REPORT ON

DIAMOND DRILLING

by

G.R. Peatfield, P.Eng.

on the

WESTERN M.C.

(part of the ROSE Property)

Situated east of Eddontenajon Lake
in the Liard Mining Division

57°46'N, 129°55'W
NTS 104H/13W

owned by

TEXASGULF CANADA LTD.

work by

TEXASGULF INC.



Oct. 1980

Vancouver, B.C.

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## INTRODUCTION

### Location, Access and Terrain

The ROSE property is located immediately east of Eddontenajon Lake, in northwestern British Columbia (see Figure 1). The most convenient supply and transportation centre is Terrace, some 370 km to the south.

Access to the claims is presently by helicopter from the Stewart-Cassiar highway. There is regular scheduled air service (in summer) from Terrace to Iskut (or Eddontenajon). Food, lodging and rudimentary services are available at Eddontenajon, where the base for the present programme was located (see Figure 2).

The claims cover most of a small massif lying between Eddontenajon and Eulue Lakes, and known as Ehahœzetle Mtn. Maximum elevations are about 1900 m, and the relief on the property is of the order of 1000 m. Most of the property lies above timber line, with some scrub trees on the lower slopes and in deep valleys. Terrain in the present drilling area is extremely rugged. Water is sufficient for drilling purposes, but must in most cases be pumped considerable distances uphill.

