

REPORT ON DIAMOND DRILLING

on a

G.O.D. Mineral Claim Unit

near Princeton in the

Similkameen Mining Division, B. C.

to

J.K. Newton, Vancouver, B. C.

by

Sherwin F. Kelly, P. Eng.

April 3, 1978

MINERAL RESOURCES BRANCH ASSESSMENT REPORT 6601 NO. _____
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The diamond drill hole herein reported was drilled on a G.O.D. mineral claim unit situated within the G.O.D. (No. 1) Group of mineral claims, on the south bank of the Similkameen River. The group lies about four miles east of Princeton and borders Highway No. 3, which here follows the south bank of the river. The property is within the Similkameen Mining Division. The co-ordinates of the subject unit are approximately $120^{\circ} 24'$ west longitude and $49^{\circ} 27\frac{1}{2}'$ north latitude. A map, reproduced from a portion of sheet 92 H/SE, is bound in back of this report as "Location Map, G.O.D. Group of Mineral Claims".

The unit on which the drill hole was collared, is the northeasterly one in a block of four, staked by Robert Newton, as agent for J.K. Newton, and recorded on September 22, 1976, with record no. 121. These four units, recorded as G.O.D. units but without numerical designation, were staked to close an open "window" in the G.O.D. Group, created by the coming open of prior mineral claims (old style) Barb Nos. 1 to 4. The old workings of the defunct

Princeton Mining and Development Co., described in my report of October 12, 1976 to Exel Explorations Ltd., (now Northern Lights Resources Ltd., of which J.K. Newton is president), are located on those Barb claims. They are now covered by the four un-numbered G.O.D. units described above.

The location of these four units is shown on a map, bound in back of this report, "Location Map, Four G.O.D. Units, Record No. 121." This map is reproduced from a portion of the claim map on file in the office of the Mining Recorder, Similkameen Mining Division, at Princeton, B.C. The four units, arranged in a square, occupy the mid-portion of the north two rows of units in the G.O.D. Group. The latter Group was the first to be staked with that name, held by Exel Explorations Ltd., and carries no number. Later, G.O.D. Groups numbered 2, 3 and 4 were staked on the south, southwest and west of the original G.O.D. Group.

The drill hole on the mentioned unit, was collared in a cut in the sidehill at the base of the mountain, at approximately valley level, about 2,000 feet elevation. This cut gives access to the portal of Level No. 3, the level on which the greater part of the old workings is located. The level extends southerly from the portal, some 1,000 feet or more into the mountain.

The hole was collared about 15 feet north of the portal, in the west wall of the cut. It was directed S 30° W at - 44° and extended to a depth of approximately 250 feet.

The location of this hole is shown on a map bound in back of this report, "Location Map, DDH No. 3, Portal No. 3". The boxes of core, stated to be from this hole by J.K. Newton, I reviewed briefly with him in his motel room in Princeton in May, 1977, and we subsequently stored them in a shack on the property of W.A. McClelland, at 1201 Quilchena Avenue, Merritt, B. C.

The declaration of expenditures for assessment work on this group of four units was filed on September 21, 1977, by Exel Explorations Ltd., as agent for J.K. Newton. The work recorded covered this drill hole and some trenching at the top of the mountain, on a separate showing. That showing also lies within the boundaries of these four units. A total expenditure was recorded of \$4,600, divided \$4,100 to drilling and \$500 to trenching. Of these sums, \$800 was to be applied for two years' assessment work on each of the four units. In that affidavit they are designated as G.O.D. 4 units.

The distribution of the expenditures was as follows, according to the figures furnished me by J.K. Newton:

Wages:	Jack Aiken	\$1,600	
	Paul Amos	700	
	Ralph Robson	<u>100</u>	
		2,400	\$ 2,400
Gasoline			161
Drill casings, rods, bits, etc.	3,094		
Refund credits	<u>1,258</u>		
Net	1,836		<u>1,836</u>
			4,397
Truck rental			56
Accomodations and groceries			<u>557</u>
TOTAL			\$ 5,010

The arrangement for the work was an informal, shake-hands agreement between J.K. Newton, Jack Aiken, Paul Amos and Ralph Robson. No written contract was involved. Jack Aiken, of Hedley, B. C., assisted by his son, did the drilling. They also worked with the others on trenching.

No detailed, breakdown of these expenses has been furnished by J.K. Newton.

The drilling of this No. 3 hole, No. 3 level, was completed in the period between April 13 and May 13, 1977.

