

GEOCHEMICAL REPORT
ON
"G", "H", and "I" CLAIMS
OMINECA MINING DIVISION
FAWNIE NOSE MOUNTAIN AREA

Latitude: 53°18'
Longitude: 125°05'09"

N.T.S. 93F/6E

Owner and Operator:

GRANGES EXPLORATION AKTIEBOLAG
1060 1055 West Hastings Street
Vancouver, British Columbia
V6E 2E9

DATE OF WORK: JULY 5th, - July 22nd, 1977

Dated at Vancouver, B.C.
December 2nd, 1977

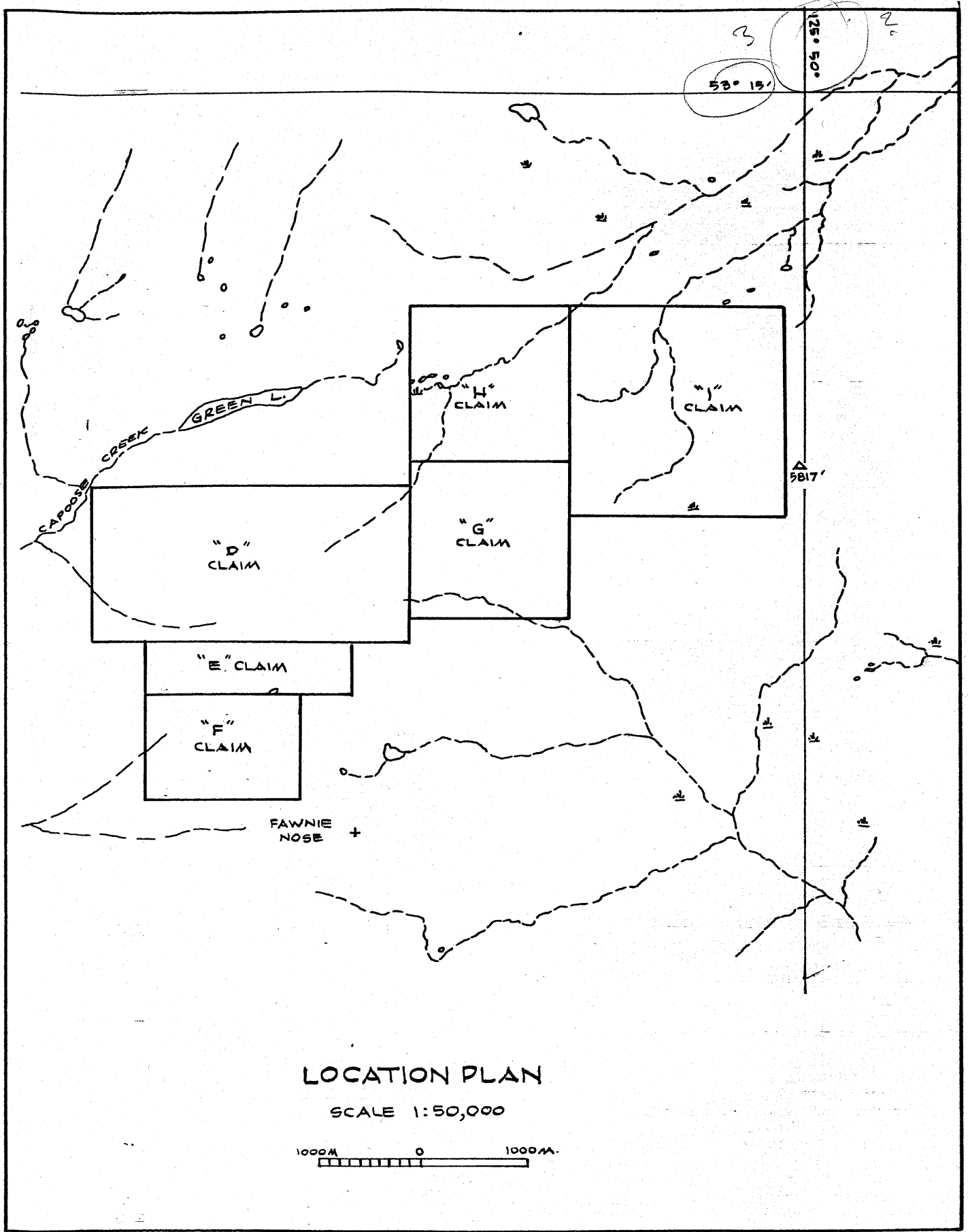
By:
H.H. Shear (P. Eng.)

TABLE OF CONTENTS

Location Map.....	1
Introduction.....	2
Claims.....	2
Location and Access.....	2
Geology.....	3
Survey Grid.....	3
Geochemical Survey.....	4
Discussion of Results.....	5
Conclusions.....	5
Recommendations.....	6
Expenditures.....	6
Statment of Author's Qualification.	7

ENCLOSURES

- 1 Plan showing Soil Geochemical Survey
for zinc Scale: 1: 5000
- 1 Plan showing Soil Geochemical Survey
for lead Scale: 1: 5000
- 1 Plan showing Soil Geochemical Survey
for copper
- 1 Plan showing Soil Geochemical Survey
for gold Scale: 1: 5000
- 1 Plan showing Soil Geochemical Survey
for silver Scale: 1: 5000



INTRODUCTION

During the period of July 5th to July 22nd, 1977, Granges Exploration Aktiebolag's exploration crew worked on the "G", "H" and "I" claims. The crew consisted of three men from July 5th to July 13th at which time two additional men joined in the work through to July 22nd. The work was completed under the direction of H. Shear (P. Eng.)

The exploration program on the "G", "H" and "I" claims consisted of running grid lines across the claims at 100 meter intervals and collecting geochemical soil samples every 100 meters along the lines. The samples were assayed for gold, silver, copper, lead and zinc.

This survey was conducted on behalf of Granges Exploration Akteibolag in an effort to locate zones of interest for further detailed investigation.

CLAIMS

The claims covered by this report and the relevant date on them follows:

<u>Claim Name</u>	<u>No. of Units</u>	<u>Tag No.</u>	<u>Record No.</u>	<u>Date of Record</u>
"G"	9	01520	663	July 4th, 1977
"H"	9	19827	664	July 4th, 1977
"I"	16	19828	665	July 4th, 1977

LOCATION AND ACCESS

The "G", "H" and "I" claims are located in central British Columbia, 467 kilometers (290 miles) north northwest of Vancouver, B.C. The claims lie 112 kilometers (70 miles) south southeast of Burns Lake, B.C., the helicopter supply point for the work program. The claims are located at

latitude 53°18' and longitude 125°05', in the Omineca Mining Division.

Access is via helicopter from Burns Lake. Float planes, based at Telkwa, are utilized for moving large amounts of equipment to the area. The equipment is landed at a log wharf on Capoose Lake and then slung by helicopter to the claims, a distance of 9 to 13 kilometers to the east southeast.

