

REPORT TO VERIFY ASSESSMENT WORK

ON THE

CYCLE CLAIM

NEAR HARMON LAKE

IN THE

NICOLA MINING DIVISION

BRITISH COLUMBIA

HELD BY

REDLANDS RESOURCES LTD.

OF VANCOUVER, B.C.

BY

SHERWIN F. KELLY, P. ENG

MERRITT, B.C.

AUGUST 31, 1979

7457

REPORT COVERING
ASSESSMENT WORK ON THE
CYCLE CLAIM
NICOLA MINING DIVISION , B.C.

TABLE OF CONTENTS

LOCATION AND ACCESS.....p. 1
CLAIM OWNERSHIP.....p. 2
GEOCHEMICAL SURVEY.....p. 3
RESULTS OF GEOCHEMICAL SURVEY.....p. 5
CERTIFICATE OF QUALIFICATIONS.....p. 7

MAPS

INDEX MAP, FIG. 1.....facing p. 2
CLAIM LOCATION MAP, FIG 2.....following p. 2
CLAIM MAP AND SURVEY
RESULTS, FIG. 3.....facing p. 4

APPENDICES

COST STATEMENT BY CONTRACTOR.....APPENDIX A
TABULATION OF SOIL COPPER
VALUES.....APPENDIX B

REPORT TO VERIFY
ASSESSMENT WORK ON
THE CYCLE CLAIM
NEAR HARMON LAKE
NICOLA MINING DIVISION, B.C.
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REDLANDS RESOURCES LTD.
OF VANCOUVER, B.C.

LOCATION AND ACCESS

The Cycle claim, consisting of 9 units in a 3x3 square, lies between one and two miles northwesterly from the Kane Valley Road (south of Merritt B.C.) the legal post being depicted as standing 2,500 meters northwesterly from the south end of Harmon Lake.

Access to the claim is via Highway No. 5, the Merritt-Princeton Highway, which is followed for 11 miles (17.7 km) south from Merritt. There, the Kane Valley Road turns off to the right (west). It is followed 9.1 miles (14.1 km) southwesterly to a branch road turning right (northwesterly). About 1.2 miles (1.9 km) along this road there is a moderately clear area in which can be seen the claim post 3E, about 100 ft. (30 m) to the right (easterly). This is the southeast corner of the group. The legal post is the southwest corner.

Another 0.3 mile (0.48 km) along this road there is a turn-off, to the left, from which yet another turn-off to the right, at 0.3 miles (0.48 km) leads north to the old showings, trenches and drill holes, some 0.2 miles, or 300 m away. These trenches are located along and near the east-west grid base line, between the north-south profile lines 500E and 800E.

