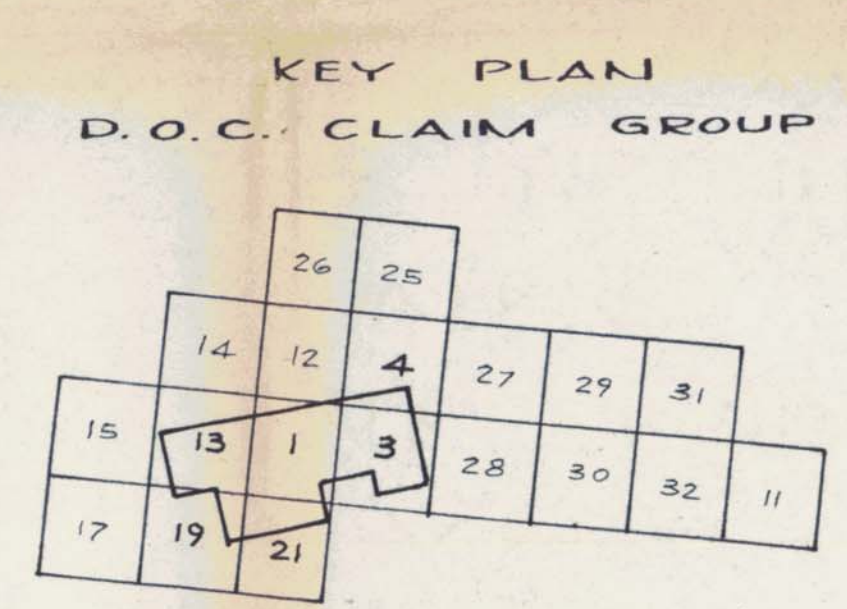
**5239
MAP 4**

Department of
Mines and Technical Services
A. W. Kelly
No. 5239 Map #4

NEW MINEX RESOURCES LTD.
PLAN
PART OF D.O.C. CLAIM GROUP
SHOWING
MAGNETOMETER READINGS, CONTOURS
AND ROCK CHANNEL SAMPLE ASSAYS

1" = 100'

OCTOBER 10, 1974
Donald W. Kelly



239