The claims lie immediately east of the Fawnie Range. Elevations range from 4800 feet at the northeast corner of the claims area to 5600 feet along the southern boundary. A large portion of the claims area lies near the timberline and the timber is quite stunted.

GEOLOGY

According to G.S.C. Memoir 324, Nechako River Map Area, British Columbia, the "G", "H" and "I" claims are underlain by the Ootsa Lake Group. The Ootsa Lake Group consists of basalt, andesite, and related tuffs and breccias, minor rhyolite and dacite, and conglomerate and greywacke. Its age is shown as Cretaceous and (?) Tertiary.

Rock types observed on the property are as follows. On the northwest corner of the "H" claim outcrops of conglomerate were noted. A few small outcrops of andesite were mapped along the common border of the "G" and "I" claims. A large area of outcrop occurs just east of the "I" claim and swings into it for a few hundred meters before disappearing under overburden. These rocks are andesite with andesite breccia predominating.

SURVEY GRID

The baseline controlling the grid lies in an east-west direction along the common borders of the "G" and "H" claims

and continues through the "I" claim. On the 4 x 4 unit "I" claim, 3 unit widths lie north of the baseline and one unit width lies to the south.

The baseline commences at the common legal corner post of the "G" and "H" claims on the west side of the claim group. Since the grid is a continuation of work to the west, the baseline station on the west side is 60E. The baseline station at its east end on the east boundary of the "I" claim is 95E. Crosslines go to 15N and 15S through the "G" and "H" claims and to 15N and 5S through the "I" claim.

The baseline was brushed out to facilitate access because some areas are covered by dense growth. The crosslines were completed using a brunton compass and a hip chainer. Crosslines were marked by blazing and flagging.

A total of 3.5 kilometers of baseline and 85 kilometers of crosslines was completed.

GEOCHEMICAL SURVEY

During the soil survey 885 samples were collected for analysis. They were assayed for gold, silver, copper, lead and zinc.

Soil samples of the upper "B" horizon were obtained at an average depth of 0.3 meters with the use of augers. These samples were taken at 100 meter intervals along the picketlines. The samples were then placed in kraft soil envelopes and delivered to ACME Analytical Laboratories Ltd., 6455 Laurel Street, Burnaby, B.C. The samples are dried for approximately 16 hours at 75° centigrade and sieved to -80 mesh. A 0.5 gram sample is digested with diluted aqua regia in a hot water bath for one hour and diluted with demineralized water. The determination of copper, lead, zinc and silver are determined by atomic absorption from the solution. Silver is determined by atomic absorption using a background correction. Geochemical analysis of gold is done by

obtaining a 10 gram sample which has been ignited over night at 600° centigrade and is digested hot with diluted aqua regia, and the clear solution is extracted with methyl isobuthyl ketone. The determination is done by atomic absorption from the methyl isobuthyl ketone extractent with background correction.

DISCUSSION OF RESULTS

A coincident gold, silver, lead and zinc geochemical anomaly was disclosed by the survey. The anomaly commences along the west edge of the "G" claim, near its southwest corner. The anomaly is relatively strong at this point. It trends east northeast across the "G" claim, deminishing in intensity, and continues well into the "I" claim before disappearing. High values in all metal tend to be erratic. Values in the metals, assayed in parts per million, ranged up to 0.220 gold, 36.5 silver, 405 lead, 655 zinc and 265 copper. This last value for copper was a lone erratic and no other anomalous values in copper were obtained from the survey. A set of maps showing the results of this survey is enclosed in the back of this report. The values for copper, lead and zinc are plotted in parts per million. Values in silver and gold are plotted in parts per 10 million and parts per billion respectively.

The last direction of glacial movement was to the east northeast, coinciding exactly with the direction of this geochemical anomaly. At this time the anomaly is interpreted as being related to a glacial dispersion train, originating from an unknown source to the west.

CONCLUSIONS

During July 1, 1977, a geochemical soil survey was conducted over the "G", "H" and "I" claims. The survey located an anomalous zone. The zone is most intense at the southwest edge of the claims and decreases in intensity to its end on the

"I" claim. The anomalous trend coincides exactly with that of the last direction of glacial movement. It is concluded, at this time, that the cause source lies to the west southwest of this anomaly off of the "G", "H" and "I" claims.

RECOMMENDATIONS

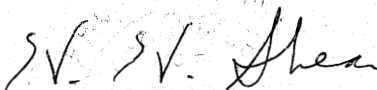
It is recommended that any further work on the "G", "H" and "I" claims be contingent on the results of work completed to the west, up to the west boundary of the "G" claim.

EXPENDITURES

Personnel:

B.W. McFadden - July 5-22 incl.	\$ 988.56
D.W. Wilson - July 5-22 incl.	453.06
T. Horovatin - July 5-22 incl.	789.66
D.F. Pasco - July 13-22 incl.	650.30
H.H. Shear - July 13-22 incl.	682.60
Meals and Accommodation.....	980.36
Transportation.....	3,653.21
Geochemical Assay Costs.....	3,982.50
Map and Report Preparation.....	561.48
	<u>\$12,741.73</u>

Respectfully submitted,



H.H. Shear,
Project Geologist

STATEMENT OF QUALIFICATIONS

Name: Henry Herbert Shear

Profession: Exploration Geologist

Education: B. Sc. -- Geological Engineering (1959);
B. Sc. -- Mining Engineering (1960), both
from University of Arizona

Professional Associations: Member of the Association of Professional
Engineers of British Columbia

Member of The Canadian Institute of Mining
and Metallurgy

Experience: 4 years -- Field Geologist with various companies
in British Columbia