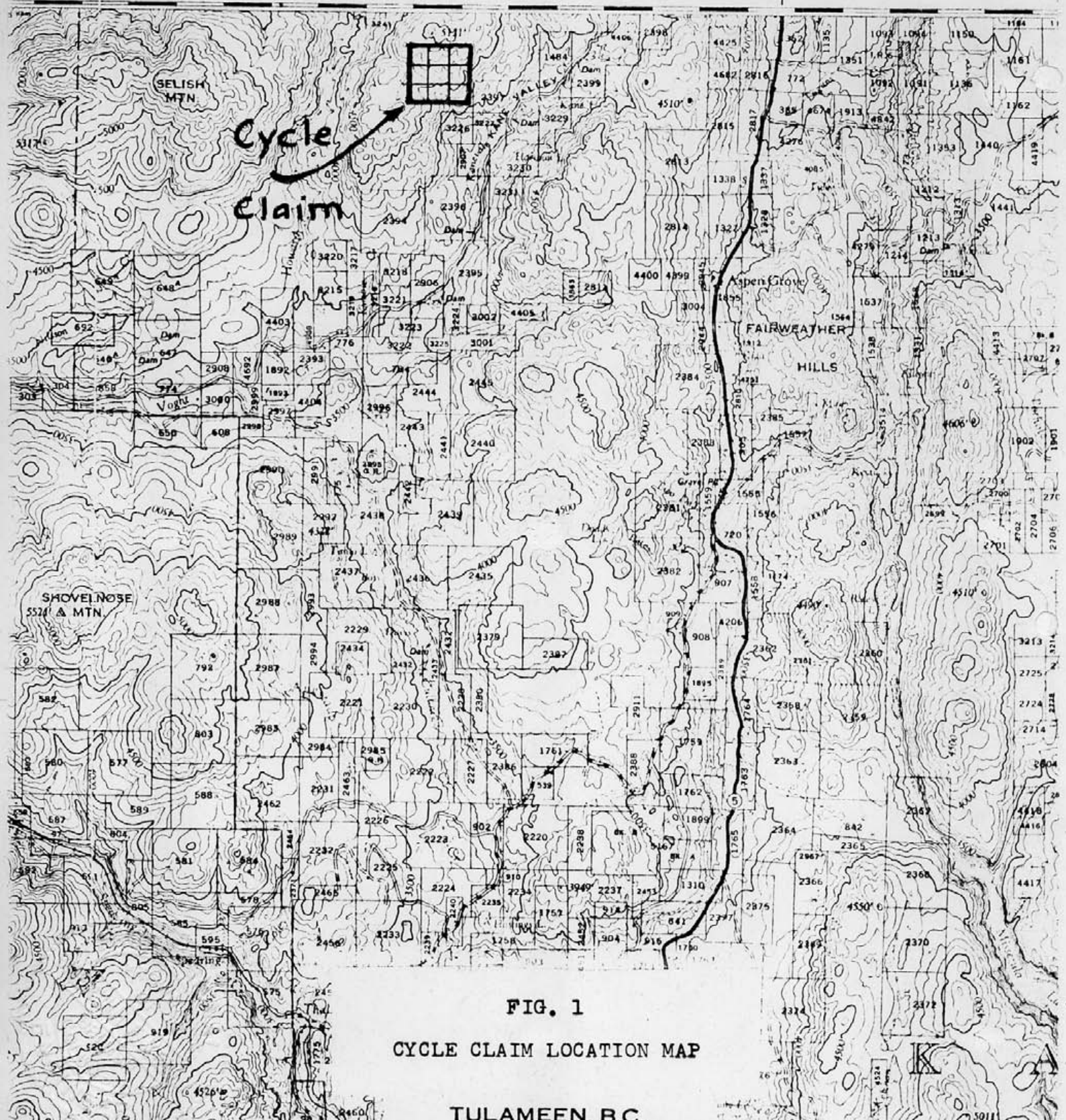
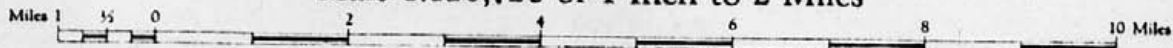


FIG. 1

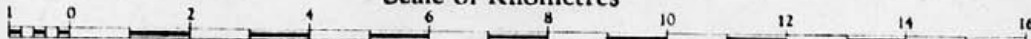
CYCLE CLAIM LOCATION MAP

TULAMEEN, B.C.
SHEET 92 H/NE

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



Scale of Kilometres



This area is close to the middle of the north border of the NW quadrant of the Tulameen, B.C. Sheet 92 H/NE. The co-ordinates are, approximately, $120^{\circ} 43'$ west longitude and $49^{\circ} 59'$ north latitude. See Index Map facing this page and the Claim Location Map following this page.

CLAIM OWNERSHIP

The nine units of the Cycle Claim were recorded at the Gold Commissioner's office in Merritt, on June 18, 1978, by Vernon L. Paulger of Chilliwack. He disposed of the claims to Stephen Arthur Knight of West Vancouver who, in turn, sold them on December 5, 1978 to Redlands Resources Ltd. of Vancouver. It is this Company which is now the owner of the group and which paid for the geochemical survey, made in satisfaction of assessment requirements and with which this report is concerned.

