

Return to H. Hicks

A REPORT OUTLINING THE
LODE GOLD POTENTIAL
OF THE "QUARTZROCK" GROUP
OF MINERAL CLAIMS
NEAR CASSIAR, B.C.

GOLD COMMISSIONER
RECEIVED and RECORDED
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M.R. #.....
VICTORIA, B.C.

FOR

PLAZA RESOURCES CORP. LTD.

BY

R.T. TRENAMAN, P. ENG.,

AND

H. BRODIE HICKS, P. ENG., M. ENG.

Vancouver, B.C.
November 23, 1979

MINERAL RESOURCES BRANCH
ASSESSMENT REPORT
8226

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The following report has been commissioned by Mr. H. Jones, Director of Plaza Resources Corp. Ltd., 1100 - 700 West Georgia St., Vancouver, B.C. Both of the writers act, independently, as consultants to Plaza Resources, and have, during the current year, acted as consultants to neighbouring and adjacent properties. The exploration programme mentioned below which is now proceeding on the adjacent Taurus Resources property, continues to be directed by Mr. Trenaman. Both writers have been on the subject property and are familiar with the local geology. This report has been compiled, basically, by Mr. Trenaman, with some amendments and additions by Mr. Hicks.

HOLDINGS, LOCATION AND ACCESS

The group, referred to herein as the Quartzrock Group, consists of the following claims:

<u>Name</u>	<u>Record No.</u>
Mac 1-4	515-518 inclusive
Hopeful 1-4	523-526 inclusive
Hillside	928
Highgrade	929

The claims were staked in the Fall of 1935 by Mr. G. Hope and others, and have been held continuously since that date. During 1979, they were transferred to Plaza Resources Corp. Ltd.

The claims occupy a portion of the valley of Quartzrock Creek, north of the junction of Quartzrock and Troutline Creeks, approximately 9 km south of the town of Cassiar. The 15 km highway joining Cassiar to the main highway between Watson Lake and Stewart, follows along the side of Quartzrock Creek through the eastern portion of the claims. Lying at an elevation of approximately 1,000 metres, the terrain encompassed by the claims is reasonably flat-lying, with moderate slopes to the north and west away from Quartzrock Creek. The claims are well timbered with spruce, fir, and deciduous shrubs. Access to all areas is relatively easy because of a network of roads and tracks, which were built for access to the various mineral occurrences.

The existing service station and buildings located on the Mac 1 claim were obtained by Plaza Resources as part of the purchase agreement for the claims. These facilities have been added to, and a very adequate base of operations, with telephone and power, presently exists.

HISTORY OF THE AREA

The earliest recorded work in the area goes back over a hundred years to 1874, when placer gold was found in the canyon of McDame Creek, approximately 20 km to the southeast on the present Watson Lake-Stewart highway, and subsequently in the canyon of Quartzrock Creek, 1,000 m south of the Quartzrock claim group. The largest recorded gold nugget recovered by placer work in B.C. was found at the mouth of Snowy Creek about this time, 5 km to the south. The placer gold is believed to have originated from the many gold-quartz veins which occur in the valleys of Quartzrock and McDame Creeks.

Interest in the lode gold possibilities of the area is first recorded in the early 1930's. The Minister of Mine Reports for 1935 and 1937 contain reports by Dr. J.T. Mandy who summarized the work done during this period, which was mainly exploratory in nature. The earliest attempt at underground production probably predates this, perhaps around 1930, when a small stamp mill was installed on the present location of the Mac I claim. An adit, estimated at 150 feet long, explored and mined an east-west striking, vertically dipping, gold quartz vein containing pyrite. No records are available to the writers of the results of this work.

Some excerpts from Dr. Mandy's report of 1935 referring to the Mac and Hopeful claims are cited below under "GEOLOGY".

The many gold lode veins in the McDame Creek area that were staked in the 1930's have received persistent exploratory work over the intervening years. Commencing in 1937, on Table Mountain, 8 km south of the Quartzrock Group, the claims covering the Vollaug vein were optioned to Cominco Ltd. During the summer of 1937, forty men were employed carrying out extensive trenching and some 7,000 feet of diamond drilling to test this extensive east-west striking quartz vein.

In 1946, Benroy Mines did extensive trenching and over 3,000 feet of drilling on the Cornucopia property (now Taurus Resources) which adjoins the Quartzrock Group to the east.

Following the building of the access road from the Alaska Highway to service the asbestos operation at Cassiar in 1952, there was a renewal of interest in the lode gold possibilities of the area.

In 1960 the Cornucopia group was acquired by Hanna Gold Mines. During the next three years, some 4,000 feet of underground development plus extensive trenching and diamond drilling explored the numerous gold-quartz veins on the property. About the same time, Troutline Mines built a small gold mill near the mouth of Troutline Creek, and treated ore obtained from a number of veins in the area, notably the eastern end of the Vollaug vein.

