DOME CLAIMS #1 - 4

HARRISON ISLAND

GEOLOGY AND GEOCHEMICAL

SILT AND ROCK SURVEY

May 3 - 8th, 1978 PRISM RESOURCES LTD.

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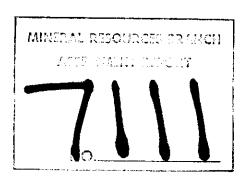
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MAPS

GEOLOGY AND SAMPLE LOCATION

1:16,000

CLAIM LOCATION MAP

1:25,000

SAMPLE AREA

1:1,000

INTRODUCTION

The Dome Claims covering Harrison Island were examined May 3rd to May 8th, 1978 by G.W.G. Sivertz, B.SC (Geol.) and G. Cavey, B.SC (Geol.), under the direction of E. Livgard, B.SC., P. ENG.

Geochemical silt sampling, rock chip sampling and geological mapping was carried out on behalf of Prism Resources Ltd. The work and results are hereby outlined so that it may be filed as assessment work.

SUMMARY

The property covers all of Harrison Island in Juskatla Inlet, Queen Charlotte Islands. It consists of 4 claims, Dome #1, #2, #3 and #4, a total of 16 units. The island has been mapped as consisting of Masset volcanics, post Paleocene volcanics consisting of rhyolite tuffs, agglomerate, rhyolite flows grading into basaltic agglomerates and flows.

The unit of particular interest is a trachyte which has been silicified, heavily fractured and occasionally brecciated and mineralized with pyrite which carries gold values to an unknown extent.

Rock chip sampling and silt sampling was carried out on part of the trachyte and along a fault scarp as well as randomly around the perimeter of the island.

Some anomalous values were obtained in the silt sampling.

CONCLUSIONS

The work discovered no high grade gold occurrances but sample results show that gold deposition has taken place in the trachyte breccia and fracture zones. Anomalous silt values indicate possible covered mineralization.

PROPERTY

The property consists of 4 claims named Dome #1, #2, #3 and #4, each consisting of 4 units for a total of 16.

The claims were staked in December 1977 and recorded on January 9, 1978. The recorded owner is Magnus Bratlien.

LOCATION AND ACCESS

Harrison Island lies in Juskatla Inlet on Graham Island in the Queen Charlotte Islands, Prince Rupert Mining Division. It lies about 5 kilometers northwest of MacMillan Bloedel's Juskatla camp and is best reached by boat from this camp or by boat from Port Clements. The island is uninhabited and there are no roads.

PHYSIOGRAPHY

The island is about 2.5 kilometers long, measured SW to NE and about 1.3 kilometers wide. It is heavily timbered with cedar, hemlock and spruce. It was hand-logged in the early 1900's. Outcrop is generally poor except on the shore and on the highest parts of the island which lie at an elevation of about 100 meters.

GENERAL

Sutherland-Brown (1968) mapped the viscinity as the Tartu Facies of the post-Paleocene, pre-Miocene Masset Volcanics, which he describes as a "plateau sequence of columnar basalts, basalt breccias, and rhyolite ash flows".

LOCAL

The small-scale geology of Harrison Island is a good deal more complicated than Sutherland-Brown's Tartu Facies description would lead one to expect. On the southwestern end of the island, thinly-laminated, siliceous rhyolite tuffs interbedded with glassy agglomerate grade northward and upward in section into rhyolite flows, and thence into more basaltic agglomerates and flows. The whole sequence strikes ENE and dips NW generally, but locally within the thinly laminated rocks, attitudes can vary from east-west striking and almost flat-dipping to north-south striking with vertical dips.

Fracture directions measured in the rhyolite tuffs on the SW part of the island indicate that two major directions exist, N-S and 060 degrees. A linear mapped by Sutherland-Brown crosses the island from the southwest to the northeast, bearing 060 degrees.

Within the rhyolite tuffs on the southwestern end of the island is a unit of porous, chalky-white weathering, light grey rock described by MacKenzie (1916) as a "bostonitic trachyte". This trachyte is silicified and heavily fractured in some areas, and the fractures are coated with jarosite and very rare fine pyrite. The trachyte is exposed for about 100 meters along the west coast of the island, and in rare outcrops immediately inland.