The eight boxes of AQ core (1 1/16 in. diam.) stored in Merritt, are numbered 1 to 6, plus "Continue 6", and 7. The marked footage at the end, in box 7, is 245 ft. Box 6, however, contains only eleven feet of core, 195 to 206 ft. Those same footage numbers are repeated in the beginning of the "Continue 6" box. The short core in box 6 corresponds in rock type with that at the terminal end of box 5 and with that at the beginning of "Continue 6" box. It presumably occupies the interval between box 5 and box "Continue 6". The repeat numbering may have resulted from oversight of box 6 when resuming drilling after an interruption. Core placed in the box later, marked "Continue 6", was thus numbered as though following directly after box 5. Consequently, eleven feet should be added to the end footage - mark of 245 ft., to give a total depth of 256 ft.

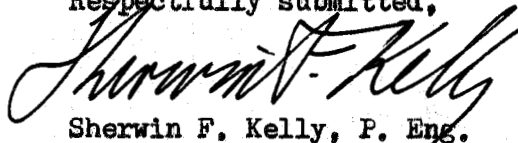
The rock traversed by this drill hole lies in the mass of Coast Intrusives which extends from Darcy Mountains and Lorne Lake on the southwest, northerly across the Similkameen River to the areas of Mt. Kathleen in the northeast. This "Similkameen Body" carries "gray", "red" and "white" granodiorites, as reported by H.M.A. Rice

in his Geological Survey of Canada Memoir 243, "Geology and Mineral Deposits of the Princeton Map Area, British Columbia", in 1947.

The gray granodiorite, he notes, varies from quartz diorite to granodiorite, quartz diorite being the average. The red variety ranges from quartz diorite to granite, with granodiorite being the average composition. The phases may be intermixed, with contacts varying from sharp to gradational.

The rock in the core varies from gray quartz diorite through pink granodiorite to granite, with contacts both sharp and gradational. No "white" granodiorite was observed. A little weak and scattered sulphide mineralization was noted, mostly pyrite with some chalcopyrite. A four foot section, 106 to 110 ft., was split but not assayed. The mineralization usually was found in fractured sections of pink granodiorite, possibly indicating association with zones of fracturing and K-spar alteration. So far, the evidence points to only weak and scattered mineralization in the rocks immediately west of and below, the old workings.

Respectfully submitted,



Sherwin F. Kelly, P. Eng.

Box 277,
Merritt, B. C.
April 3, 1978

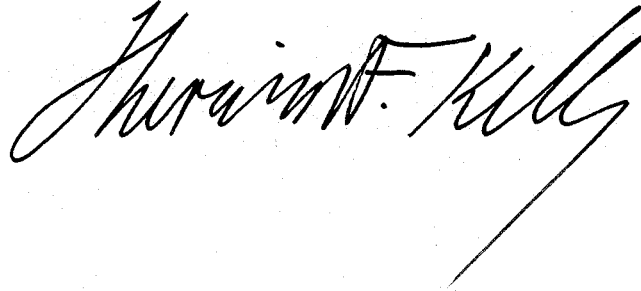
CERTIFICATE OF QUALIFICATIONS

I, Sherwin F. Kelly, P. Eng., residing at the Adelphi Hotel, in Merritt, B. C., certify that: --

- (1) I am a registered Professional Engineer in British Columbia;
- (2) I graduated in Mining Engineering from the University of Kansas in 1917 with the degree of B. Sc. in Mining Engineering;
- (3) I have practised as a geologist and geophysicist in France, North Africa, North, Central and South America since 1921;
- (4) I am the author of the accompanying report to J.K. Newton concerning diamond drilling on G.O.D. mineral claim units in the Similkameen Mining Division, dated April 3, 1978.