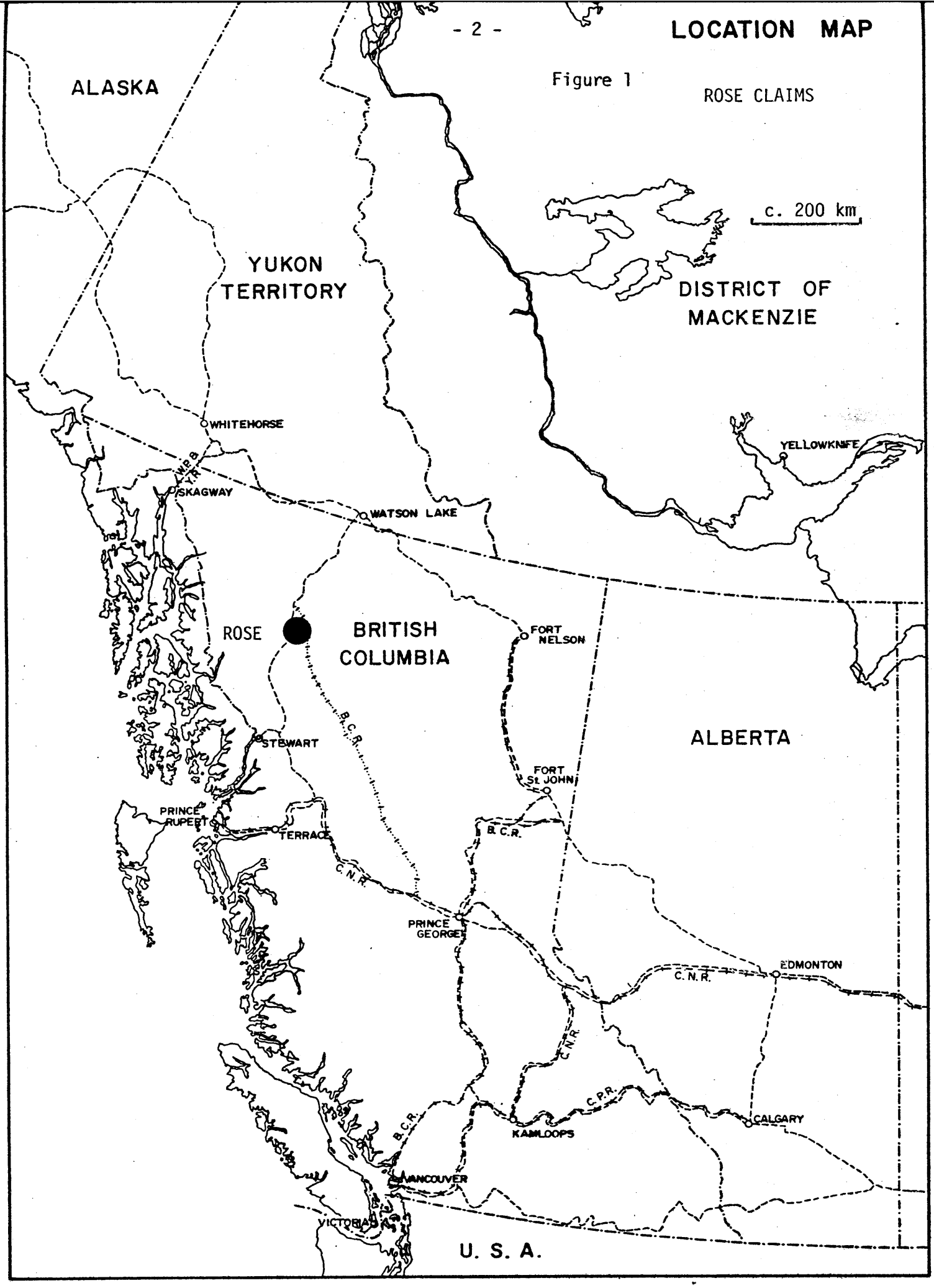
### Property History and Definition

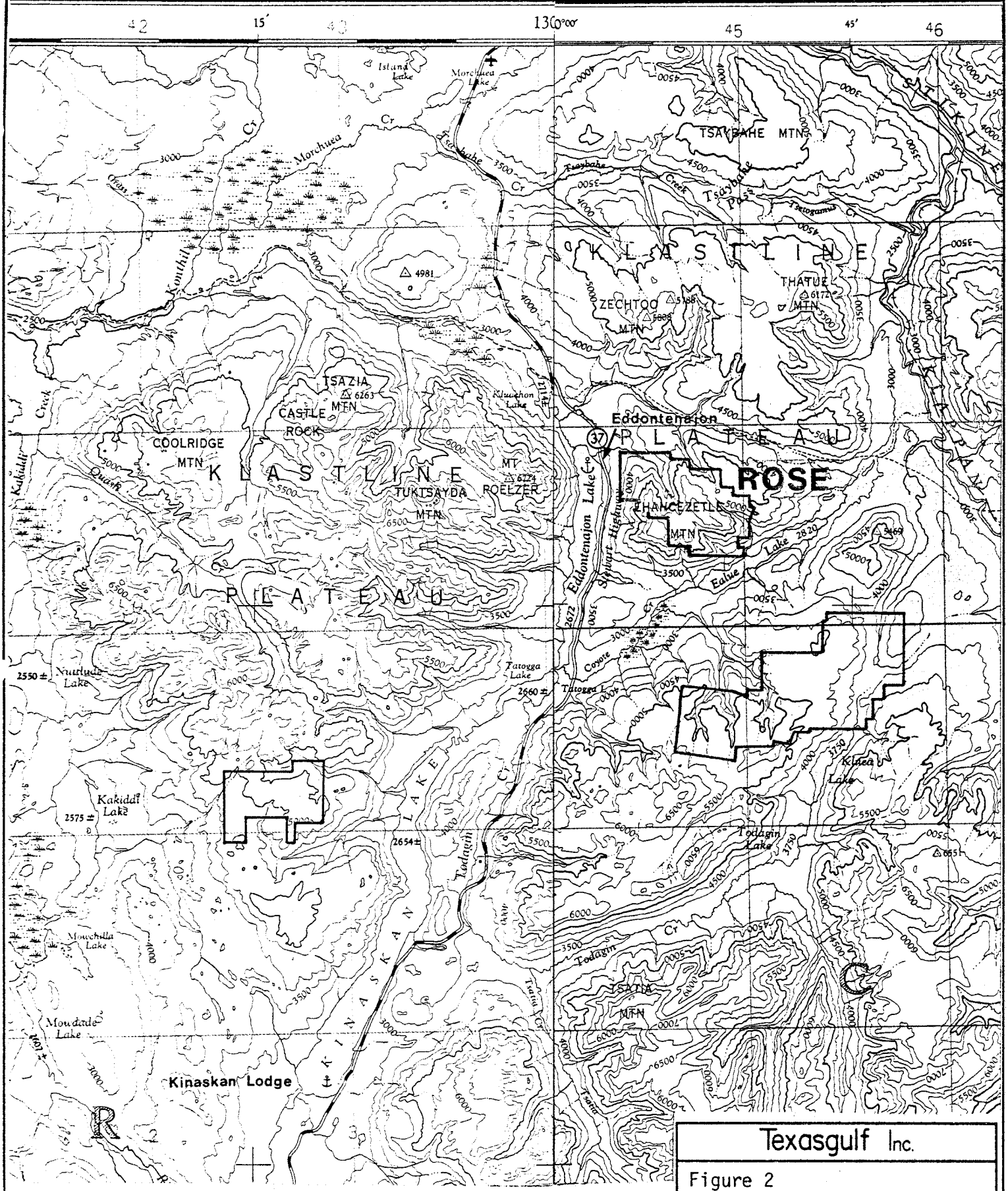
The earliest recorded activity in the area was on the "Klapan Rose" showing, immediately east of the ROSE property, which was explored by a short adit in 1929. During the 1960's, two large groups of claims, held by Yukonadian Mineral Explorations Ltd., and by Silver Standard Mines Ltd., covered essentially all the ground now held by the ROSE claims. When these older properties were allowed to lapse, the Rose of Klappan Claim was located in June 1975, and further staking was completed in that and subsequent years to produce the property as presently constituted (see Figure 3).

