

SAMPLING REPORT

on the

VICTORIA MINERAL CLAIM

Hazelton Area

Omineca Mining Division, B.C.

Latitude 55°10'N, Longitude 127°39'W

N.T.S. 93M/4E

on behalf of

ARBOR RESOURCES INC.

by

J.M. Hutter, B.Sc.

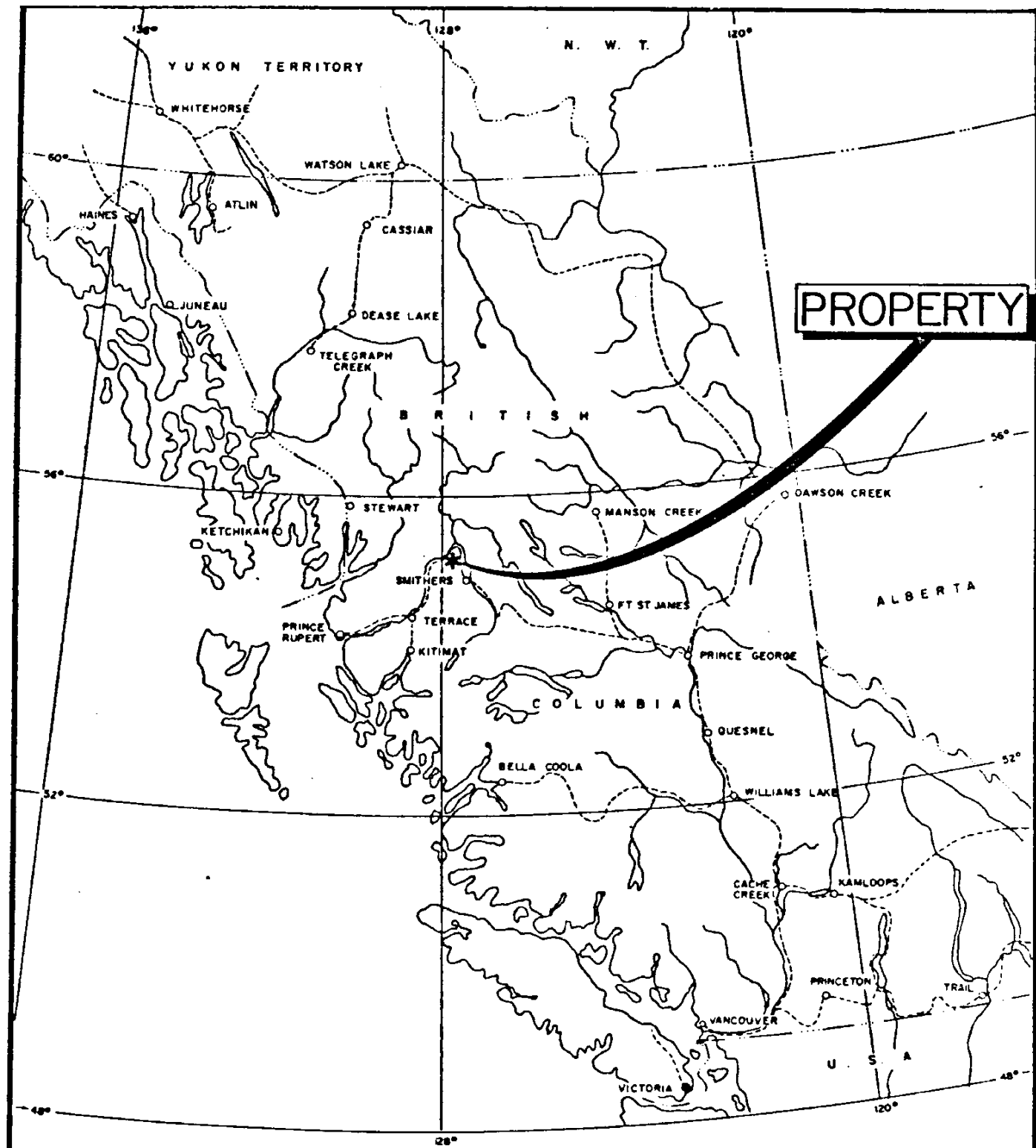
MINERAL RESOURCES BRANCH
ASSESSMENT REPORT