1 year -- Exploration Manager for General
Resources Ltd. in Australia

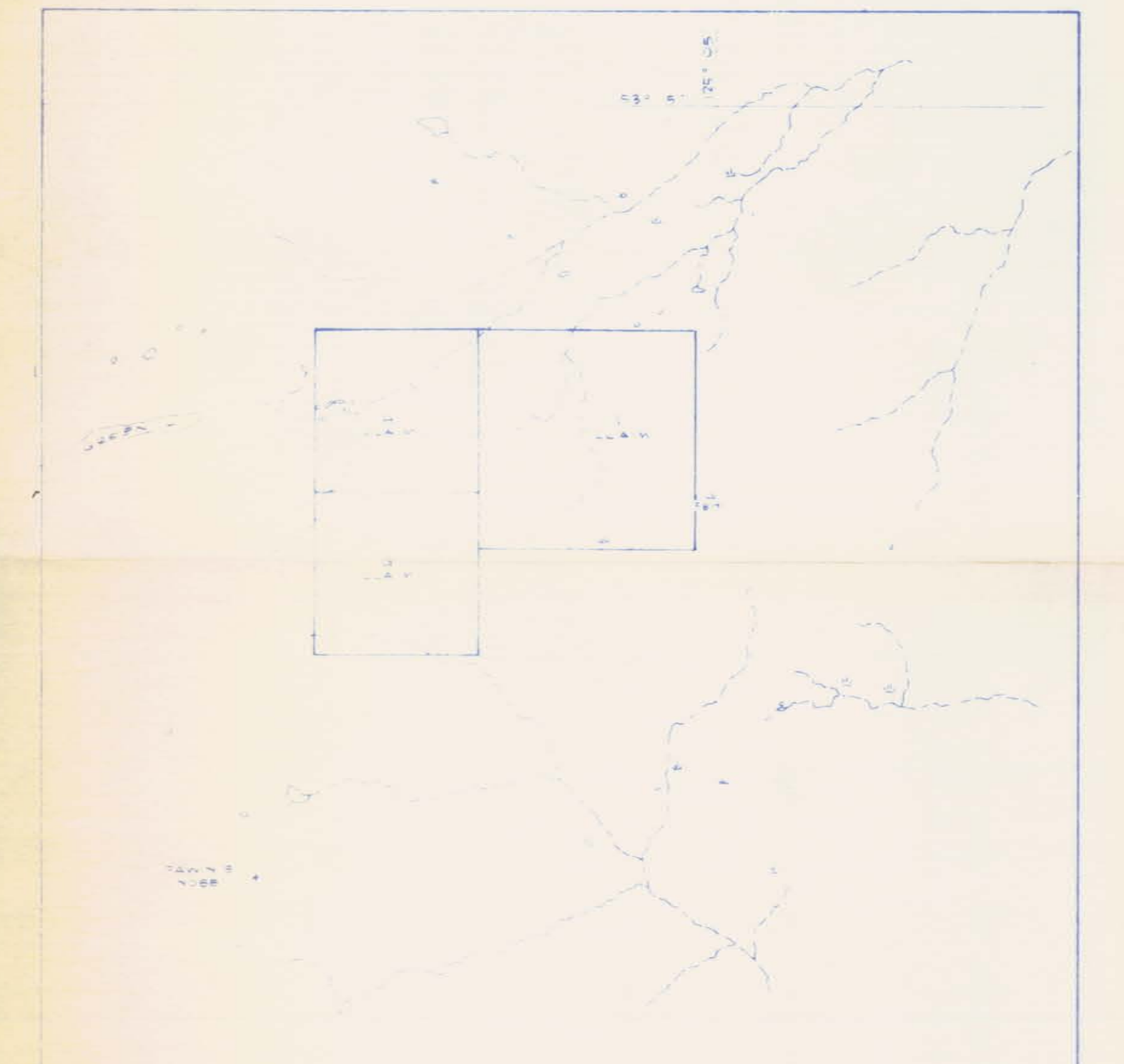
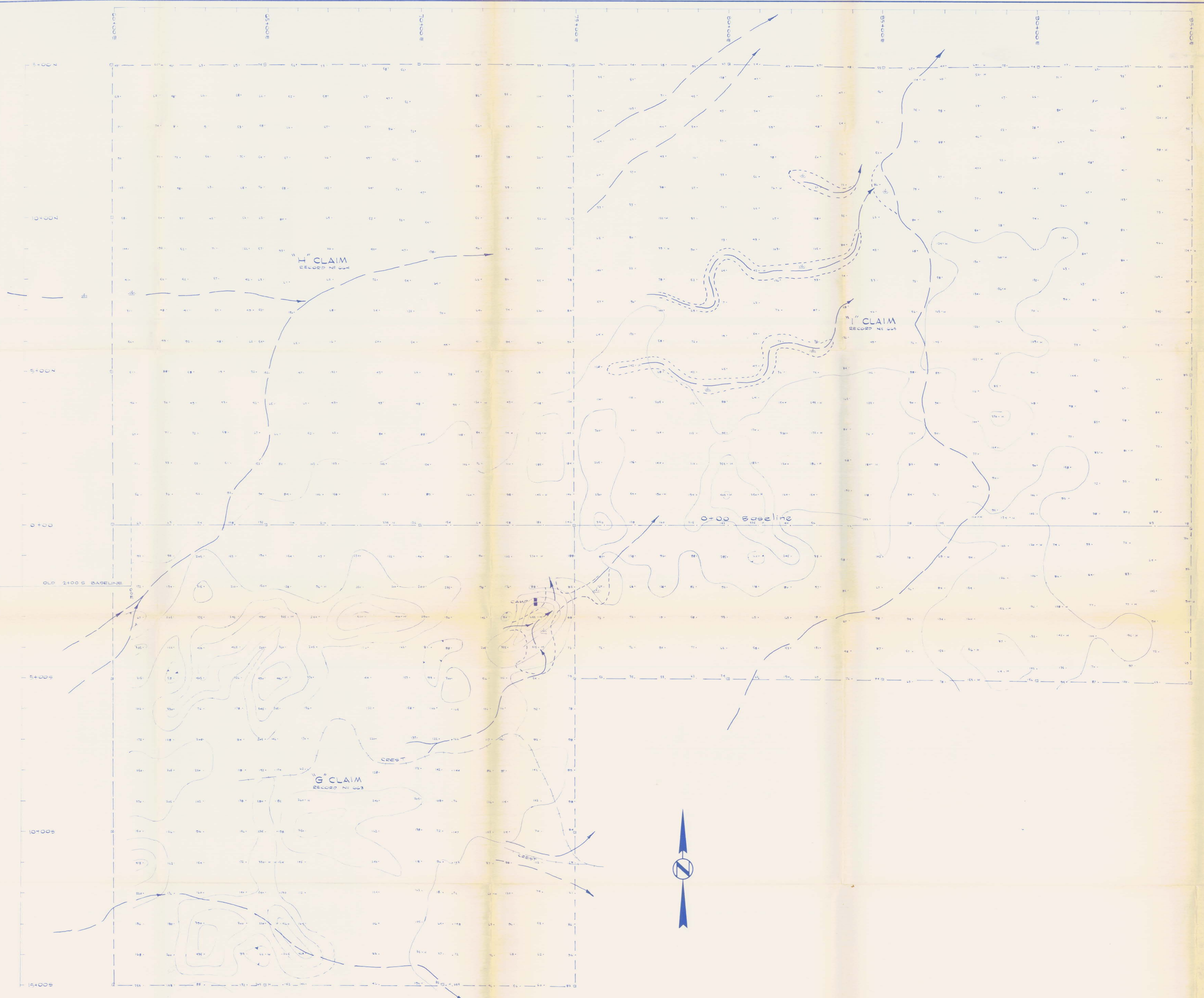
7 years -- Consulting Geologist and Project
Manager including 4 years with
Quintana Mineral Corp.

1 year -- Project Geologist with Giant Mascot
Mines, Ltd.