Work on the property has been completed by Texasgulf Inc. on behalf of its wholly owned subsidiary, Texasgulf Canada Ltd., the registered

# LOCATION MAP

Figure 1





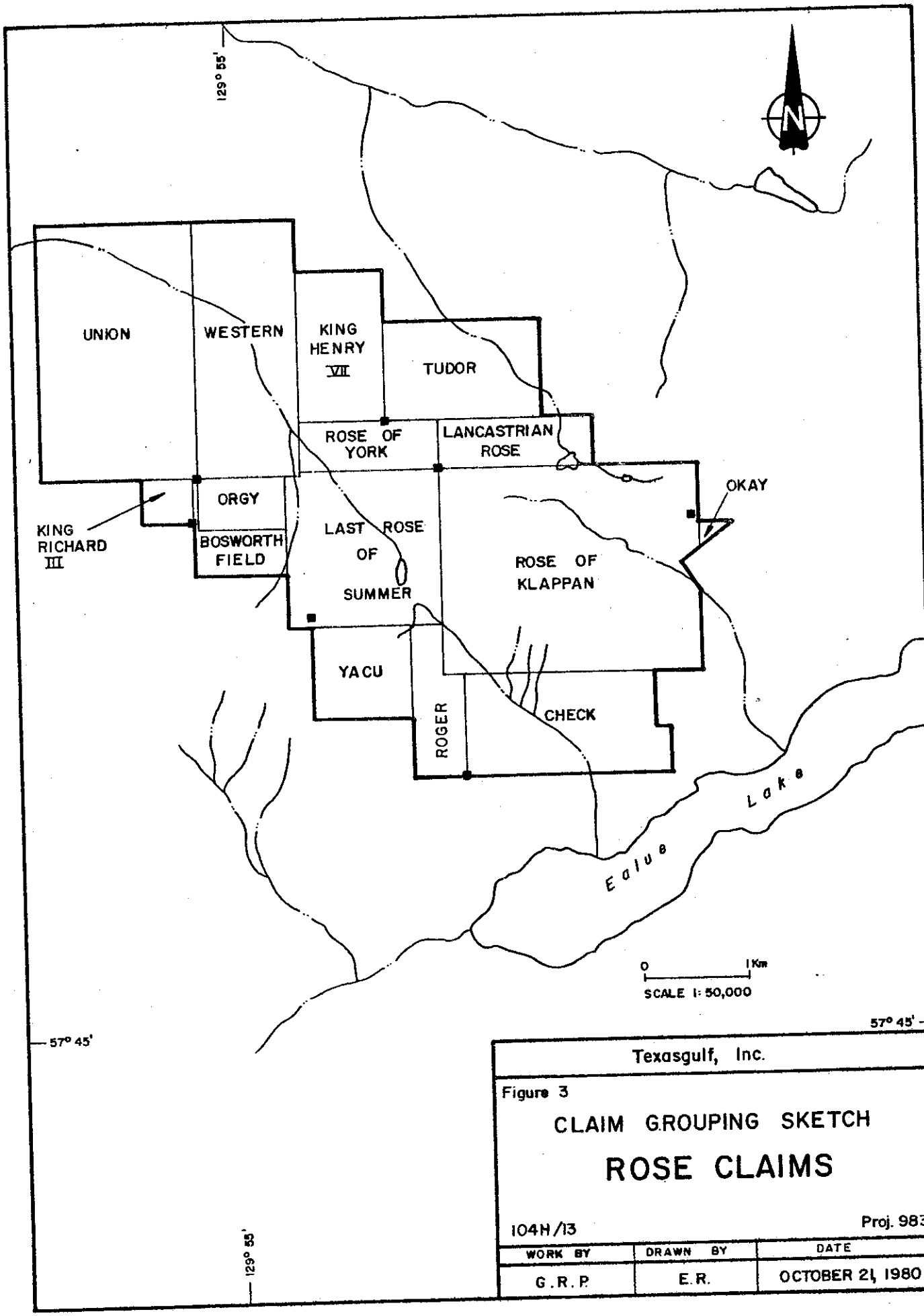

Map Sheets: 104G - Telegraph Creek
104H - Spatsizi
(scale 1:250,000)

Texasgulf Inc.