With the impressive rise in the price of gold over the last few years, interest in the McDame Creek area has been rekindled. In 1973, Table Mountain Mines Ltd. who held the western portion of the Vollaug vein initiated a programme of underground exploration and surface drilling. This work was resumed late in 1978 and continued through the current year. In 1975, Nu-Energy acquired the Jennie vein which lies adjacent to the Vollaug vein on Table Mountain. A 100-ton mill was constructed and mine production commenced at the beginning of 1979.

Within the last few months, the old Cornucopia property, reorganized under Taurus Resources, was optioned by United Hearne Resources. A surface diamond drilling and underground test mining programme aimed at determining the production potential of the property has just been completed. The results of this work have been sufficiently encouraging to justify recommendation of a further programme, at a cost of \$310,000 that could lead to mine production.

GEOLOGY

The claim area is underlain by light to dark green andesite flows which are one of the series of sedimentary and volcanic sequences which, together form the Sylvester group of upper Devonian and Lower Mississippian age. The Sylvester group in this area occupies the central part of a north-west trending open syncline, thought to be plunging slightly to the north. The claims cover an area which is roughly coincident with the north trending axis of the syncline.

On the adjacent Taurus group, 500 meters to the east, pillow structures are a common feature in the underground workings with a roughly north-south alignment. Based on a one day reconnaissance of the Quartzrock property, supplemented by information obtained from more detailed work to the east, there appears to be two main features which provide controls for the gold-bearing quartz veins in the area.

- a) a series of roughly parallel north-south shear zones, varying in width from a half dozen feet up to 200 feet;
- b) a zone of approximately east-west breaks, which are thought to have been originally joints, which cross-cut the shear zones at approximately right angles.

These breaks appear to extend through the enclosing rocks for considerable distances. To the south of the claim area they are known to extend without significant offset for up to 5,000 feet. The dips of both the north-south shear zones and east-west trending joints are steep, between 60° and 70° .

Quartz veins up to three feet wide occupy a number of these east-west breaks, and appear to be most persistent where the andesites are most competent. The andesite wall rocks for varying distances adjacent to many of the east-west breaks have been subjected to alteration (probably quartz carbonate). The altered rock has a light grey color on the fresh surface, and pyrite crystals are a common feature.

Within the Quartzrock Creek area gold mineralization occurs both as discrete particles and in intimate contact with the pyrite, either within the quartz veins, or on the contact between vein material and wall rock. Gold mineralization is late in the sequence of geological activity, perhaps in more than one time period. The presence of tetrahedrite, chalcopyrite and sphalerite, even in minor amounts, are good indicators of the presence of gold.

Post-quartz vein faults on the adjacent Taurus property appear to be of two attitudes; 1) parallel to and within the quartz vein (which have provided the openings for the introduction of gold and pyrite), and 2) approximately S-40°E, and dipping 70°SW. This latter set of movements has caused a number of vein offsets. Generally, the east side has been moved north. This latter set of movements may also have contributed to the introduction of gold.

In this area the effects of surface oxidation extend from 40 to 50 feet below surface.

Approximately 1,000 meters south of the Quartzrock group, a large outcrop of interbanded quartz and altered andesite is exposed on the walls of the canyon of Quartzrock Creek. The quartz veins strike roughly east-west and dip steeply south. Vein thicknesses of up to 40 feet are common in this assemblage. Over a large section, quartz represents at least 40% of the total rock present. Minor amounts of gold have been reported from samples obtained from this rock. The relationship between this large quartz showing and the vein systems on the Quartzrock claims is unknown at this time.

The 1935 report by Dr. Mandy, cited above, contains the following information on the subject claims:

"On the Mac No. 1 claim, a short distance northwesterly from "Quartz City", a series of eleven approximately parallel veins and stringers outcrop across 300 feet of the southwesterly slope towards a small gulch. They vary in width from a few inches to 6 feet, strike east-west, and are usually vertical. A small amount of open-cutting and stripping has been done on them. On the westerly side of the gulch, an open-cut in the face of a bluff on the Mac No. 3 claim exposes a vein three feet wide which may be the westerly continuation of one of the structures 400 feet to the east. With the exception of some iron stain and oxidized patches, no mineralization was observed in these exposures."

"On the Mac No. 2 claim, about 350 feet northerly of the showing on the Mac No. 1 claim, an open cut on the easterly bank of Quartzrock Creek exposes a quartz vein 12 inches wide, striking north 78° east, dipping 70° south, and fairly well mineralized with pyrite and some arsenopyrite. Both walls adjacent to this vein are altered and silicified and contain cubic crystals of pyrite. A sample across 12 inches of mineralized vein exposed at the bottom of this cut assayed, gold 0.80 oz per ton; silver 0.6 oz per ton."