October 20, 1980

8336

TABLE OF CONTENTS

SUMMARY.....	3
INTRODUCTION.....	3
LOCATION AND ACCESS.....	4
PROPERTY AND OWNERSHIP.....	4
TOPOGRAPHY.....	5
HISTORY.....	5
GEOLOGY.....	6
1980 SAMPLING PROGRAM.....	8
CONCLUSIONS.....	10
RECOMMENDATIONS.....	10
COST STATEMENT.....	11
CERTIFICATION - J.M. HUTTER, B.Sc.	12
CERTIFICATE OF ASSAY.....	13
ILLUSTRATIONS:	
INDEX MAP - FIG. 1	1
CLAIM MAP - FIG. 2	2
SAMPLE PLAN - FIG. 3, 4, 4 ^a	15
REFERENCES.....	18

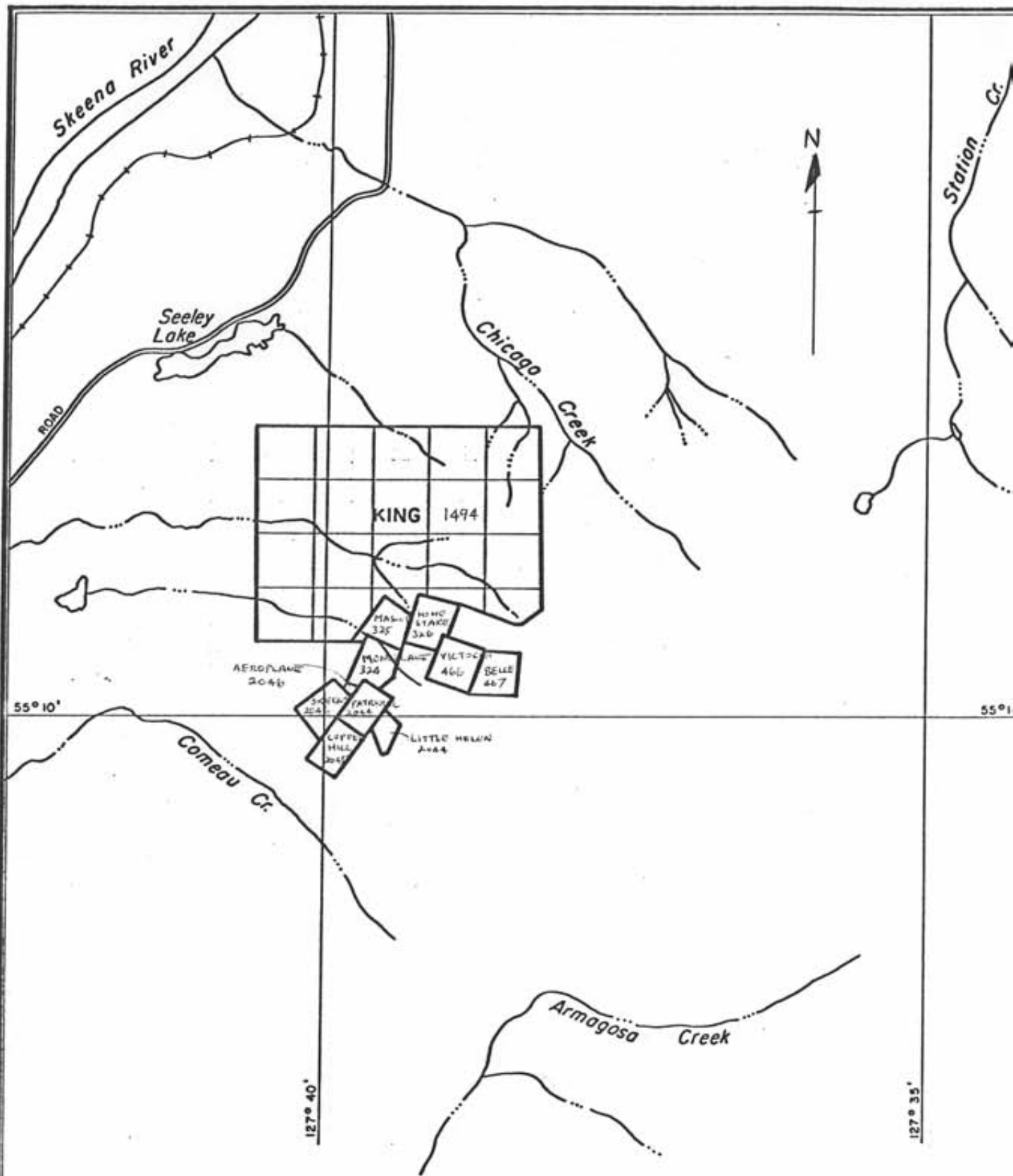


INDEX MAP

BRITISH COLUMBIA

100 KM.

FIG. 1



N.T.S. 93M/4E

CLAIM PLAN
FOR
ARBOR RESOURCES INC.



FIG. 2

SUMMARY

A sampling programme conducted in 1980 in the upper workings of the property known as the Victoria Mine has indicated a small tonnage of gold-cobalt ore, with possibilities existing for finding considerably more.

The writer recommends that a program of further sampling and underground exploration be undertaken in an attempt to establish a reliable estimate of ore reserves.

Content of molybdenum in the ore was lower than that which was expected on the basis of production records.

INTRODUCTION

Exploration efforts at the Victoria Mine by previous operators have resulted in the exposure of interesting quantities of ore containing gold, cobalt and molybdenum. A sampling programme was undertaken in the fall of 1980 to determine the extent and grade of presently available ore and to examine the possibilities of establishing a larger ore reserve.

LOCATION AND ACCESS

The Victoria Mine property is situated 8 km. south of Hazelton, B.C. on a northerly trending spur of Rocher Deboule Mountain between elevations 300 metres and 1900 metres. Access to the property is by a good dirt road, suitable for four-wheel drive vehicles, from Highway 16 to elevation 1300 metres and from there by trail to the underground workings.

PROPERTY AND OWNERSHIP