Figure 2
Detailed Location Map
ROSE CLAIMS

| WORK BY | DRAWN BY | DATE | DRW.G NO. |
|---|---|---|---|
| | | | |

2500 0 10,000
Scale in Metres




Texasgulf, Inc.

Figure 3

CLAIM GROUPING SKETCH

# ROSE CLAIMS

104H/13 Proj. 983

| WORK BY | DRAWN BY | DATE |
|---|---|---|
| G.R.P. | E.R. | OCTOBER 21, 1980 |

owner of the claims. Investigations undertaken to date have been previously reported on (Peatfield, 1976; Donnelly, et al., 1977; Newell, 1979; Vyselaar, 1979) or made public (Cooper, 1978).

Summary of Work Completed

Drill site preparation

During early August, a drill site and helipad were blasted out and cribbed up on a steep eastward facing slope in the northwestern portion of the property (see Figure 4).

Diamond drilling

During the period Aug. 31 to Sept 9, 1980, one BQ diamond drill hole, totalling 257.9 m, was completed on the property. The core was analyzed geochemically for Cu, Mo, Ag and Au.

Work Distribution

The diamond drilling described in this report was restricted to the Western mineral claim (see Figure 4).

GEOLOGY

The geology of the property has been previously described (Cooper, 1978). The diamond drill hole location is shown on a geological map (Figure 4). The northwestern portion of the claims is underlain by a large strongly stained area (the "Edon Stain Zone"), presumed to be a monzonitic stock intrusive into andesitic volcanic and volcaniclastic rocks. Abundant pyrite, with traces of chalcopyrite and rare molybdenite, have been reported on surface in this area.

DIAMOND DRILLING

The report concerns the results of a programme consisting of a single diamond drill hole completed during 1980:

| | | |
|---|---|---|
| Ro-1-80 | (250°/-60°) | 257.9 m |

Survey data for the hole are included with the summary log (Appendix A); rock geochemical analyses for the cores are tabulated in Appendix B. The core is stored at the camp on the Red-Chris property, some 10 km to the south.

The hole was drilled as an initial test of the "Edon Stain Zone". The location of the hole was more dependent upon availability of a reasonable place to construct a drill platform than upon the location of any specific geologic features.

The results of the drilling, as shown in the log and analytical summary, were not encouraging. The hole collared in pyritic intrusive porphyry and passed at depth into only weakly altered and pyritized andesitic volcanic and volcaniclastic rocks. No economic concentrations of sulphides were encountered; both base and precious metal values were uniformly low.


G.R. Peatfield, P.Eng.

## BIBLIOGRAPHY

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DONNELLY, D.A., PEATFIELD, G.R., and GASTEIGER, W.A. 1977. Report on geochemical and geophysical surveys and hand trenching on the ROSE Property (Lancaster & Rose Groups). Report submitted to the British Columbia Ministry of Mines and Petroleum Resources for assessment work credit.

NEWELL, J.M. 1979. Report on geochemical survey on the ROSE Property. Report submitted to the British Columbia Ministry of Energy, Mines and Petroleum Resources for assessment work credit.

PEATFIELD, G.R. 1976. Report on diamond drilling, line-cutting and hand trenching on the ROSE Property (York, Lancaster & Rose Groups). Report submitted to the British Columbia Department of Mines and Petroleum Resources for assessment work credit.

VYSELAAR, J. 1979. Report on I.P. surveys, Rose Property. Report submitted to the British Columbia Ministry of Energy, Mines and Petroleum Resources for assessment work credit.

# APPENDIX A

## Summary Drill Log

PROPERTY: ROSE

LOCATION(grid) on "Edon Stain Zone"

LOCATION(survey) (see Figure 4)

AZIM: 250° ELEV: c.1450m DIP: -60°

DEPTH: 257.9 m CORE SIZE: BQ

STARTED: Sept. 4, 1980

COMPLETED: Sept. 9, 1980

CORE RECOVERY: fair to good

# TEXASGULF INC.

## DRILL HOLE LOG

HOLE NO. Ro-1-80

CLAIM: WESTERN

SECTION:

LOGGED BY: R.E. Meyers

DATE LOGGED: Sept. 1980

DRILLING CO.: Longyear Canada

### DIP TEST

| DEPTH | AZIM | DIP |
|---|---|---|
| 257 m | | -68° |
| | | |

| DEPTH FROM | DEPTH TO | REC'Y | DESCRIPTION |
|---|---|---|---|
| 0 | 7.9m | - | Casing |
| 7.9 | 20.9m | good | Monzonite - strongly altered and oxidized pyritic monzonite or feldspar porphyry. The rock shows moderate to strong quartz-sericite alteration, and locally abundant tourmaline as tiny rosettes. |
| 20.9 | 28.0m | fair-good | Rock type as above with some faulting and brecciation. |
| 28.0 | 77.0m | good | Monzonite - as described above but less oxidized, with up to 5% pyrite and common tourmaline. The unweathered rock is green-grey. |
| 77.0 | 93.3m | good | Monzonite, but with a few narrow (50 cm) dykes of silicified rock of similar texture, sometimes brecciated. |
| 93.3 | 111.0m | good | Feldspar porphyry - upper contact at a small fault. The rock is light grey-green with 5-25% of 2 mm bright green sericitized feldspar phenocrysts. There is abundant (to 5%) disseminated pyrite throughout. A few late veinlets contain gypsum. |
| 111.0 | 116.0m | fair | Fault zone in feldspar porphyry. |

| TEXASGULF INC. | | DRILL HOLE LOG | HOLE NO. Ro-1-80 | PAGE NO. 2 |
|---|---|---|---|---|
| DEPTH | | REC'Y | DESCRIPTION | |
| FROM | TO | | | |
| 116.0 | 172.9m | good | Continues in feldspar porphyry, with some sections of faulting and brecciation. | |
| | | | There is essentially no change from the above described porphyry, with the exception that | |
| | | | there is a mottled texture caused by small clots of pyrite-sericite aggregate. Deeper | |
| | | | in the section there are a few pyrite veinlets. Locally there are some clots which | |
| | | | may be secondary biotite, and this feature increases with depth until the rock is | |
| | | | purplish-brown with short sections where sericitic alteration has overprinted biotite. | |
| | | | | |
| 172.9 | 180.0m | good | Diorite dyke - fine grained dark green chloritic rock with weak pyrite and abundant | |
| | | | magnetite (1-2%). | |
| | | | | |
| 180.0 | 223.4m | good | Back into feldspar porphyry as above the dyke, with about 5% pyrite. There are some | |
| | | | short sections of strongly silicified breccia, especially 191.5 to 192.5 m. Some | |
| | | | sections have more abundant pyrite, up to 8%. | |
| | | | | |
| 223.4 | 257.9m | good | Grey-green volcanics - below a small fault, the rocks change to a complex sequence of | |
| | | | volcanic and volcaniclastic rocks, probably of andesitic composition. The rocks have | |
| | | | chlorite alteration with some sericitic sections and less common epidote. These rocks | |
| | | | are very strongly fractured and locally faulted, and this tendency seems to increase | |
| | | | with depth. Pyrite continues to be common (2-5%). | |
| | | | | |
| | | | E.O.H. at 257.9 m | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

# APPENDIX B

## Summary of Analyses

Summary of Analyses

Note:

Core samples were analyzed by Bondar-Clegg & Co. Ltd. in North Vancouver, for Cu, Mo, Ag and Au. For Cu, Mo, and Ag, the technique involved hot Lefort aqua regia extraction followed by atomic absorption analysis. For gold, extraction was by fire assay and hot aqua regia, followed by atomic absorption analysis. Gold analyses were done on composites only, as shown on the analysis summary.

