

REPORT ON
CUSAC'S TABLE MOUNTAIN AREA GOLD CLAIMS
(CORDOBA, TARA, PETE GROUPS)

PART I

PERIOD: SEPT. - NOV. 1979
TRENCH AND OUTCROP MAPPING
SAMPLING, DRILL HOLES, PROJECT
SUMMARY

PART II

DINO VEIN BULK TEST, DEC. 1979

FOR: CUSAC INDUSTRIES LTD.

BY: J. Poloni, P.Eng.
W.D. Groves, PhD., P. Eng.

January 28, 1980

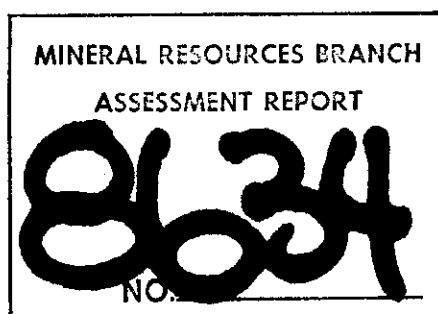


TABLE OF CONTENTS

PART 1 Trench and Outcrop Mapping, Sampling, Drill Holes,
Summary, 1980 Project Program.

MAPS, FIGURES, ETC.

List of Maps:

- A. Regional and Location
- B. Compilation Maps - 1979 Program (pocket)
- C. Detail Maps - 1979 Program (pocket)
- D. Detailed DDH logs, DDH 1, 2, 6, 7, 8, (pocket)
- E. Gold, Silver, Geochem Maps Cordoba- Poloni (pocket)
Geophysics Map; Presunka Fault - Poloni (pocket)

List of Map Notation

Photo Captions

List of Tables

Ownership Forms: Pete, Tara, Cordoba Claims

TEXT

Summary

Location and Access

Claim Information

Economic Geology:

History

Geomorphology

Regional Geology and Major Structural Features

Chert Breccia Zones

Origins of Gold Mineralization

Quartz Vein and Hydrothermal Mineralization

Comment on Geochemistry and Geophysics to Date

Geochemistry - Cordoba Grid Area

Geophysics - Cordoba and Pete Grid Areas

Geologically Inferred Potential Cordoba and Pete Claims

TABLE OF CONTENTS (cont'd.)

Proposed Program

Post-mortem on 1979 Program Costs
Program for 1980

Assay Sheets - Geology

References - Geology

PART II Bulk Test, 500 lb. Sample, Dino Vein Ore, Cordoba
Claim Unit 4, Dec. 1979.

Summary of Test Results

Description of Test

Miscellaneous Notes

Figure 1 - Test Setup

Table T-1 Gold and Silver Material Balance

Table T-2

Average Heads Assay

Certificates - J.P., W.D.G.

PART I

List of Maps

<u>Map No.</u>	<u>Description</u>	<u>Scale</u>
<u>A. Regional and Location</u>		
Plan 1	Area Map, Cassiar Area Road Map, Showing Claim Area	1" = 50 mi.
Plan 2 (a)	G.S.C. McDame Area. Area structures, Rock Units, Gabrielse, 1954	1" = 4 mi.
Plan 2 (b)	Cassiar Stock Map Adjoining to West, Pariteleyev, 1978	1" = 2 mi.
Plan 3	Claim Sheet B.C. 104P/4E, of Nov. 1, 1979, Vancouver Recorder's Office	1 cm. = 500 m.
Plan 4	Topography Map, Upper Pooley Creek Area, with Table Mountain Claims Shown	1 cm. = 500 m.
<u>B. Compilation Maps - 1979 Program</u>		
Plan 5 (a)	Cordoba Claim: Units 5, 6, 7, 8, Geophysical Grid Area Quartz Veins (numbered) Trenches, Drill Holes, Gold and Silver Anomalies	1 cm. = 25 m. 1:2500
Plan 5 (b)	Pete Claim: Unit Presunka Fault Area Showings, DDH's	1 cm. = 25 m. 1:2500
<u>C. Detail Maps - 1979 Work Program</u>		
Plan 6	Cordoba Claim: Unit 6, Grid: 9N + 200E area Veins 5, 6, 7. DDH 6, 7, 8. Trenches, Assays	1" = 20'

PART I

List of Maps (cont'd.)