The company owns the King mineral claim of 20 units and reverted Crown-granted mineral claims as listed below:

<u>Name</u>	<u>Record No.</u>	<u>Expiry Date</u>
King (20 units)	1494	October 24, 1980
Patriotic and Little Helen	2044	September 18, 1981
Copper Hill	2045	September 18, 1981
Aeroplane and Skeena	2046	September 18, 1981

The company also holds, by lease agreement from J.M. Hutter, "that portion of the Victoria and Belle mineral claims, Lots 3303 and 3304, known as the No. 1 and Cross veins above the bottom level, approximate elevation 5168 feet" and the reverted Crown-granted mineral claims Monoplane, Mascot and Homestake. The portions of the Victoria and Belle mineral claims that are leased from J.M. Hutter are subject to a head lease from S. Frenzel of Smithers which runs to March 1, 2002, with provision for extension for a further 25 years. The leased claims are listed below:

<u>Name</u>	<u>Record No.</u>	<u>Expiry Date</u>
Victoria	466	October 26, 1986
Belle	467	October 26, 1986
Monoplane	324	June 10, 1987
Mascot	325	June 10, 1987
Homestake	326	June 10, 1987

TOPOGRAPHY

The area covered by the claims varies from nearly flat to very rugged and mountainous. The mine workings are located on a steep, westerly-facing slope above timberline and are subject to avalanches in the winter.

HISTORY

Most of the work on the property was done in the period 1916-1928. During this time four levels were opened on the No. 1 vein, a raise and sublevel were driven, a short winze was sunk, a 580-metre aerial tramline was erected and 71.6 tons of hand-sorted ore were shipped. Some of this ore was sent to Melbourne, Australia in order to recover the cobalt values. No ore has been shipped from the property since 1940-41, when three small shipments totalling 18.4 tons were made.

In 1949-50 the No. 3 adit was collared and driven to the present face at 70 metres and the No. 00 adit was lengthened to 75 metres.