GEOCHEMICAL SURVEY

In preparation for the soil sampling program, a grid of north-south lines was laid out, turned off an east-west base-line. Directions are true bearings. The base line extends east from a point on the west claim boundary which lies 650 m north of the legal corner post (the SW claim corner). It runs 1.5 km east to the east claim boundary. The north-south profile lines were turned off this base line at 100 m intervals. They extend from Line 0 at the boundary, to line 900. These profile lines run 650 to 700 m south of the base line and 800 to 1,000 m north of it. Although the lines are of somewhat irregular length, they are recorded as marking "the true boundary". They were flagged at 50 m intervals, north and south from the base line. The lay-out was made by chain and compass.

The line cutting and sample collecting, were taken on a contract basis by Vern Paulger, of Vancouver. He employed Lorne McClelland and Andre Chenier, both of Merritt, to conduct the field operations. They have been doing this kind of work in the Merritt area, and elsewhere, for about 15 years. I personally know them and their work and consider them highly competent. The survey was carried out between June 1st and June 10, 1979.

M 92H/10E

(FOR PLACER SEE P 92H/10E)

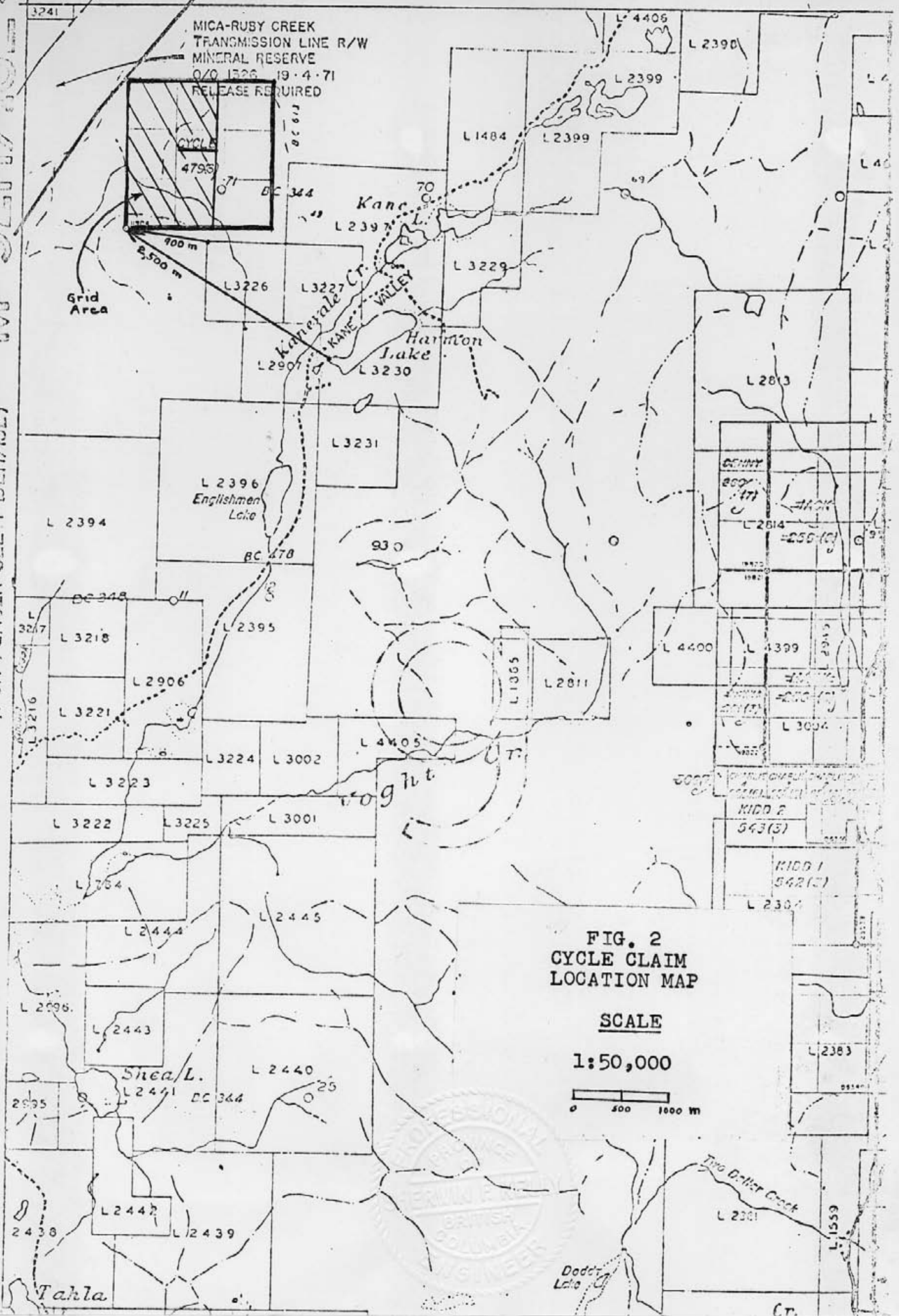
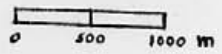