May, 1976, to present -- Project Geologist with
Granges Exploration AB

H. H. Shear
H.H. Shear (P. Eng.)

Dec 2, 1977



MINERAL RESOURCES BRANCH
 REPORT NO. **6570**

LOCATION PLAN
 SCALE: 1:50,000

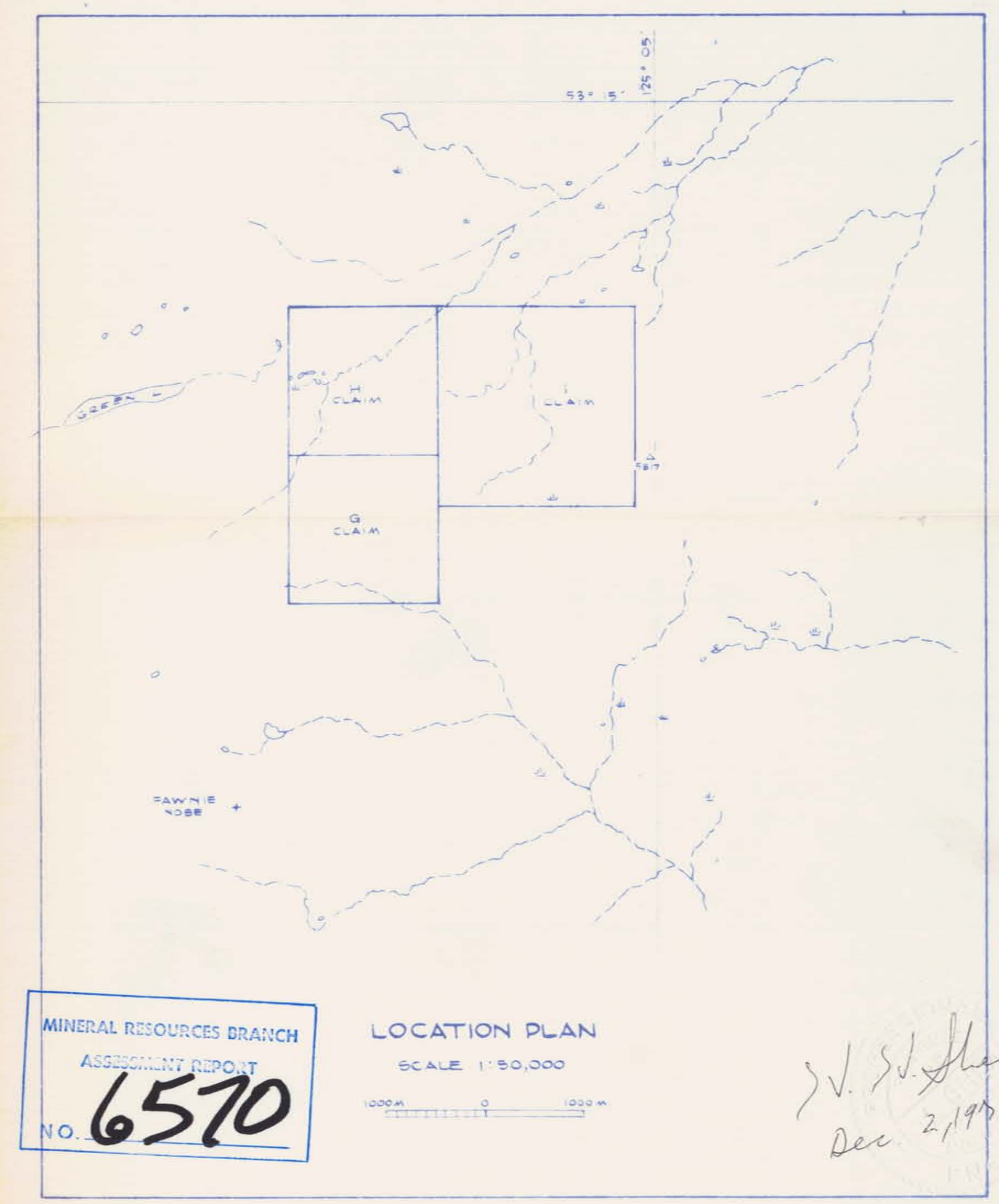
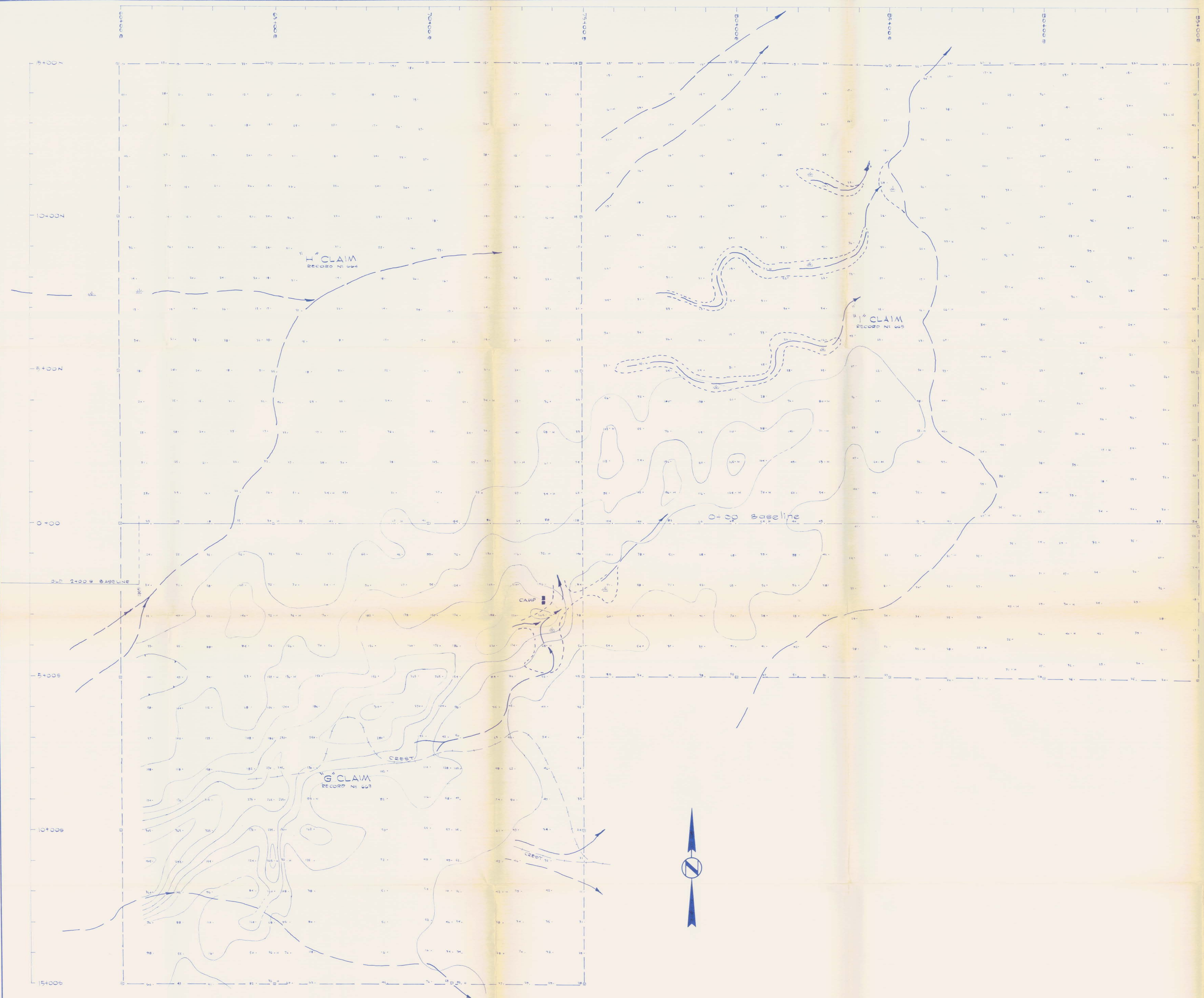
J.V. St. Jean
 Dec. 21, 1977