PROPERTY: ROSE HOLE No.: Ro-1-80 PAGE 1 of 3

LATITUDE: _____ AZIMUTH: 250° INCLINATION: ____/ -68° at 257m

LONGITUDE: _____ DIP: -60° INCLINATION: ____/ ____at ____

ELEVATION: _____ INCLINATION: ____/ ____at ____

| SAMPLE No. | METRES FROM | TO | Cu ppm. | Au ppb. | Ag ppm. | Mo ppm. |
|---|---|---|---|---|---|---|
| 16307 | 5.0 | 9.0 | 127 | | 0.8 | 96 |
| 8 | 9.0 | 12.0 | 165 | | 0.4 | 21 |
| 9 | 12.0 | 15.0 | 168 | | 0.6 | 59 |
| 16310 | 15.0 | 18.0 | 184 | 170 | 0.7 | 36 |
| 1 | 18.0 | 21.0 | 196 | | 0.5 | 24 |
| 2 | 21.0 | 24.0 | 149 | | 0.5 | 55 |
| 3 | 24.0 | 27.0 | 148 | | 0.6 | 25 |
| 4 | 27.0 | 30.0 | 128 | | 1.1 | 84 |
| 5 | 30.0 | 33.0 | 143 | 135 | 0.5 | 24 |
| 6 | 33.0 | 36.0 | 162 | | 0.4 | 18 |
| 7 | 36.0 | 39.0 | 96 | | 0.4 | 6 |
| 8 | 39.0 | 42.0 | 122 | | 0.6 | 15 |
| 9 | 42.0 | 45.0 | 112 | 100 | 0.4 | 11 |
| 16320 | 45.0 | 48.0 | 220 | | 0.2 | 3 |
| 1 | 48.0 | 51.0 | 220 | | 0.2 | 6 |
| 2 | 51.0 | 54.0 | 176 | | 0.3 | 12 |
| 3 | 54.0 | 57.0 | 128 | | 0.3 | 13 |
| 4 | 57.0 | 60.0 | 96 | 106 | 0.2 | 10 |
| 5 | 60.0 | 63.0 | 92 | | 0.5 | 12 |
| 6 | 63.0 | 66.0 | 90 | | 0.4 | 5 |
| 7 | 66.0 | 69.0 | 80 | | 0.3 | 24 |
| 8 | 69.0 | 72.0 | 78 | | 0.3 | 14 |
| 9 | 72.0 | 75.0 | 97 | 110 | 0.6 | 10 |
| 16330 | 75.0 | 78.0 | 79 | | 0.3 | 11 |
| 1 | 78.0 | 81.0 | 66 | | 0.4 | 51 |
| 2 | 81.0 | 84.0 | 90 | | 0.3 | 36 |
| 3 | 84.0 | 87.0 | 146 | | 0.4 | 23 |
| 4 | 87.0 | 90.0 | 178 | 130 | 0.4 | 24 |
| 5 | 90.0 | 93.0 | 54 | | 0.2 | 12 |
| 6 | 93.0 | 96.0 | 225 | | 0.2 | 16 |
| 7 | 96.0 | 99.0 | 127 | | 0.2 | 3 |
| 8 | 99.0 | 102.0 | 136 | | 0.4 | 3 |
| 9 | 102.0 | 105.0 | 260 | 80 | 0.2 | 2 |
| 16340 | 105.0 | 108.0 | 245 | | 0.2 | 6 |
| 1 | 108.0 | 111.0 | 187 | | 0.2 | 4 |

PROPERTY: ROSE HOLE No.: Ro-1-80 PAGE 2 of 3

LATITUDE: _____ AZIMUTH: 250° INCLINATION: ____ / -68° at 257m

LONGITUDE: _____ DIP: -60° INCLINATION: ____ / ____ at ____

ELEVATION: _____ INCLINATION: ____ / ____ at ____

| SAMPLE No. | METRES FROM | TO | Cu ppm. | Au ppb. | Ag ppm. | Mo ppm. |
|---|---|---|---|---|---|---|
| 16342 | 111.0 | 114.0 | 500 | | 0.2 | 1 |
| 3 | 114.0 | 117.0 | 123 | | 0.4 | 60 |
| 4 | 117.0 | 120.0 | 78 | 120 | 0.4 | 3 |
| 5 | 120.0 | 123.0 | 184 | | 0.2 | 5 |
| 6 | 123.0 | 126.0 | 78 | | 0.2 | 5 |
| 7 | 126.0 | 129.0 | 46 | | 0.2 | 7 |
| 8 | 129.0 | 132.0 | 29 | | 0.2 | 9 |
| 9 | 132.0 | 135.0 | 68 | 70 | 0.2 | 7 |
| 16350 | 135.0 | 138.0 | 60 | | 0.2 | 3 |
| 1 | 138.0 | 141.0 | 92 | | 0.2 | 5 |
| 2 | 141.0 | 144.0 | 88 | | 0.2 | 3 |
| 3 | 144.0 | 147.0 | 73 | | 0.2 | 5 |
| 4 | 147.0 | 150.0 | 24 | 50 | 0.2 | 2 |
| 5 | 150.0 | 153.0 | 34 | | 0.2 | 2 |
| 6 | 153.0 | 156.0 | 50 | | 0.2 | 2 |
| 7 | 156.0 | 159.0 | 78 | | 0.2 | 1 |
| 8 | 159.0 | 162.0 | 34 | | 0.2 | 4 |
| 9 | 162.0 | 165.0 | 65 | 55 | 0.2 | 2 |
| 16360 | 165.0 | 168.0 | 62 | | 0.2 | 3 |
| 1 | 168.0 | 171.0 | 66 | | 0.2 | 1 |
| 2 | 171.0 | 174.0 | 48 | | 0.2 | 3 |
| 3 | 174.0 | 177.0 | 90 | | 0.2 | 1 |
| 4 | 177.0 | 180.0 | 50 | 55 | 0.2 | 2 |
| 5 | 180.0 | 183.0 | 36 | | 0.2 | 4 |
| 6 | 183.0 | 186.0 | 70 | | 0.2 | 3 |
| 7 | 186.0 | 189.0 | 56 | | 0.2 | 2 |
| 8 | 189.0 | 192.0 | 61 | | 0.2 | 6 |
| 9 | 192.0 | 195.0 | 76 | 50 | 0.2 | 11 |
| 16370 | 195.0 | 198.0 | 58 | | 0.2 | 2 |
| 1 | 198.0 | 201.0 | 48 | | 0.2 | 1 |
| 2 | 201.0 | 204.0 | 144 | | 0.2 | 2 |
| 3 | 204.0 | 207.0 | 22 | | 0.2 | 1 |
| 4 | 207.0 | 210.0 | 54 | 60 | 0.2 | 2 |
| 5 | 210.0 | 213.0 | 68 | | 0.2 | 1 |
| 16376 | 213.0 | 216.0 | 110 | | 0.2 | 4 |