Since 1976, 3.5 km. of access road have been constructed and the old portals re-opened.

Production from the property to date is summarized below:

Year	Tons	Gold (ozs/ton)	Cobalt (%)	Molybdenum (%)
1918	26.6	1.24	1.18	.96
1926	22.0	4.65	4.6	*
1928	23.0	6.25	3.76	3.4
1940	7.7	2.18	2.6	*
1941	7.3	2.02	1.4	*
1941	3.4	3.92	*	*
Total	90.0	326 oz.	4918 lbs.	2100 lbs.

* not available

GEOLOGY

The No. 1 vein is part of a system of parallel veins formed near the contact of the Rocher Deboule granodiorite stock and the Hazelton Group rocks. These veins, which are normal to the margin of the stock and are spaced at intervals ranging from 200 to 300 metres, occupy fractures in the granodiorite which were probably formed as a result of differential contraction of the cooling Rocher Deboule pluton.

The No. 1 vein has an average strike of N85°E and a dip of 60° N and has been traced for a horizontal distance of 450 metres and a vertical distance of 300 metres by surface cuts and underground work. The vein is open to the east and at depth.

The vein is only rarely displaced by crosscutting faults and in such cases displacement is less than one metre. Post-ore shearing in the plane of the vein is evident in most of the underground workings.

A pre-ore fine-grained diorite dyke is close to the vein throughout the workings. Generally, where dyke and vein coincide, appearances are that the mineralization is somewhat less intense than in areas where the vein is enclosed entirely by granodiorite.

The ore minerals are a complex assemblage of gold-bearing cobalt sulpharsenides with minor molybdenite in a gangue of actinolite with a little quartz, except in the No. 3 adit where quartz predominates. The vein is not continuous within the shear. Some areas, particularly parts of No. 1 and No. 2 levels, are completely barren of any vein filling, the structure consisting mostly of sheared granodiorite. Generally, it appears that the best ore is found where the actinolite vein filling has good width and continuity. The vein is quite strong on No. 0 and No. 00 levels, elevations 1755 metres and 1803 metres respectively, and in the open cuts above which range in elevation from 1860 metres to 1890 metres, covering a horizontal distance of 150 metres beyond the end of No. 00 adit.

1980 SAMPLING PROGRAM

The object of the sampling program was to determine the grade and quantity of presently exposed ore in order to provide direction for further exploration efforts.

Chip samples were taken over the full width of the vein, except in a few cases where the footwall was not exposed. In a few cases where the vein had a pronounced high-grade streak, the high-grade and low-grade portions were sampled separately. Of the fifty-seven samples taken, fifty-six were taken across the vein at intervals of 1.5 metres, and the other was a sample of altered wall rock. All samples were analysed for Au, Co and Mo.

On the basis of sample results, the sampled areas were divided into six blocks as summarized below:

Block	Avg. Width (cm)	Length (m)	Au (oz/ton)	Co (%)	Mo (%)	Tonnes
A (0 level)	70	13	.714	.491	.050	370
B (3 level)	48	8	.849	.348	.009	-
C	73	16	.600	.448	.023	565
D	100 level	18	.051	.059	.004	-
E		43	.925	.784	.099	670
F		35	.645	.558	.048	440
Overall (A,C,E,F)		52	71	.737	.584	.058

Tonnage calculations are rather simplistic due to the lack of conclusive data over a vertical range. Basis for the calculations is the assumption that each block extends above and below the level for a distance equal to half the length of the block. This produces a reasonably assured ore reserve of approximately 2045 tonnes available in the top two levels, with an average grade of .737 oz/ton Au and .584 % Co. Blocks B and D were excluded from the calculations because of insufficient data for block B and inadequate grade and width for block D.

Surface cuts above and to the east of No. 00 level indicate that the structure is remaining strong, and thus there is a good possibility of finding ore up to and possibly beyond 150 metres past the end of the level. If the widths and grades of the sampled areas are representative of the rest of the vein, there is the potential for approximately 100,000 tonnes of ore above an elevation of 1740 metres, grading about .35 oz/ton Au and .3 % Co over a mining width of one metre. The above bit of speculation is not intended to represent an ore reserve but only to give an indication of the potential of the property. In addition to the above, there may be pods of ore below 1740 metres and there is an interesting indication of ore in the No. 3 adit.