1:50,000	1:25,000	1:10,000	1:5,000	1:2,000	1:1,000
100m	200m	500m	1000m	2000m	5000m
DRAWN BY: M.P.					
DATE: AUG 1977					
Zn: SAMPLE LOCATION					

GRANGES EXPLORATION AB
 CANADIAN DIVISION
 VANCOUVER OFFICE

SOIL GEOCHEMICAL SURVEY FOR
 ZINC ON
 CLAIMS 70113, 70114 & 70115
 CAPOOSE JOINT VENTURE
 CAPROSE LAKE AREA B.C.

SCALE: 1:10,000
 PROJECT No: 70113
 N.T.S. No: 93 F-16



MINERAL RESOURCES BRANCH
ASSESSMENT REPORT
NO. 6570

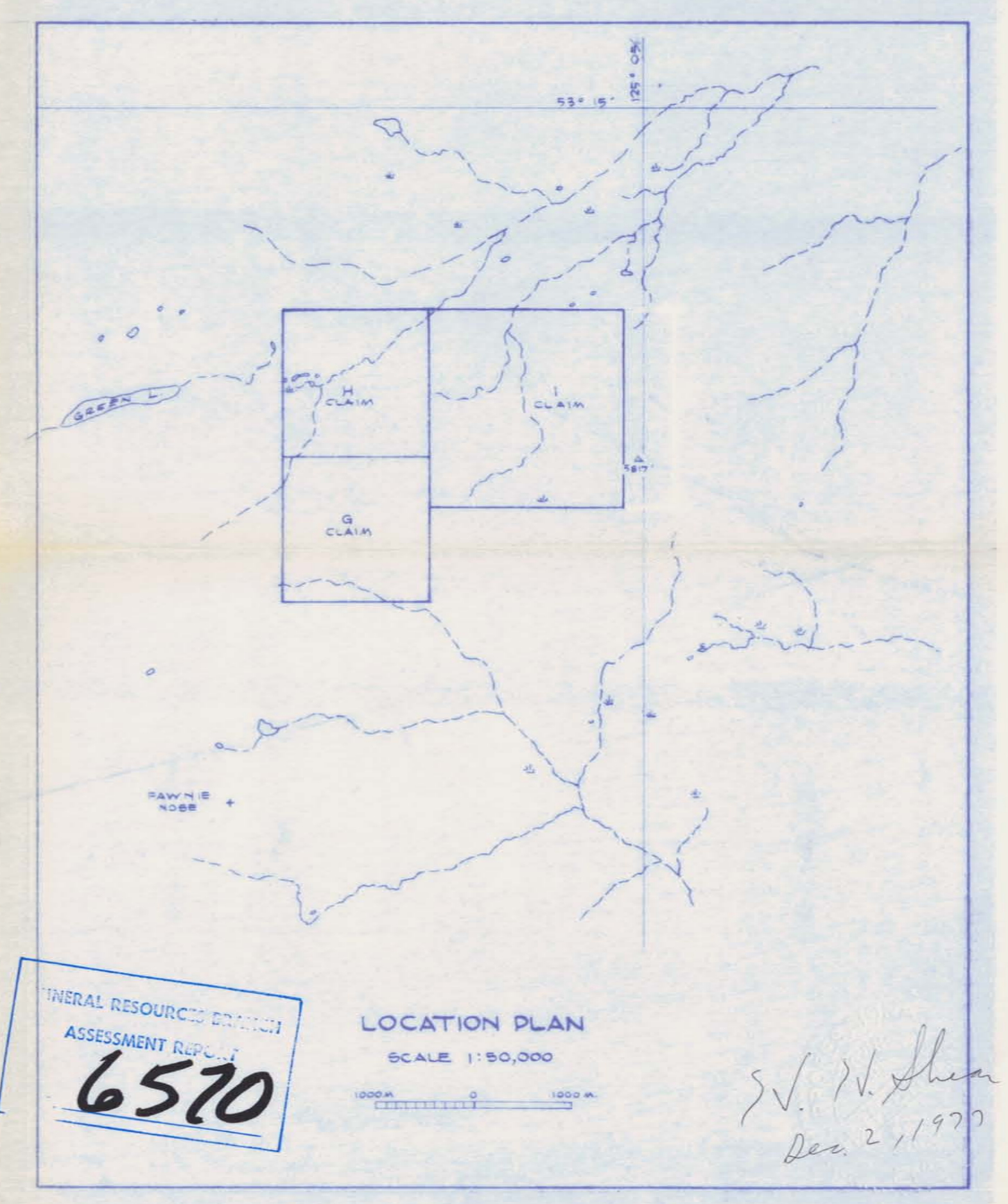
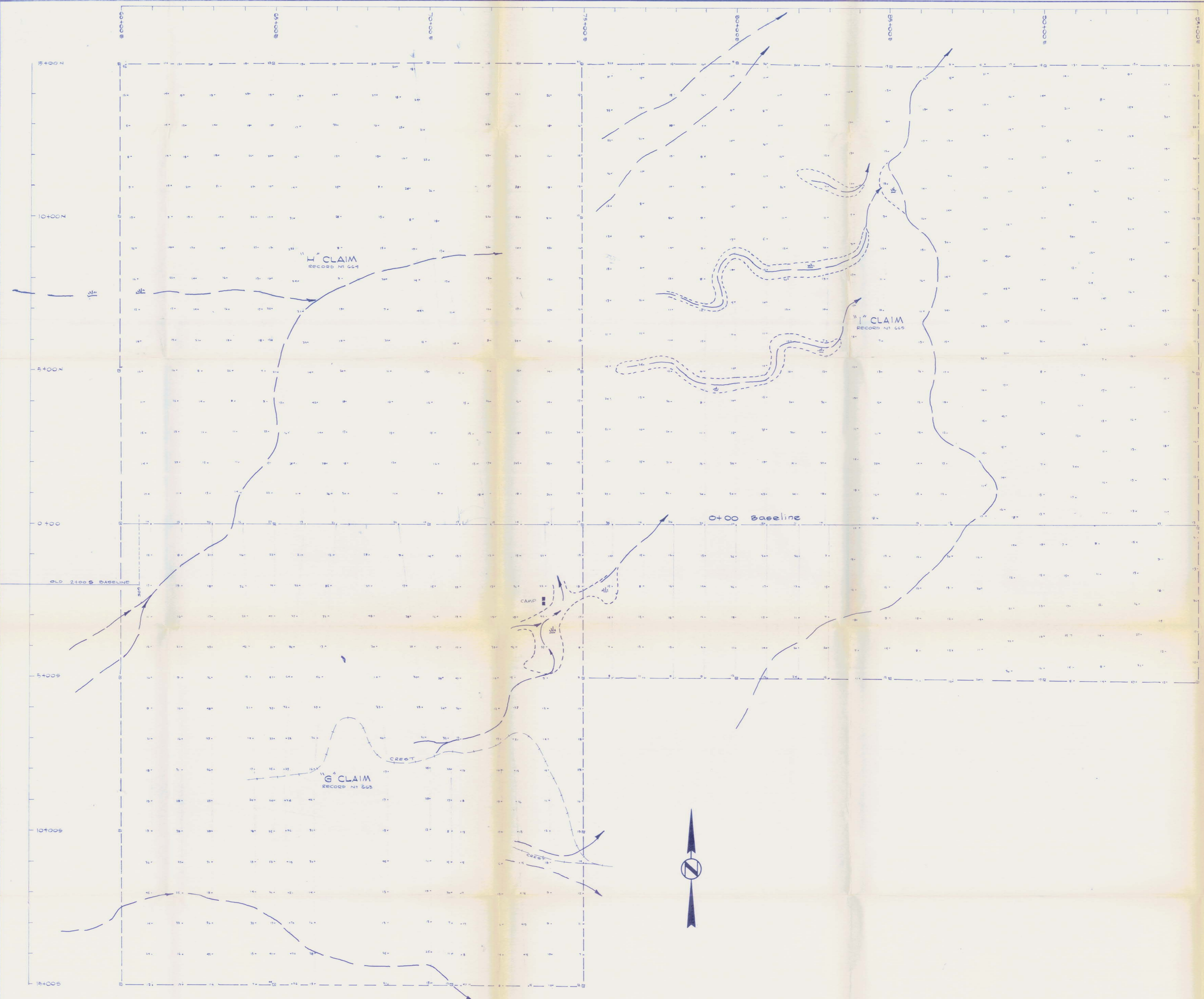
N. S. Allen
Dec 2/1977