PROPERTY: ROSE HOLE No.: Ro-1-80 PAGE 3 of 3

LATITUDE: _____ AZIMUTH: 250° INCLINATION: ____/ -68° at 257m

LONGITUDE: _____ DIP: -60° INCLINATION: ____/ ____at ____

ELEVATION: _____ INCLINATION: ____/ ____at ____

| SAMPLE No. | METRES FROM | METRES TO | Cu ppm. | Au ppb. | Ag ppm. | Mo ppm. |
|---|---|---|---|---|---|---|
| 16377 | 216.0 | 219.0 | 100 | | 0.2 | 1 |
| 8 | 219.0 | 222.0 | 58 | | 0.2 | 1 |
| 9 | 222.0 | 225.0 | 51 | 60 | 0.2 | 5 |
| 16380 | 225.0 | 228.0 | 75 | | 0.2 | 1 |
| 1 | 228.0 | 231.0 | 145 | | 0.2 | 2 |
| 2 | 231.0 | 234.0 | 116 | | 0.2 | 3 |
| 3 | 234.0 | 237.0 | 142 | | 0.2 | 3 |
| 4 | 237.0 | 240.0 | 86 | 40 | 0.2 | 3 |
| 5 | 240.0 | 243.0 | 72 | | 0.2 | 3 |
| 6 | 243.0 | 246.0 | 116 | | 0.2 | 3 |
| 7 | 246.0 | 249.0 | 130 | | 0.2 | 3 |
| 8 | 249.0 | 252.0 | 500 | 25 | 0.2 | 2 |
| 9 | 252.0 | 255.0 | 180 | | 0.2 | 2 |
| 16390 | 255.0 | 257.9 | 147 | | 0.2 | 2 |

# APPENDIX C

## Statements of Qualification

## STATEMENTS OF QUALIFICATION

R.E. Meyers - Geologist

R.E. Meyers holds an M.Sc. degree in Geology from McGill University, granted in 1979. He has been employed by Texasgulf since December 1979, based in Vancouver.

H.R. Schmitt - Geologist

H.R. Schmitt obtained his B.Sc. degree in Geology from the University of British Columbia in 1977. He has been employed in a variety of positions by Texasgulf, for summer seasons from 1975, and was continuously employed by the Company from April 1978 to Sept. 1979. He is presently enrolled in post-graduate studies at U.B.C.

# APPENDIX D

## Statement of Expenditures

# STATEMENT OF EXPENDITURES

## ROSE PROPERTY

## (Diamond Drilling)

### SALARIES AND FRINGE BENEFITS, TEXASGULF INC.

| | | | |
|---|---|---|---|
| R.E. Meyers - Geologist<br>Period Sept 10-13, | 4 days @ $120 | 480.00 | |
| H.R. Schmitt - Geologist<br>Period Aug 31-Sept 2, | 2 days @ $90 | 180.00 | |
| R. Freeman - Assistant<br>Period Sept 11-13 | 3 days @ $35 | 105.00<br>765.00 | 765.00 |

### ROOM AND BOARD

| | | | |
|---|---|---|---|
| Tg personnel | 9 man-days @ $50 | 450.00 | |
| Longyear | 56 man-days @ $50 | 2,800.00 | |
| | | 3,250.00 | 3,250.00 |