<u>Map No.</u>	<u>Description</u>	<u>Scale</u>
Section 7	Section A-A1, Plan 6, Looking NW. Vein 5 in True Length. Drill Intersections, Surface Assays.	1" = 20'
Section 8	Section B-B1, Plan 6, Looking NE Along Strike Vein 5	1" = 20'
Plan 9	Cordoba Claim. Unit 5. Dino Vein, Grid: L6, 100E Area.	1" = 20'
Plan 10	Cordoba Claim Unit 5, Grid: L4, 0+50E Area Silver-Manganese + Chert Breccia Zone, DDH 1, 2 + Associated Gold-limonite Vein Margins. Trench Assays.	1" = 20'
Section 11	Section C-C1, Plan 10. DDH 1, 2, Drill Logs, Surface Assays	1" = 20'
Plan 12	Pete Claim: Units 4 & 5 Presunka Fault Area: DDH 3, 4, 5.	1" = 20'
Section 13	Section F-F', Plan 12. DDH 3, 4, 5, Logs.	1" = 20'
Plan 14	Pete Claim, Units 4 & 5 Pete Vein Area	1" = 2 mi.

PART I

List of Maps (cont'd.)

<u>Map No.</u>	<u>Description</u>	<u>Scale</u>
Section 7	Section A-A1, Plan 6, Looking NW. Vein 5 in True Length. Drill Intersections, Surface Assays.	1" = 20'
Section 8	Section B-B1, Plan 6, Looking NE Along Strike Vein 5	1" = 20'
Plan 9	Cordoba Claim. Unit 5. Dino Vein, Grid: L6, 100E Area.	1" = 20'
Plan 10	Cordoba Claim Unit 5, Grid: L4, 0+50E Area Silver-Manganese + Chert Breccia Zone, DDH 1, 2 + Associated Gold-limonite Vein Margins. Trench Assays.	1" = 20'
Section 11	Section C-C1, Plan 10. DDH 1, 2, Drill Logs, Surface Assays	1" = 20'
Plan 12	Pete Claim: Units 4 & 5 Presunka Fault Area: DDH 3, 4, 5.	1" = 20'
Section 13	Section F-F', Plan 12. DDH 3, 4, 5, Logs.	1" = 20'
Plan 14	Pete Claim, Units 4 & 5 Pete Vein Area	1" = 2 mi.

List of Photo Captions - Geology

Regional - Photo 1, 2

Structure - Photos 3 - 7

History - Photos 8, 9

Core - Photos 10 - 16

Quartz Mineralization - Photos 17 - 25

Vein Structure - Photos 26 - 28

List of Tables - Geology

1. Geologically Inferred Potential - Cordoba & Pete Claims.
2. Assays Supporting Grade Estimates in Table 1.
3. Assays around L4, 0+50E 150' Length of Silver-Mn Chert Breccia + Gold - limonite Vein Margin Hydrothermal Type Mineralization.
4. Assays-Red Hematitic Breccia in Shatter Fault traces, (can also serve as locus for quartz veins).
5. Quartz veins with Low Assays. (Note Fred vein-essentially barren - appears to be N. extension of Dino vein - richest on property.)
6. Miscellaneous Assays - "Listvenite" - mariposite alteration
7. Spot Assays from Items of Geological Interest in the Area - for Mn, W, Cr, Ni, Zn, etc.

PART II

List of Photos - Test

Ore (Binocular microscope with 10-30 power) - T1-3

Test Mill - T4

Test Mill's Shaking Table - T5

Jig Con - T6, 7

Float Con - T8, 9

Table Con - T10

Dore Button from Jig Con - T11

Test Assay Sheets

Bondar Clegg #A29-1640 Dec. 20, 1979

Delta Refining #00104 Jan. 2, 1980

General Testing Labs #7912-2761 Jan. 7, 1980

List of Assay Sheet Numbers - Geology

Bonder Clegg Assay Report No.	Date of Report
A29-521 -	July 24, 1979
A29-534 -	July 18, 1979
A29-653 -	August 3, 1979
A29-696 -	August 14, 1979
A29-868 -	August 31, 1979
A29-989 -	September 11, 1979
A29-1009 -	September 21, 1979
A29-1036 -	September 27, 1979
A29-1117 -	October 5, 1979
A29-1282 -	October 18, 1979
A29-1282A -	October 24, 1979
A29-1316 -	October 26, 1979
A29-1335 -	October 26, 1979
A29-1388 -	November 14, 1979
A29-1533 -	November 30, 1979
A29-1522 -	November 28, 1979
29-1801 (Geochem)	September 17, 1979

New Energy Assay	Dated
	August 15, 1979
	August 16, 1979
	August 22, 1979
	August 23, 1979
	August 27, 1979
	September 5, 1979
	September 25, 1979
	September 13, 1979