FIG. 2
CYCLE CLAIM
LOCATION MAP

SCALE

1:50,000



Soil samples were taken at 50 m intervals along the north-south profile lines. A small shovel was used to dig holes about 6 in. deep and a few ounces of soil from the B horizon were taken and put in standard kraft paper bags, numbered according to line and station. Sample holes dug numbered 302, but samples assayed numbered 294 because, at eight locations (on lines 300, 600, 700 and 800) bedrock was encountered immediately beneath the humus.

The analyses were run by Bondar-Clegg, of North Vancouver. The -80 fraction was analysed, using full concentration of hot aqua regia for the dissolution and the atomic absorption technique for determining the parts per million of copper. The assay return from Bondar-Clegg is included as Appendix B. The results are entered on the grid map, facing page 4.

The distribution of costs for this work is modified from the affidavit filed June 15, 1979 by Vern Paulger, due to some misunderstandings and errors at that time. Although line 900 was cut, it was not sampled. The samples collected therefore numbered 302 (not 340 as originally thought). The samples assayed were eight fewer, 294, as explained above. The total kilometrage of line cut and flagged was 17.8. This is divided into 16.3 km of profile lines and 1.5 km of base line. It appears that the base line was inadvertently included in the first item of line cutting, and then listed again as a separate item, in the affidavit referred to, and the sum for supervision was omitted.