### HELICOPTER SUPPORT

| | | | |
|---|---|---|---|
| Texasgulf Bell 206B | 11.6 hrs @ $330 | 3,828.00 | |
| Northern Mtn. Helicopters<br>Bell 206B (Pro-rated share of invoice) | | 10,126.00<br>13,954.00 | 13,954.00 |

### DIAMOND DRILLING

| | | |
|---|---|---|
| Longyear Canada, invoice charges for drilling, survey, core boxes, supplies, moving time, water dalys, demobilization, etc. | | 25,607.17 |

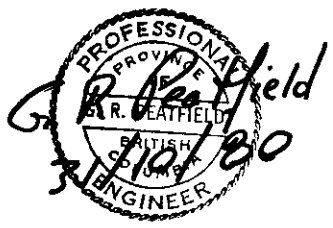
### ANALYTICAL COSTS

| | | | |
|---|---|---|---|
| 84 Cu, Mo, Ag | analyses @ $5.15 | 432.60 | |
| 17 Au | analyses @ $4.25 | 72.25 | |
| | | 504.85 | 504.85 |

### REPORT PREPARATION

| | | | |
|---|---|---|---|
| G.R. Peatfield, P.Eng. | 4 days @ $180 | 720.00 | |
| Secretarial, drawing, etc. | | 250.00 | |
| | | 970.00 | 970.00 |

45,051.02




G.R. Peatfield
31/10/80

6,000 E
7,000 E
8,000 E
9,000 E
10,000 E
11,000 E
13,000 N
12,000 N
11,000 N
10,000 N
9,000 N
8,000 N
7,000 N

"Edon Stain-Zone"

Ro-1-80

"Silver Standard" Showing

"Float" Showing

Main Showing

"West Showing"

"Klopan-Rose Showing"

Limit of weak Pyrite

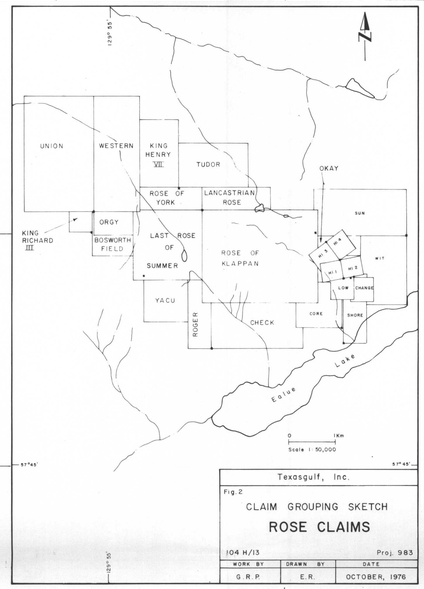
Increasing Phyllitic Alteration

Blocks Creek

Chump Creek

Nadaga Creek

EALUE LAKE




Texasgulf, Inc.

Fig. 2

CLAIM GROUPING SKETCH

ROSE CLAIMS

104 H/13 Proj. 983

| WORK BY | DRAWN BY | DATE |
|---|---|---|
| G. R. P. | E.R. | OCTOBER, 1976 |

## LEGEND

Tertiary
- 11 Olivine Basalt

Tertiary (?) or Older
- 10 Quartz Monzonite Dykes

Upper Triassic (may be in part Jurassic)
- 9b "Maroon Volcanics" — Grey Flows
- 9a "Maroon Conglomerate"
- 8 Black Feldspar Porphyry Dykes
- 7 Pyritic Felsite Dykes
- 6 Orbicular Feldspar Porphyry Dykes
- 5a Intrusive Breccia
- 5 Monzonite
- 4 Syenite
- 3b "Purple Volcanics"
- 3a "Green Volcanics"
- 2a Limestone Breccia
- 2 Limestone
- 1 Siltstone

## SYMBOLS

- 65 Attitude of Bedding
- 40 Attitude of Fractures
- Geological Contact (known, assumed)
- Outcrop
- Fault (known, assumed)
- × CS-2 Grab Sample Location
- × cc Chalcocite Occurrence
- ⊡ LCP Legal Corner Post

- Alteration Limit
- Weak to Moderate Pyrite
- Strong Pyrite

MINERAL RESOURCES BRANCH
ASSESSMENT REPORT
NO. 8481

200 0 200 400 600 800
Scale in Metres
1:10,000

Figure 4

Texasgulf Inc.

ROSE CLAIMS

GEOLOGY

| WORK BY | DRAWN BY | DATE | DRW.G NO. |
|---|---|---|---|
| G.R.P. D.A.D. | A.T.A. | Jan. 1978 | |