100M	200M	300M	400M	500M
100M	200M	300M	400M	500M
100M	200M	300M	400M	500M
100M	200M	300M	400M	500M

DRAWN BY: M.P.
DATE: AUG 1977
P.P.M. → BARRE LOCATION

SOIL GEOCHEMICAL SURVEY FOR LEAD ON CLAIMS "G" (657), "H" (658) & "I" (655) CAPOOSE JOINT VENTURE CAPOOSE LAKE AREA, B.C.

SCALE: 1:50,000
PROJECT No: 70113
N.T.S. No: 23 F - G



S.V. N. Shier
Dec. 2, 1977

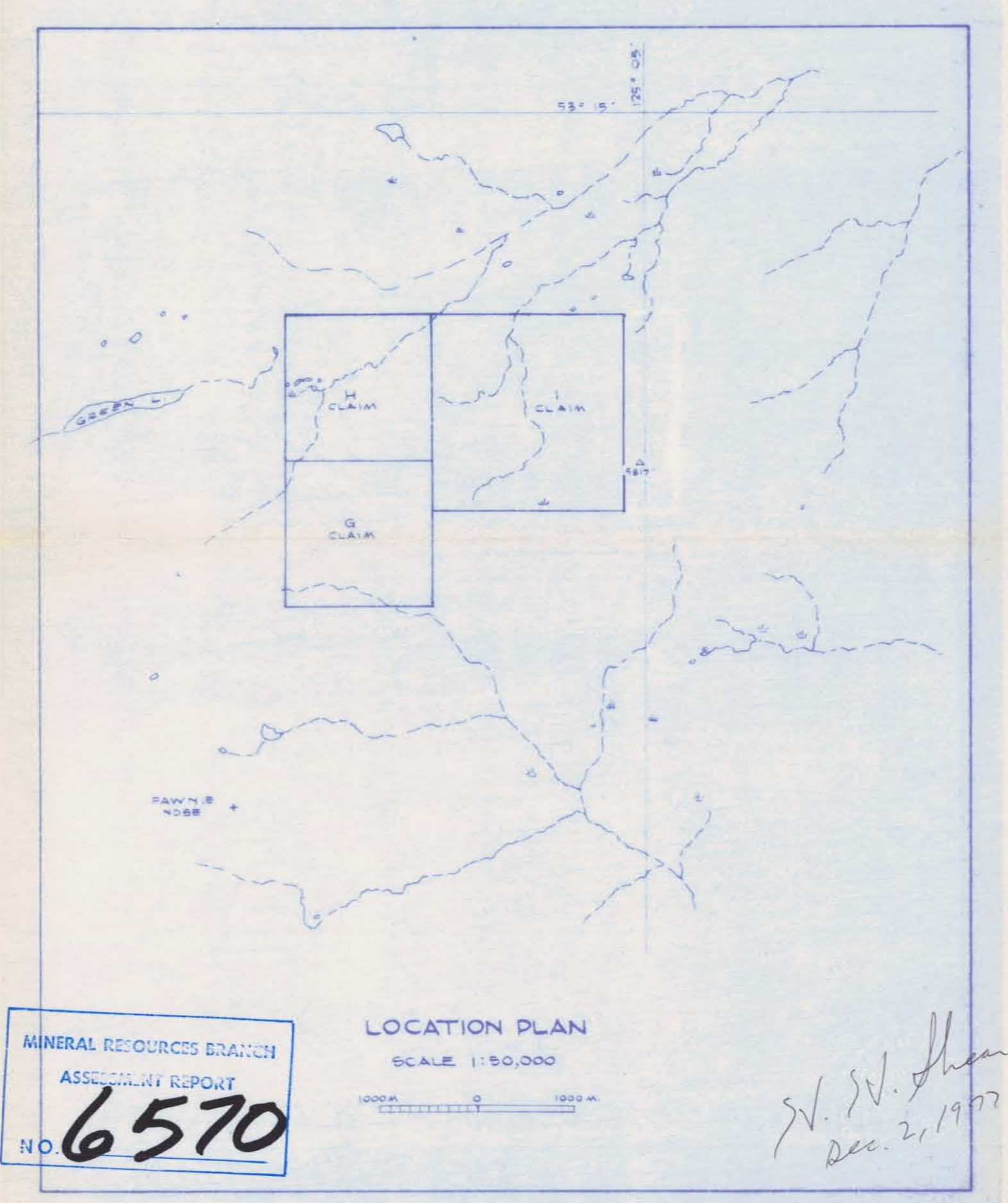
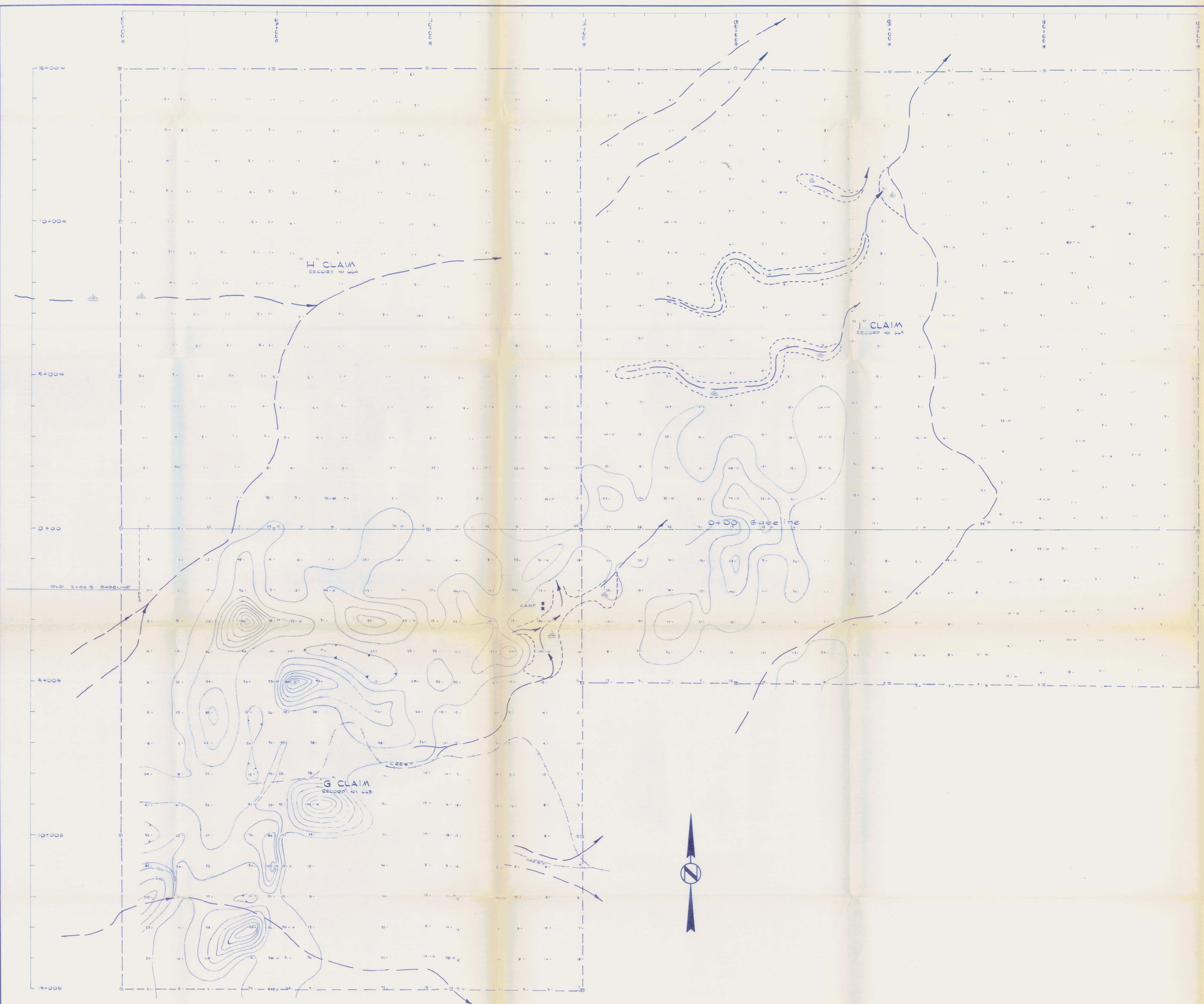
100M	200M	300M	400M
LOCATED CLAIM POST	CLAIM BOUNDARY LINE	OUTLINE OF ANOMALOUS AREA	SAMPLE LOCATION