L0 L100 L200 L300 L400 L500 L600 L700 L800 L900

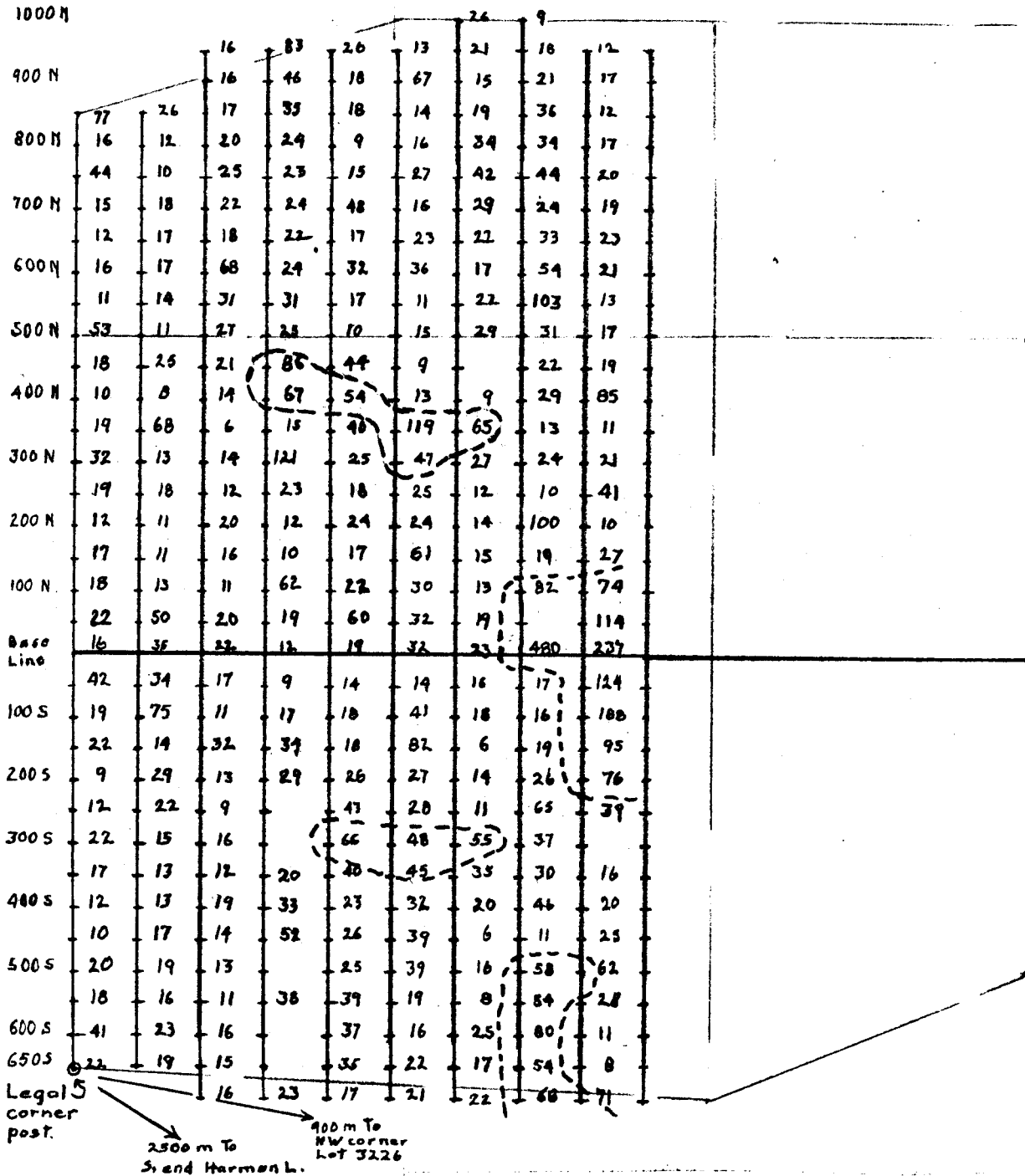


FIG. 3

CYCLE CLAIM MAP AND SURVEY RESULTS

Figures at right of stations give copper in parts per million

(outlines anomalous areas discussed in text

Precise outline of claim block not yet verified; boundaries shown are approximate

Herbert Kelly P. Eng.

SCALE

1:10,000



The costs as corrected, now stand as follows:-

Cutting and flagging profile lines, 16.3 km @ \$80 per km.....	\$1304.00
Cutting and flagging base line, 1.5 km @ \$125 per km.....	187.50
Digging and collecting samples, 302 samples @ \$2.00 per sample.....	604.00
Truck rental, 10 days @ \$25 per day.....	250.00
Sundries: rental of tent, camp supples, food, etc.....	250.00
Supervision.....	200.00
	<u>\$2795.50</u>

The contractor's statement of costs, revised, is included as Appendix A.

The original "Statement of Exploration and Development" was filed by Vernon Paulger, as agent for Stephen A. Knight, the president of Redlands Resources, on June 15, 1979, to cover three years' assessment work.

It should be noted that the costs of the geochemical determinations and of this present report, were not included in the original filing for assessment work. They are:-

Analysing 294 samples.....	\$573.00
Preparing this report.....	<u>400.00</u>
	<u>\$973.00</u>

These tasks were actually performed and paid for after the anniversary date of June 28, 1979. It is therefore suggested that the sums involved may be submitted for assessment work in the current anniversary year.