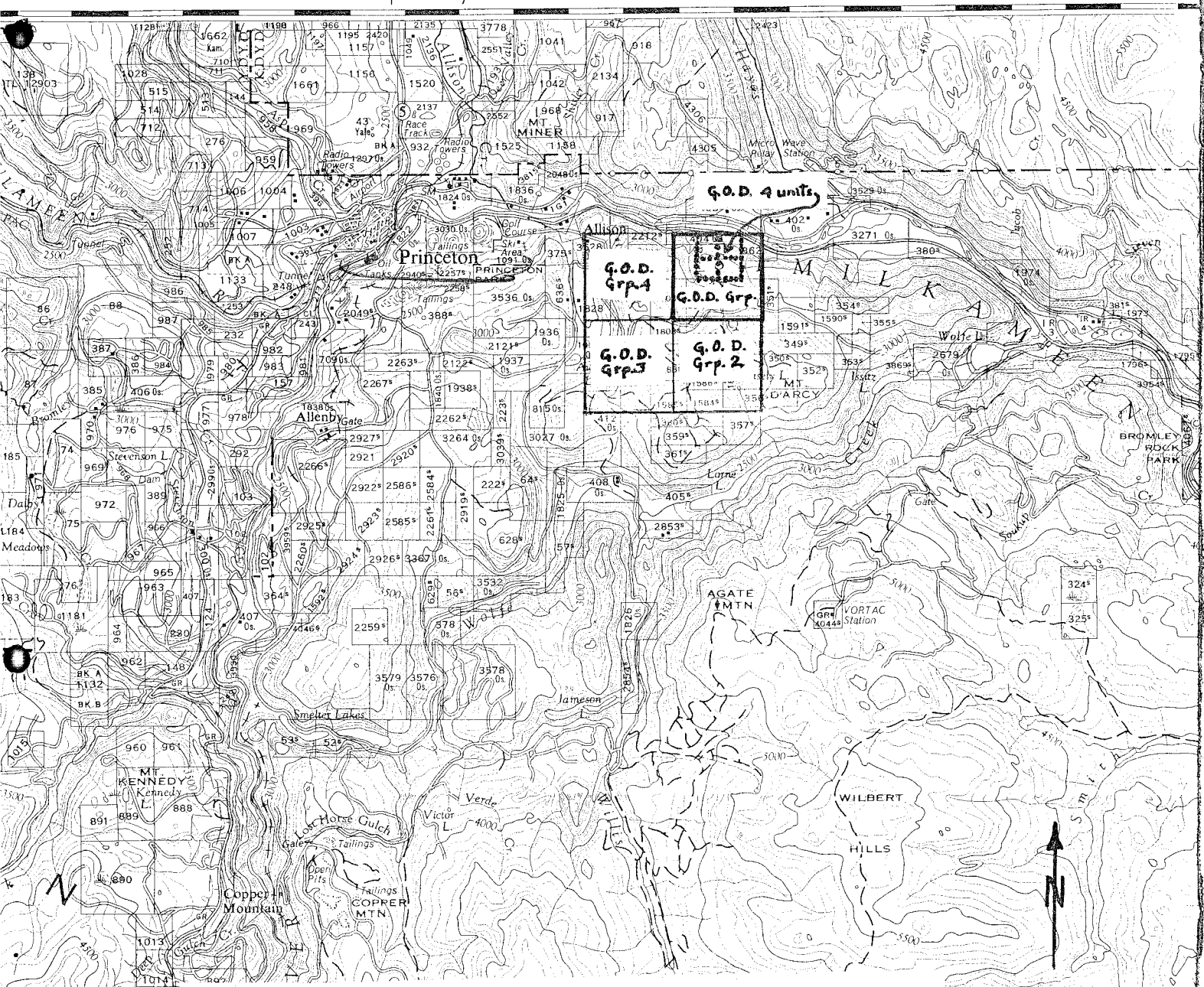
Sherwin F. Kelly, P. Eng.

Box 277,
Merritt, B. C.
April 3, 1978

A large, stylized handwritten signature in black ink, reading "Sherwin F. Kelly". The signature is written in a cursive style with a long, sweeping underline that extends to the right.

To Merritt—54 miles To Summerland

30'



Location Map

G.O.D. Group of Mineral Claims

PRINCETON, B.C.
SHEET 92 H/SE
THIRD STATUS EDITION

Scale 1:126,720 or 1 Inch to 2 Miles



Scale of Kilometres



A

G.O.D.
N.W. unit.

G.O.D.
N.E. unit,

D.D.H. 3
portal 3

cut

portal 3

Initial post old
claims, Barb 1 and 2.

adit

Area
of
old
under-
ground
workings.

G.O.D.
S.W. unit.

G.O.D.
S.E. unit.



MINERAL RESOURCES BRANCH
ASSESSMENT REPORT
6601
NO. _____

Location Map

D.D.H. No. 3
Portal No. 3

Four G.O.D units
Record no. 121
Similkameen Mining
Division, B.C.

Scale
1:2500
(1 in. = 200 ft.)
roughly

Shirley Kelly, P. Eng.
Apr. 3, 1978