DRAWN BY: M.P.
DATE: AUG 1977

GRANGES EXPLORATION AB
CANADIAN DIVISION
VANCOUVER OFFICE

SCALE: 1:50,000
PROJECT No: 70118
N.T.S. No: 53 F -6

MINERAL RESOURCES DIVISION
ASSESSMENT REPORT
6570
LOCATION PLAN
SCALE 1:50,000



MINERAL RESOURCES BRANCH
ASSESSMENT REPORT
NO. **6570**

LOCATION PLAN
SCALE 1:50,000

N. W. ...
Dec. 21, 1977

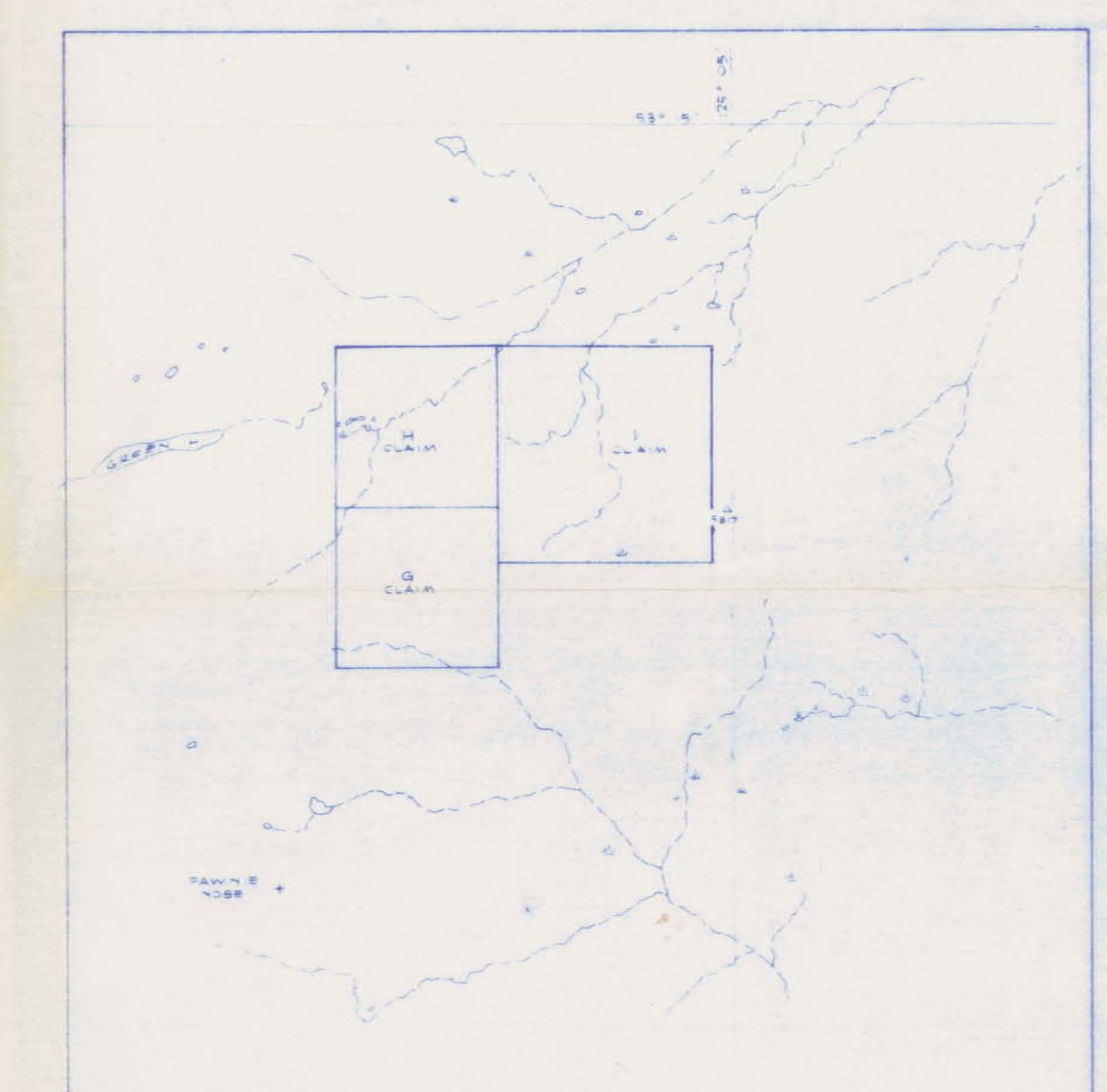
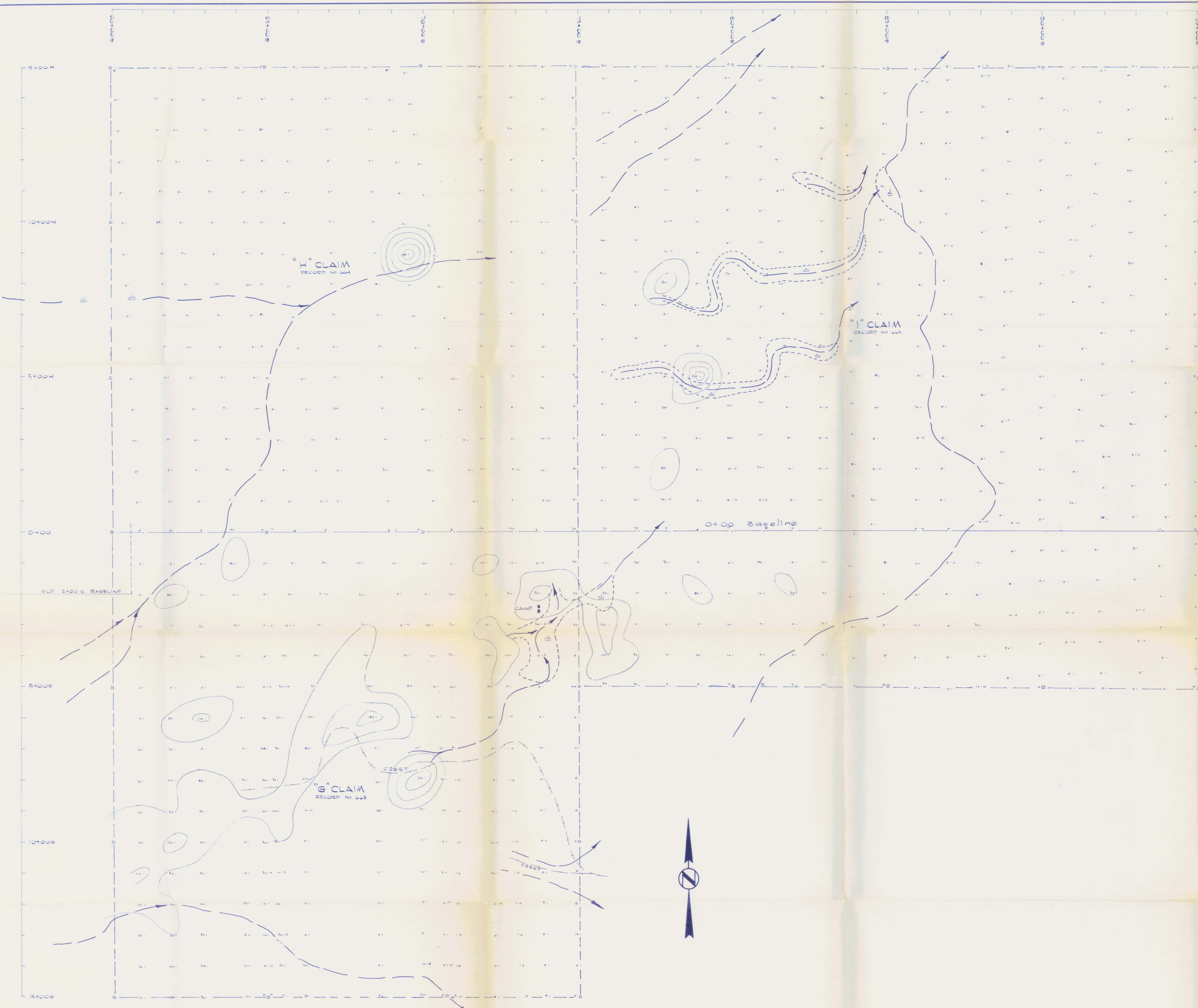
100M	200M	300M	400M
LOCATED CLAIM POST	CLAIM BOUNDARY LINE	OUTLINE OF ANOMALOUS AREA	SAMPLE LOCATION

DRAWN BY: M.P.
DATE: AUG 1977

GRANGES EXPLORATION AB
CANADIAN DIVISION
VANCOUVER OFFICE

SCALE: 1:5000
PROJECT No: 70113
N.T.S. No: 55 F-6

1210



MINERAL RESOURCES BRANCH
ASSESSMENT REPORT
NO. **6570**

LOCATION PLAN
SCALE 1:50,000

N. St. John
Dec. 2, 1977

0 100m 200m 300m LOCATED CLAIM POST CLAIM BOUNDARY LINE OUTLINE OF ANOMALOUS AREA	DRAWN BY: M.P. DATE: AUG 1977 Au = SAMPLE LOCATION
--	--

GRANGES EXPLORATION AB
CANADIAN DIVISION
VANCOUVER OFFICE

SOL GEOCHEMICAL SURVEY FOR
GOLD ON
CLAIMS 'G' (603), 'H' (604) & 'T' (604)
CAPOOSE JOINT VENTURE
CAPOOSE LAKE AREA, B.C.

SCALE: 1:5000
PROJECT No: 70113
N.T.S. No: 55 F-6