RESULTS OF GEOCHEMICAL SURVEY

The map of the grid lines, on which are entered the copper values from the Bondar-Clegg analyses, faces this page.

RESULTS OF GEOCHEMICAL SURVEY

The map of the grid lines, on which are entered the results of the analyses of the soil samples, faces this page.

The background value for copper is calculated at 16 ppm (parts per million). For ease of reference and calculation, call it 15 ppm. Threshold value is assumed at 30 ppm and anything over 45 ppm may be considered anomalous.

There are numerous anomalous values scattered about in the survey area, but those which appear as isolated highs, without continuation to adjoining lines or supporting, adjacent high values on the same line, may be considered erratic. That is, they may well be due to mineralised fragments in the overburden.

There are, however, several impressive groups of high values which deserve further consideration and the collecting of additional samples on a detail pattern in their vicinities.

One such group of highs extends between line 300, at stations 400 and 450 N, east-southeasterly across lines 400 and 500 to line 600 at 350 N. It is 300 m long. The readings within it vary from 47 ppm to 119 ppm.

A weaker group of highs lies south of the base line, across lines 400, 500 and 600 in an east-west direction, in the vicinity of station 300 S. Readings range from 45 ppm to 66 ppm.

An impressive reading of 480 ppm occurs on the base line at line 700. This is at the southeast end of some old trenches in which drilling is supposed to have found copper-bearing formations. It is surprising that there are not other high readings nearby and it would be well to do some detail work here.

The reading of 82 ppm 100 m north, on that line, corresponds to the end of another trench. Additional investigation in this area would be advisable.

At the south end of line 700, there is a string of readings, 46 ppm to 80 ppm, extending from 400 S to 700 S. The line parallels an old trench, lying immediately west of the line. Additional investigation is warranted here.

The most impressive highs, however, lie along line 800, from 100 N to 200 S, with values ranging from 76 ppm to 237 ppm. This was the last line to be run, and continued work to the east is imperative.

The rocks underlying this general area consist of andesitic flows and tuffs of the Nicola formation. In the vicinity of the trenches where drill holes were put down, the principal rock is a porphyritic, amygdaloidal lava with prominent phenocrysts of feldspar. Chalcocite is reported as a coating of the amygdule fillings. The formations have a north-westerly strike and northeasterly dip.

In most of the area covered by sampling, the overburden is shallow and outcrops are not uncommon. Farther east, however, the ground dips down to a drainage channel where deeper overburden may be expected. Sampling that area will require that due notice be taken of those areas where swampy conditions or clayey sediments might have entrapped copper ions, thereby producing spurious high values.

Respectfully submitted



Sherwin F. Kelly, P. Eng.

Box 277
Merritt, B.C.
Aug. 31, 1979

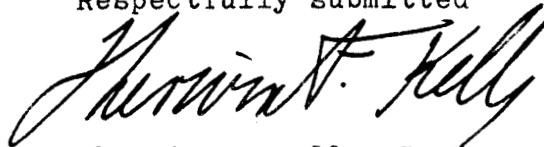
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CERTIFICATE OF QUALIFICATIONS

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 the Province of British Columbia.
- (2) I received the degree of B. Sc. in Mining Engineering from the University of Kansas in 1917.
- (3) I have practised as a geologist and geophysicist in Europe, North Africa, United States, Canada, Mexico, Central America, South America and the Caribbean, since 1920. Since 1936, my work has been principally as a consultant.
- (4) I wrote the accompanying "Report to Verify Assessment Work on the Cycle Claim Near Harmon Lake in the Nicola Mining Division, British Columbia, held by Redlands Resources Ltd. of Vancouver, B.C." dated Aug. 31, 1979.
- (5) The report is based on my general knowledge of the area, a visit to the site with Lorne Mc Clelland, contractor for the work and data provided by him.
- (6) I have no interest in Redland Resources Ltd., nor in the Cycle claim group and I do not anticipate receiving any.