Referring again to Dr. Mandy's report for 1935 with respect to the neighbouring Hopeful claims:

"The main showings consist of three main parallel quartz veins about 30 and 50 feet apart respectively, striking south 87 degrees east and dipping about 70 degrees south. The northerly vein has been traced by natural outcrops and some stripping for a distance of about 350 feet. An open cut at elevation 3,425 feet, at the easterly end exposes a 10-foot width of quartz sparsely mineralized with pyrite, siderite, ankerite, and some tetrahedrite. A sample from the best mineralized section of this cut assayed, gold, trace; silver, trace. The central vein can be traced by intermittent outcrops showing iron oxidation and a little pyrite up to five feet wide for about 400 feet. No work has been done on it."

Except for the annual assessment work, which in the early days consisted of hand trenching and, latterly, random bulldozer trenching to extend veins described by Dr. Mandy, there has been little work to test the potential of the Quartzrock property.

MINERAL POSSIBILITIES OF THE QUARTZROCK CLAIM GROUP

The Quartzrock claim group is situated in a geologically favourable location for the finding of gold-bearing quartz veins. It is situated on strike and immediately west of the Taurus property on which encouraging results have been obtained by past and recent work. From the preliminary work done to date, it appears that the host rocks, alteration and east-west breaks are similar to those on the Taurus property. Further encouragement is provided by the fact that there has been production from one of the veins on the property. Because of the unknown effects of surface oxidation, the limited surface sampling done on the known veins cannot be relied on to indicate the gold values at depth.

A two-stage programme is warranted to test the potential of the claims. The second stage would be contingent on the results obtained in Stage 1.

STAGE I

An initial exploration programme in at least four locations to expand existing mineral occurrences:

Location 1 - Mac 1 Mineral Claim

The vein adjacent to the old stamp mill, hereafter identified as the "Stamp Mill" vein.

- a) Extend this vein to the west by backhoe or bulldozer trenching.
- b) If practical, open up the underground workings on the vein in order to permit sampling.

Location 2 - Mac 2 Mineral Claim

The vein which outcrops on the east side of Quartzrock Creek (hereafter identified as the Creek Vein), is reported by Mandy as assaying 0.8 oz Au over 12 inches. It should be followed to the west by a series of trenches at 100-foot intervals.

The vein was assayed recently and ran considerably lower grade but results were still significant.

Location 3 - Mac 1 Mineral Claim

Mandy reported that there are a number of east-west trending veins that outcrop to the west and south of the Creek Vein. Two of these were located on a recent examination of the property. They appear to be located approximately on the strike of the main vein system of the Taurus property, 600 meters east.

These veins should be exposed east and west of the present outcrops by backhoe or bulldozer trenches.

Location 4 - Hopeful Claims

The strong quartz vein outcrops exposed by hand trenching and some bulldozer work should be reopened and extended by further work.

Following trenching, a careful programme of surface sampling should be carried out. This would involve surface blasting to uncover vein material as fresh as possible.

The cost of Stage I work is estimated as follows:

Trenching and backhoe work	\$15,000.00
Surface blasting and sampling	10,000.00
Engineering and supervision	5,000.00
	<u>\$30,000.00</u>
Contingency	3,000.00
Total:	<u>\$33,000.00</u>

STAGE II

A diamond drilling programme is a logical follow up. It would be contingent, however, on the results obtained at the conclusion of Stage I. Surface oxidation is known to extend down to 40 to 50 feet in this area. Thus, results from surface sampling can be relied on to provide indications at the best.

With any sort of encouragement from surface sampling, an underground test with diamond drilling would be warranted.

The following tentative programme is recommended:

Mac Claims

Maximum 10 holes of B.Q. diamond drill of
an average length of 200 feet 2,000 feet

Hopeful Claims

Maximum 5 holes of B.Q. diamond drilling of
an average length of 200 feet 1,000 feet

Total: 3,000 feet

3,000 feet at \$25/foot all found	\$75,000.00
Field supervision	10,000.00
Sampling and consulting services	8,000.00

Total: \$93,000.00


Contingency	7,000.00
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Total: \$100,000.00

Respectfully submitted



R.T. Trenaman, P. Eng.



H. Brodie Hicks, P. Eng., M. Eng.

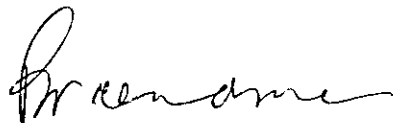
Vancouver, B.C.
November, 1979

CERTIFICATE

I, ROLAND TREVOR TRENAMAN, do certify as follows:

1. That I am a consulting mining engineer with offices at Room 1118, 355 Burrard Street, Vancouver, B.C. V6C 2G8
2. That I am a graduate of the University of British Columbia with a degree of Bachelor of Applied Science 1957 in Mineral Engineering.
3. That I have practiced my profession for 22 years.
4. That I am a member of the Association of Professional Engineers of the Province of British Columbia.
5. That I have personally inspected a number of the mineral occurrences on the property, and am familiar with the general area through consulting work on nearby properties.
6. That I have no interest, directly or indirectly, in the subject property nor the securities of Plaza Resources Corp.
7. That this report may be used in a Statement of Material Facts or similar document but may not be abbreviated or excerpted without my consent.