A linear mapped intersects the west coast of the island in the immediate viscinity of the trachyte. A series of small scarps about 10 meters high and 30 meters long, traceable for several hundred meters inland from the coast along a rough 060 degree bearing provides evidence for the existence of a fault cutting the trachyte. Intense fracturing noted in the trachyte along

the coast may be related to this fault. The fault scarps themselves have many hairline, jarosite-coated fractures in them. In a few places, larger fractures and brecciated areas have been filled with a mixture of blue-grey chalcedonic quartz and fine pyrite and marcasite.

SAMPLING

Rock chip samples were taken on a 25 X 25 meter grid established over a 100 X 100 meter area immediately east of the shore exposure of the trachyite, and every 10 meters along the shore. Three channel samples were taken along the fault scarps. Silt samples were taken in a stream flowing west and southwest along the inland projection of the fault about 400 meters NE of the chip sampled area. In addition, several silts and chip samples were taken more or less at random around the perimeter of the island. The sample locations are shown on sketches 1 and 3.

ECONOMIC GEOLOGY

In his 1916 Memoir, MacKenzie states that the "bostonitic trachyte" was prospected by a Mr. Robertson, who stated that free gold was sometimes visible in the rock, and that he had received assays from zero to several hundred dollars to the ton in gold. The island, or parts of it, has been staked several times since 1960, and was staked by G. Trinco in April, 1971. No sign of recent prospecting was found, but several areas along the shore had the appearance of having been blasted many years ago.

Results of the sampling indicate that gold mineralization is present in the trachyte but appears to be randomly distributed. None of the samples taken showing greater than about 1% pyrite contained any significant gold. Generally the denser sections of the trachyte, rather than the porous, coarser material, yielded the interesting results. The silt HI 12, which ran 100 ppb (about 5 times background) was taken from the creek previously mentioned where it runs down a small, straight ravine interpreted as the inland extension of the fault intersecting the trachyte on the coast.

Respectfully submitted.

G. W. G. Sivertz, B.Sc. (Geol.)

G. Cavey, B.Sc. (Geol.)

Egil Livgard, B.Sc., P. Eng.

Grorge Sweets

CERTIFICATE

I. EGIL LIVGARD, of 1990 King Albert Avenue, Coquitlam, British Columbia, DO HEREBY CERTIFY:

- 1. I am a Consulting Geological Engineer.
- 2. I am a graduate of the University of British Columbia, B.Sc., 1960, Geological Sciences.
- 3. I am a Member of the Association of Professional Engineers of the Province of British Columbia.
- 4. From 1960 to 1962 I was employed as Geologist with United Keno Hill Mines, Elsa, Yukon Territories.

From 1962 to 1963 I was employed as Geologist with the Geologic Survey of Norway.

From 1963 to 1966 I was employed as Mine Geologist and Engineer at the Portage Mine, Chibougamau, Quebec.

From 1966 to 1968 I was employed as Chief Geologist and Engineer to Utica Mines, Keremeos, B.C.

From 1968 to 1970 I was employed by S & N Mine Management, Consultants, Vancouver, B.C.

From 1970 to the present I have been self-employed as a Consultant in Vancouver, B.C.

5. The undersigned owns 1/3 interest in the Dome#1,2,3,4 Claims.

DATED at Vancouver, British Columbia, this 16th day of January, 1979

EGIL LIVGARD, B.SC., P. ENG.



986-5211

October 30, 1978

To:

Livgard Consultants Ltd. 409 - 1199 West Pender St., Vancouver, B. C. V6E 2R2

From:

Vangeochem Lab. Ltd. 1521 Pemberton Avenue,

North Vancouver, B. C. V7P 2S3

Subject:

Analytical procedure used to determine Aqua Regia soluble gold in geochemical samples.