CONCLUSIONS

A small tonnage of good grade ore is reasonably assured in the upper levels of the mine, and there is good potential for a substantial increase in the reserves as a result of further exploration efforts.

Further exploration should also be directed to the lower levels, particularly the No. 3 level, where there is an exposure of good ore.

RECOMMENDATIONS

Detailed sampling should be carried out in parts of the No. 1 level, particularly in the area of the raise and subdrift, which is down dip from the No. 0 level and about 50 metres lower in elevation.

The old open cuts above and to the east of No. 00 level should be re-opened and sampled.

A program of drifting should be conducted on No. 0 and No. 00 levels, and the two levels should be connected by raises.

Drifting should be continued along No. 3 level in order to allow a better determination of the nature of the vein in that location.

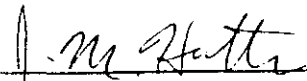
COST STATEMENT

<u>Date</u>	<u>Item</u>	<u>Cost</u>
Aug. 25	Shipping (sample bags): Greyhound Bus Lines	\$ 9.55
Aug. 25- Sept. 9	Labour: J.M. Hutter, 11 days @ \$100/day	1100.00
Aug. 25- Sept. 9	Truck rental, 11days: (4x4) owned by J.M. Hutter	250.00
Sept. 9	Shipping (samples): Greyhound Bus Lines	34.20
Oct. 7	Sample bags: Chemex Labs Ltd.	77.66
Oct. 10	Assays: 57 samples analysed for Au, Co, Mo by Chemex Labs Ltd.	<u>1083.00</u>
	<u>Total</u>	\$ 2554.41

CERTIFICATE

I, James M. Hutter, of R.R. 1, Telkwa, British Columbia,
hereby state:

1. I am a geologist, residing at Quick East Road, R.R. 1, Telkwa, B.C.
2. I graduated in 1976 from the University of British Columbia with
a B.Sc. in Geology (Major).
3. I have been active in mining exploration since 1976.
4. This report is based on a sampling program which I conducted on the
Victoria mineral claim near Hazelton, B.C.


J.M. Hutter, B.Sc.

Dated at Telkwa, B.C. this 20th day of October, 1980.



CHEMEX LABS LTD.

212 BROOKSBANK AVE.
NORTH VANCOUVER, B.C.
CANADA V7J 2C1
TELEPHONE: 984-0221
AREA CODE: 604
TELEX: 04-352597

• ANALYTICAL CHEMISTS • GEOCHEMISTS • REGISTERED ASSAYERS

CERTIFICATE OF ASSAY

TO: J.M. HUTTER
R.R. #1
Telkwa, B.C.
VOJ 2X0

ATTN:

CERTIFICATE NO. 70114
INVOICE NO. 39561
RECEIVED Sept. 12/80
ANALYSED Oct. 10/80

SAMPLE NO. :	Mo %	Co %	Au Oz/Ton	Width cm.	Block	Comments
80-01	0.056	0.380	0.660	102	A	← Highly faulted. Includes some altered granodiorite
02	0.030	0.530	0.456	122		
03	0.047	0.125	0.112	112		
04	0.015	0.175	0.410	107		
05	0.073	0.990	1.324	71		
06	0.044	0.950	1.882	30	B	← Mostly crushed, altered granodiorite on hanging wall of 80-06; not vein material.
07	0.004	0.500	0.078	81		
08	0.059	1.26	1.620	30		
09	0.066	0.600	0.858	25		
10	0.166	0.660	1.582	30		
11	0.014	0.670	1.590	46	C	← Rusty, fractured quartz ← Quartz ← 25 cm. high-grade fault section ← 15 cm. high-grade fault section
12	0.005	0.059	0.182	51		
13	0.004	0.140	0.442	46		
14	0.212	2.58	3.928	25		
15	0.010	0.210	0.184	51		
16	0.037	1.18	2.132	15	D	
17	0.006	0.503	1.200	51		
18	0.024	0.660	0.754	117		
19	0.005	0.473	0.352	112		
20	0.011	0.203	0.174	127		
21	0.038	0.079	0.104	71	E	← fault not exposed ← " " ← " " ← " " ← " "
22	0.004	0.108	0.252	30		
23	0.024	0.220	0.308	30		
24	0.003	0.029	0.026	15		
25	0.003	0.035	0.020	15		
26	0.005	0.027	0.024	20	E	← 13 cm high-grade section. Fault not exposed
27	0.015	0.020	0.005	15		
28	0.002	0.058	0.330	12		
29	0.003	0.015	0.014	20		
30	0.002	0.125	0.050	46		
31	0.011	0.160	0.442	76	E	
32	0.004	0.315	0.136	30		
33	0.220	1.40	2.668	30		
34	0.088	1.16	3.062	25		
35	0.131	2.24	3.610	15		
36	0.188	2.22	1.844	20	E	
37	0.228	2.38	2.022	30		
38	0.012	0.130	0.094	38		
39	0.133	1.28	1.102	13		
80-40	0.004	0.413	0.003	41		



MEMBER
CANADIAN TESTING
ASSOCIATION

B. Swaites
REGISTERED ASSAYER, PROVINCE OF BRITISH COLUMBIA



CHEMEX LABS LTD.

212 BROOKSBANK AVE.
NORTH VANCOUVER, B.C.
CANADA V7J 2C1
TELEPHONE: 984-0221
AREA CODE: 604
TELEX: 04-352597

• ANALYTICAL CHEMISTS • GEOCHEMISTS • REGISTERED ASSAYERS

CERTIFICATE OF ASSAY

TO: J.M. Hutter
R.R. #1
Telkwa, B.C.
VOJ 2X0

ATTN:

CERTIFICATE NO. 70115
INVOICE NO. 39561
RECEIVED Sept. 12/80
ANALYSED Oct. 10/80

SAMPLE NO. :	% Mo	% Co	oz/ton Au	Width cm.	Block	Comments
80-41	0.640	2.70	2.104	10	E	← 10 cm. hlg. section F.W. not exposed ← fault will not exposed.
42	0.032	0.130	0.096	51		
43	0.123	0.820	0.664	56		
44	0.104	0.590	0.896	70		
45	0.155	0.660	0.422	51		
46	0.222	1.03	0.880	23	F	
47	0.096	0.490	0.528	25		
48	0.128	1.41	1.160	41		
49	0.008	0.034	0.028	25		
50	0.031	0.285	0.268	51		
51	0.009	0.360	1.900	30		
52	0.004	0.165	0.296	38		
53	0.002	0.099	0.222	41		
54	0.085	0.920	0.672	30		
55	0.033	0.950	1.070	46		
56	0.023	0.680	0.688	41		
80-57	0.004	0.205	0.042	30		