Respectfully submitted



Sherwin F. Kelly, P. Eng.
Geologist and Geophysicist

Box 277
Merritt, B.C.
August 31, 1979

APPENDIX A

V. L. Paulger & Associates Ltd.

1005 - 789 WEST PENDER STREET, VANCOUVER, B.C. V6C 1H2 TELEPHONE (604) 689-7637

August 15, 1979.

Mr. Sherman Kelly,
Professional Engineer,
Box 277,
Merritt, B.C.

Dear Sir:

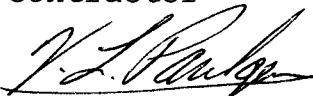
Re: Cycle M.C.

Statement of cost by contractor:

- Line cutting 16.3 km. at \$80.00	\$ 1,304.00
- Base line 1.5 km. at \$125.00	187.50
- Soil samples 302 at \$2.00	604.00
- Truck rental	250.00
- Sundries (camp supplies, food, etc.)	250.00
- Supervision	200.00
	<hr/>
Total:	\$ 2,795.50
	<hr/> <hr/>

Yours truly,

V. L. Paulger & Associates Ltd.
Contractor



Vern L. Paulger

VLP/ml


BONDAR-CLEGG & COMPANY LTD.

1500 PEMBERTON AVE., NORTH VANCOUVER, B.C. PHONE: 985-0681 TELEX: 04-54554

Geochemical Lab Report

Extraction Hot Aqua Regia (Full concentration) Report No. 29 - 1492 PROJECT: S. F. KELLY
 Method Atomic Absorption From Redlands Resources Ltd.
 Fraction Used -80 mesh Date August 25, 19 79

SAMPLE NO.	Cu ppm				SAMPLE NO.	Cu ppm			
LO +850N	77				LO +650S	22			
800N	16				L100+850N	26			
750N	44				800N	12			
700N	15				750N	10			
650N	12				700N	18			
600N	16				650N	17			
550N	11				600N	17			
500N	53				550N	14			
450N	18				500N	11			
400N	10				450N	25			
350N	19				400N	8			
300N	32				350N	68			
250N	19				300N	13			
200N	12				250N	18			
150N	17				200N	11			
100N	18				150N	11			
50N	22				100N	13			
BL00 + 00	16				50N	50			
LO + 50S	42				BL00 +100E	35			
100S	19				L100+ 50S	34			
150S	22				100S	75			
200S	9				150S	14			
250S	12				200S	29			
300S	22				250S	22			
350S	17				300S	15			
400S	12				350S	13			
450S	10				400S	13			
500S	20				450S	17			
550S	18				500S	19			
600S	41				550S	16			

7457

BONDAR-CLEGG & COMPANY LTD.

Geochemical Lab Report

Report No. 29 - 1492

Page No. 4

SAMPLE NO.	Cu ppm				SAMPLE NO.	Cu ppm			
L600+ 650N	22				L700+ 600N	54			
600N	17				550N	103			
550N	22				500N	31			
500N	29				450N	22			
400N	9				400N	29			
350N	65				350N	13			
300N	27				300N	24			
250N	12				250N	10			
200N	14				200N	100			
150N	15				150N	19			
100N	13				100N	82			
50N	19				B100 + 700E	480			
B100 + 600E	23				L700+ 50S	17			
L600+ 50S	16				100S	16			
100S	18				150S	19			
150S	6				200S	26			
200S	14				250S	65			
250S	11				300S	37			
300S	55				350S	30			
350S	35				400S	46			
400S	20				450S	11			
450S	6				500S	58			
500S	16				550S	54			
550S	8				600S	80			
600S	25				650S	54			
650S	17				700S	68			
700S	22				L800+ 950N	12			
L700+1000N	9				900N	17			
950N	18				850N	12			
900N	21				800N	17			
850N	36				750N	20			
800N	34				700N	19			
750N	44				650N	23			
700N	24				600N	21			
650N	33				550N	13			