Report #78-71-005

Method of Sample Preparation

- (a) Geochemical soil, silt or rock samples were received in the laboratory in wet-strength 4 x 6 Kraft paper bags and rock sometimes in 8" x 12" plastic bags.
- (b) The dried soil and silt samples were sifted by using a shaking machine using an 80-mesh stainless steel sieve. The plus 80-mesh fraction was rejected and the minus 80-mesh fraction was transferred into a new bag for analysis later.
- (d) The dried rock samples were crushed and pulverized to 80-mesh or finer by using a disc mill. The pulverized samples were then put in a new bag for later analysis.

2. Method of Digestion

- (a) 5.00 grams of the minus 80-mesh samples were used. Samples were weighed out by using a top-loading balance into beakers.
- (b) 20 ml of Aqua Regia (3:1 HC1:HNO₃) were used to digest the samples over a hot plate vigorously.
- (c) The digested samples were filtered and the washed pulps were discarded and the filtrate was reduced to about 5 ml.
- (d) The Au complex ions were extracted into diisobutyl ketone and thiourea medium. (Anion exchange liquids "Aliquot 336").
- (e) Separate funnels were used to separate the organic layer.

3. Method of Detection

The gold analyses were detected by using a Techtron model AA5

Atomic Absorption Spectrophotometer with a gold hollow cathode lamp. The results were read out on a strip chart recorder. A hydrogen lamp was used to correct any background interferences. The gold values in parts per billion were calculated by comparing them with a set of gold standards.

4. The analyses were supervised or determined by Mr. Conway Chun or Mr. Eddie Tang and his laboratory staff.

Eddie Tang

VANGEOCHEM LAB LTD.

ET:mrn

DECLARATION OF COSTS

PROPERTY

| 16 man days @ \$100.00 per day Cavey | \$1,600.00 |
|---|--|
| Sivertz Truck rental and gas Food Equipment, flagging, sample bags Accommodation Geochemical analysis | 201.69 128.47 49.82 27.30 323.30 |
| REPORT | |
| 3 days @ \$100.00 per day | 300.00 2,689.98 |
| TRANSPORTATION | |
| \$297.00 - 20% | 59.40 |
| | \$2,749.38 |

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VANGEOCHEM LAB LTD. 1521 PEMBERTON AVE., NORTH VANCOUVER, B.C., CANADA V7P 2S3

AREA CODE: 604

Telex: 04-352578
• Specialising in Trace Elements Analyses •

Certificate of Geochemical Analyses

-IN ACCOUNT WITH-

Prism Resources Ltd. #214 - 850 West Hastings St. Vancouver, B C V6E 1E1

Attention:

Report No: 78 71 005

Page 1

of 2

Samples Arrived:

May 10, 1978

Report Completed:

May 16, 1978

For Project:

Analyst:

ET,SC, DA

Invoice #1912

Job #78033

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REMARKS:

Signed:

% Mo x 1.6683 = % MoS_z

1 Troy oz./ton = 34.28 ppm

1 ppm = 0.0001%

nd = none detected

ppm = parts per million

All values are believed to be correct to the best knowledge of the analyst based on the method and instruments used./



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Prism Resources Ltd.

Report No: 78 71 005

Page 2 of 2

Samples Arrived:

Report Completed:

For Project:

Attention:

Analyst:

| Sample Marking | Au ppb | Ag DDM | Мо | Cu | Pb | Zn | |
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REMARKS:

Signed: _

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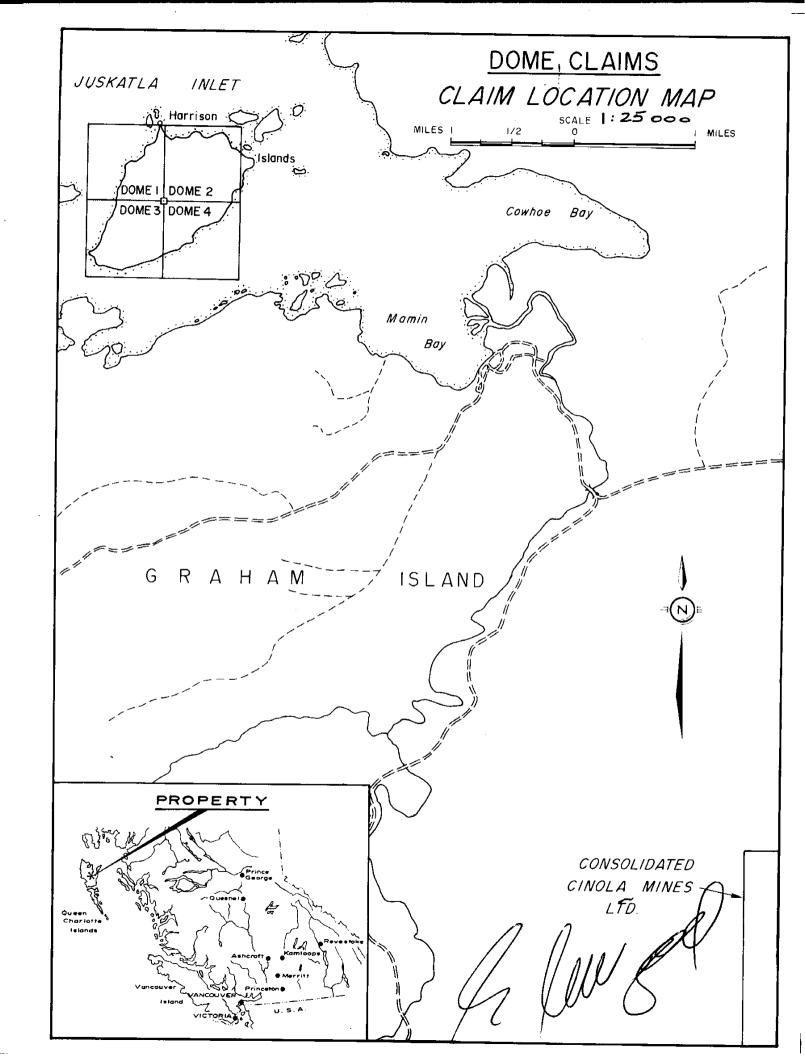
1 Troy oz./ton = 34.28 ppm

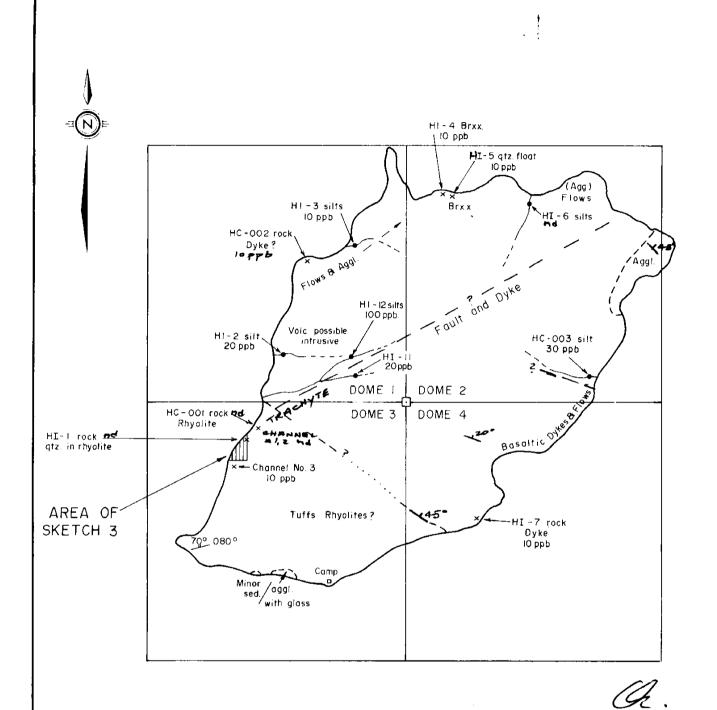
1 ppm = 0.0001%

nd = none detected

poin = parts per millior

All values are believed to be correct to the best knowledge of the analyst based on the method and instruments used.