MEMBER
CANADIAN TESTING
ASSOCIATION

B. L. Waites

REGISTERED ASSAYER, PROVINCE OF BRITISH COLUMBIA

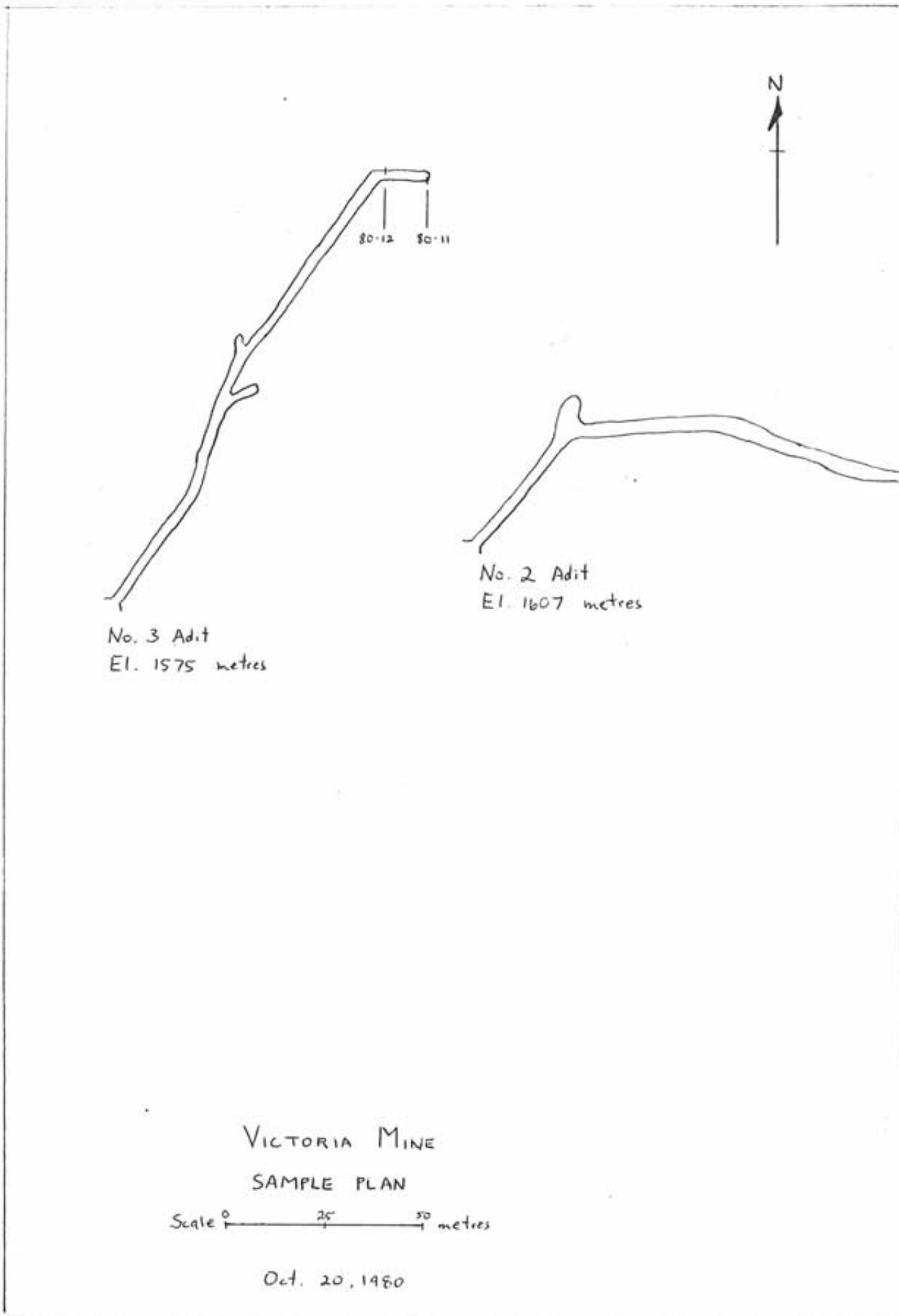


Fig. 3



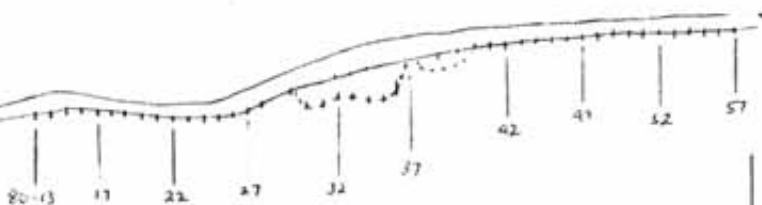
No. 1 Adit El. 1680 metres



No. 0 Adit El. 1755 metres



No. 00 Adit
El. 1803 m.