TRENAMAN MINING LTD.



R.T. Trenaman, P.Eng.

Vancouver, B.C.
November 23, 1979

BRODIE HICKS ENGINEERING LTD.

SUITE 103

1199 WEST PENDER STREET

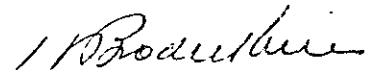
VANCOUVER, B.C., CANADA V6E 2R1

TELEPHONE 688-4725

CERTIFICATE

I, H. Brodie Hicks, P. Eng., residing at Suite 903 - 5455 Balsam Street, Vancouver, B.C., V6M 4B3, do certify as follows:

1. That I am a graduate of McGill University, Montreal, with the degrees of B. Eng., (1934), and M. Eng., (1935), in Mining Engineering.
2. That I am a member of the Associations of Professional Engineers of the Provinces of British Columbia and Ontario.
3. That I have practiced my profession since 1935.
4. That this report is based on a personal examination of the subject property in June 1979, and familiarity with the general area gained in consulting for other local properties over the past two years.
5. That I have no interest in the properties or in the securities of the Company, nor do I expect to obtain any such interest.
6. That this report, or a condensation thereof, approved by myself, may be used in connection with an underwriting designed to raise funds for carrying out of the work programme recommended therein.



H. Brodie Hicks, P. Eng., M. Eng.

Vancouver, B.C.
November 23, 1979

HBH/sg

ASSESSMENT
TO BE USED ON THESE CLAIMS

TRENAMAN MINING LTD.
MINE ENGINEERING & MANAGEMENT SERVICES
No. 1118 - 355 BURRARD STREET
VANCOUVER, B.C.
V6C 2G8

R. T. TRENAMAN
MINING ENGINEER

TELEPHONE (604) 684-0029

I N V O I C E

IN ACCOUNT WITH:

Plaza Resources Corp.,
1100 - 700 West Georgia Street,
Vancouver, B.C.
V7Y 1A1

For consulting services and preparation of report on QUARTZ ROCK GROUP,
November 1979 for principal R.T. Trenaman.

Field work - 1 day @ \$ 350/diem		\$ 350.00
Report preparation -		
5 days @ \$ 350/diem		1,750.00 ↖
Reproductions	\$ 15.00	
Typing	<u>20.00</u>	35.00 ↖
		<hr/>
TOTAL OWING TRENAMAN MINING:		<u>\$ 2,135.00</u> ↖

PLEASE DEPOSIT TO: Trenaman Mining Ltd., (Account 1024-611),
Bank of Montreal (Lower Capilano Branch),
1120 Marine Drive,
North Vancouver, B.C.
V7P 1S8

December 4, 1979

PD Jan 3/80
1013

3973
PORTAL
(TAURUS)
3875

3700

HIGHWAY TO CASSIAR (5 miles)

MACK X

3600

MACK 2

3700

TAURUS

3600

MACK 1

OLD
STAMP
MILL

MACK 3

3500

HIGHGRADE

ALTA 4

PANDA

HILLSIDE

3400

TROUTLINE

Rapids

HOPEFULL 2

PANDA

HOPEFULL 4

3500

HOPEFULL 1

3400

HOPEFULL 3

3600

RE01-12

3500

PLAZA RESOURCES CORP

1100-700 W. GEORGIA ST. VANCOUVER B.C.

TRENAMAN MINING LTD

1118-308 BURNARD ST. VANCOUVER B.C.

QUARTZROCK CREEK GROUP

OF

PLAZA RESOURCES

CASSIAR B.C.

SCALE 1" = 400'

DRAWN BY R. TRENAMAN

CHECKED BY

APPROVED

DATE: 20/11/79

DATE

DWG. No.

NOTE: CLAIM BOUNDARIES TAKEN FROM MINERAL
TITLES REF. MAP 104P/GE 79-08-25 & MODIFIED
WHERE MORE UP TO DATE INFORMATION IS AVAILABLE

TAURUS FEELS
UNDERGROUND

MINERAL RESOURCES BRANCH
REGISTRATION DEPT.

8226
NO.

LEGEND

BOUNDARY OF QUARTZROCK CREEK GROUP

BOUNDARY OF OTHER CLAIMS

PROPOSED TRENCHES

EXISTING TRENCHES & PITS

POSSIBLE LOCATION OF DRILL HOLES