SKETCH I

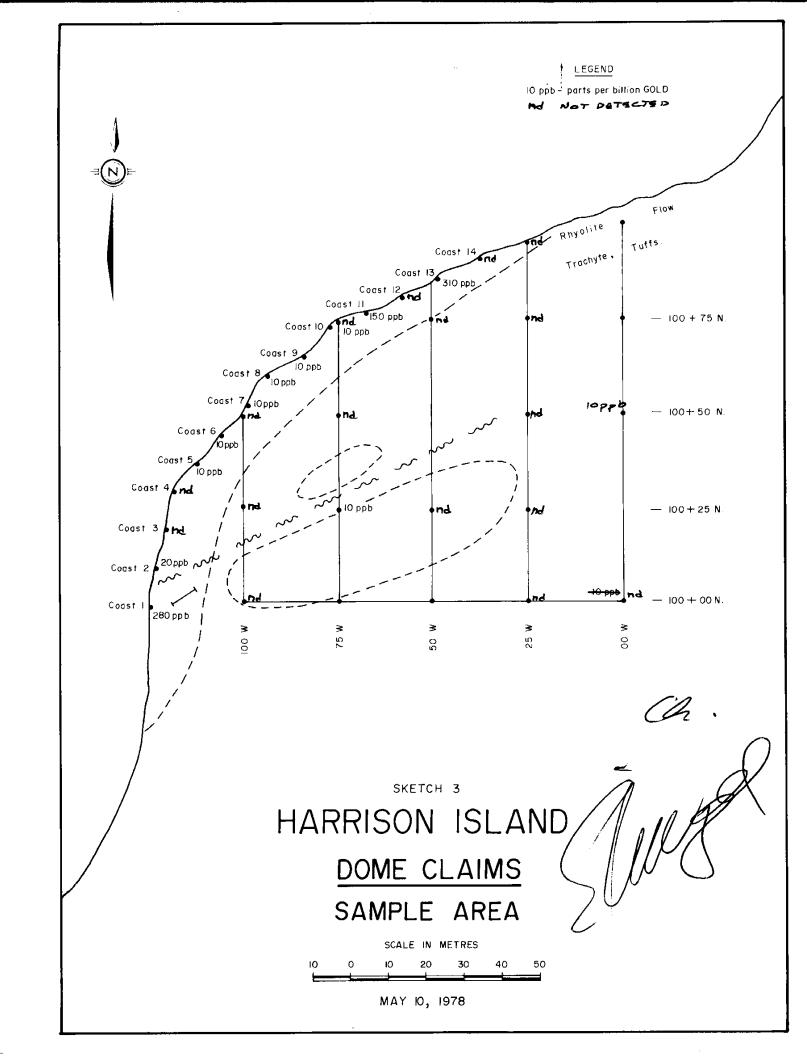
HARRISON ISLAND

DOME CLAIMS

GEOLOGY & SAMPLE LOCATION

SCALE: 1:16,000

MAY 10, 1978



CERTIFICATE

- I, GEORGE ROSS CAVEY, hereby certify that:
- 1. I am a geologist residing at 401, 2310 West 2nd Avenue, Vancouver, British Columbia.
- 2. I received a B.Sc degree in Geology from the University of British Columbia in 1976.
- 3. I have been practicing my profession since June, 1976.
- 4. I am the joint author of this report.
- 5. I have been employed with PRISM RESOURCES LIMITED since August, 1976, with previous intermittent employment with various companies since 1974.
- 6. I have no beneficial interest in the claims described in this report nor do I expect to receive any.

George Cavey, B.

CERTIFICATE

- I, GEORGE WILLIAM GUSTAV SIVERTZ, hereby certify that:
- I am a geologist residing at 3016 WEST 19th AVENUE, VANCOUVER, BRITISH COLUMBIA.
- 2. I received a B. Sc. degree in Geology from the University of British Columbia in 1976.
- 3. I have been practicing my profession since May 1, 1978.
- 4. I am the joint author of this report.
- 5. I have been employed with PRISM RESOURCES LIMITED since May, 1978, with previous intermittent employment with various companies since 1975.
- 6. I have no beneficial interest in the claims described in this report nor do I expect to receive any.

George W. G. Sivertz.

REFERENCES

G. S. C. MEM. 88

GEOLOGY OF GRAHAM ISLAND, L.C.

BY

J. 9. MacKENZIE 1916

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