VICTORIA MINE SAMPLE PLAN

Scale 0 — 25 — 50 metres

Oct. 20, 1980

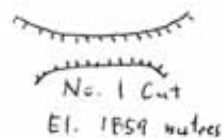
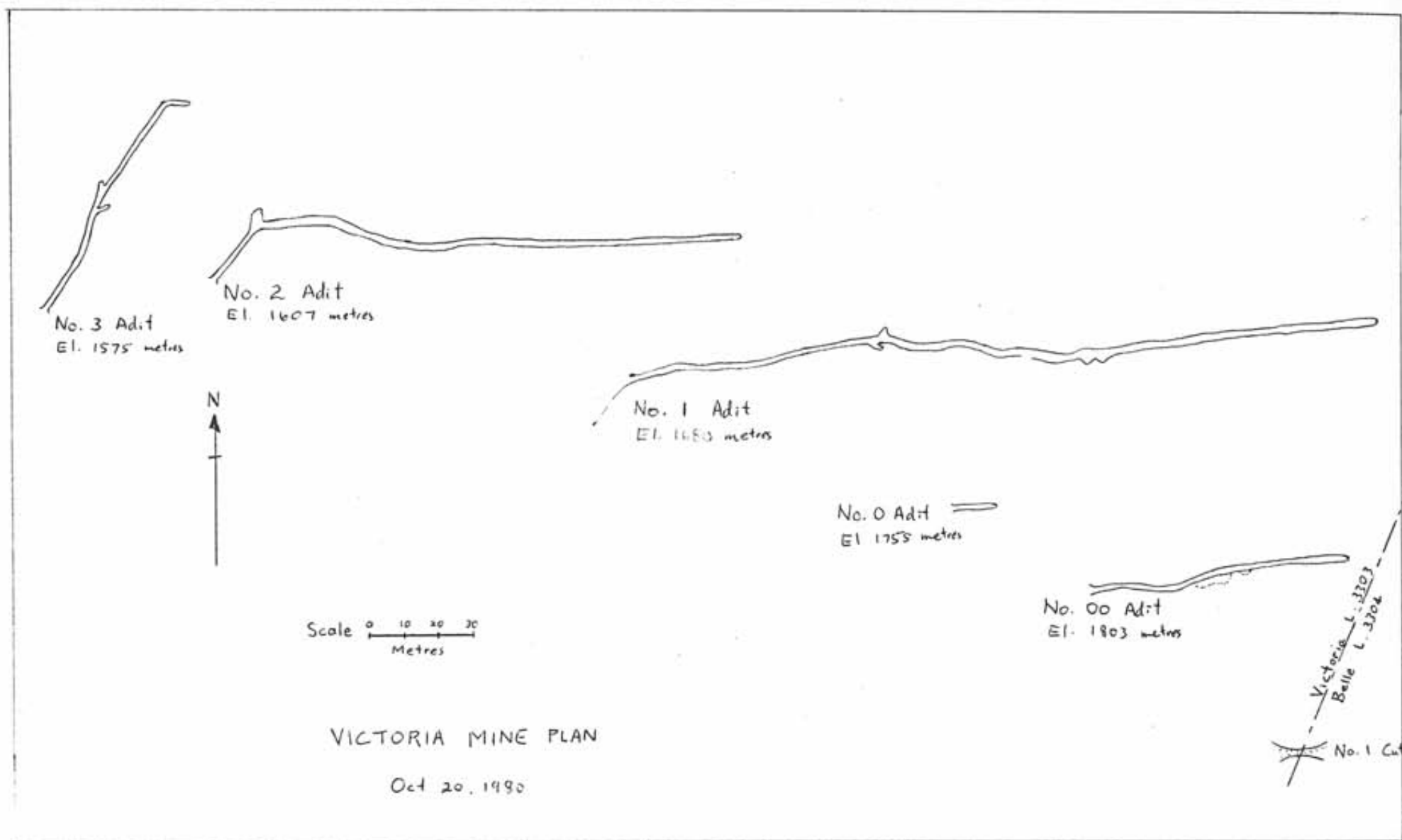


Fig. 4



REFERENCES

1. Minister of Mines, B.C., Annual Reports: 1916, 1917, 1918, 1925, 1926, 1927, 1928, 1940, 1941, 1948, 1949, 1950.
2. Sutherland Brown, A., Geology of the Rocher Deboule Range, B.C. Dept of Mines, Bulletin 43, 1960.