SUMMARY OF MAP NOTATION

Mn	Manganese
Qtz.	Quartz
Fe	Iron
W.	Weathering
Brecc.	Breccia
Cht.	Chert
Chty.	Cherty
ϕ	Transition Phase (ϕ) direction of injection
Frax.	Fractures
$\angle = 40^\circ$	40° angle between axial direction and foliation measurement
Dk.	Dark
Arg.	Argillite
$\Delta = 6'$	Vertical trench wall height = 6 ft.
Blk.	Black
Volc.	Volcanic
Irreg.	Irregular
Xline	Crystalline
F.G.	Fine Grained
Poss.	Possible
Sphal.	Spalerite
Sil.	Silicious
A	Andesite
AT	Andesite Tuff

Eight holes, totalling 2,000 feet of drilling were completed. Three of the 5 holes drilled on the Cordoba claim intersected gold-quartz veins. Unfortunately, none of the three holes drilled into Presunka's Fault, on the Pete claim, found by geophysics earlier in the season, intersected significant gold-silver mineralization, though the structure seems favourable.

Results of geophysical and geochemical surveys and most of the surface assays from trenching appeared in J. Poloni's report of September 12, 1979. The present Report is a joint report by both geologists summarizing the season's findings, and including and discussing maps, drill and assay results from the latter part of the season.

On the basis of the 1979 results, an expanded program on the property, totalling \$1,300,000, is recommended for the 1980 season.

Recommendations include installing a 30-ton per day package mill on the property to start generating cash flow from the highgrade veins, more detailed geophysical and geochemical surveys on other claim units, more exploratory drilling on gold-silver anomalies (since the highgrade veins so far discovered are associated with gold-silver anomalies), and close spaced drilling on known bearing veins.

Results of a bulk assay of one of the highgrade veins is included as Part II of the Report. It indicates that a standard gravity-flotation circuit should be able to process the ore efficiently.

During the 1979 field season, CUSAC Industries Ltd. conducted a \$150,000 program on a 5-unit area of their Cordoba and Pete claims in the Table Mountain gold camp area of Northern British Columbia, on the property adjoining the Nu Energy mine property (CUSAC property lies to the South). CUSAC's property is on the south flank of Table Mountain and upper Pooley Creek valley.

Efforts concentrated on a 4-unit area on the Cordoba claim (on Claim Units 5, 6, 7 and 8) and a 1-unit area on the Pete Claim (on units 4 and 5). Unit and Grid numbering is given in the report.

Geophysical surveys on both areas were carried out by S. Presunka. Geochemical survey for gold, silver, zinc and lead on the 4-unit grid were carried out under the supervision of F. Brett. Geological work was supervised by J. Poloni and W.D. Groves.

Backhoe and bulldozer trenching on the Cordoba grid area was carried out in August-September 1979. The equipment was removed from the property on September 17, 1979. A diamond drill was on the property from September 18 to November 9, 1979, when freezeup stopped further drilling. A bulldozer road was constructed to the Pete claims to assist in moving the drill to the Presunka's Fault area.

Results were most encouraging. Three new highgrade gold-quartz veins were uncovered, which, together with the already-known Pete vein, constitute a sizeable reserve of potentially mineable ore. Several other large, lowgrade veins were further surface-sampled and mapped. Indications of additional veins, some mineralized and some not, were obtained.

2.0 LOCATION AND ACCESS

The Pete mineral claim is located approximately 10 miles south east of the town of Cassiar, B.C., two miles east of Needlepoint Mountain near the headwaters of Pooley Creek, with its northern boundary 1000 meters south of the Cordoba claim. The Cordoba claim north boundary adjoins the Sky mineral claim of Nu Energy Development Corporation Ltd. See Claim Map 3. The Tara claim is a 12 unit claim between Pete and Cordoba claims.

Access to the Pete and Tara claims is by a 2.5 mile road extension from the Erickson Gold Mines (Nu-Energy) mine road off the Cassiar-Stuart road. This 2.5 miles was negotiated by 4-wheel drive vehicles in 1979. The road was extended south as a bulldozer road to the Pete claims, and a diamond drill was skidded 3 miles in to the Presunka Fault area to drill DDH 3, 4 and 5 in October 1979, but the last mile could not be negotiated by 4-wheel drive.

Assistance has been received from the B.C. Government to build the road in from the Cassiar-Stuart road from Vines Lake through Vines Pass to the 1979 base camp for next season. (Vines Pass is at about 3500' elevation vs. 5500' for the pass over the west end of Table Mountain).

The Pete claim is located at $59^{\circ} 19'$ N latitude, $129^{\circ} 40'$ W longitude; and the Cordoba claim at $59^{\circ} 12'$ N latitude, $129^{\circ} 42'$ W longitude, NTS 104 P/4E.

3.0 CLAIM INFORMATION

The claim map Plan No. 3 shows the location and association of the Pete, Cordoba and Tara claims. Claims data is as follows:

<u>Claim Name</u>	<u>Units</u>	<u>Record No.</u>	<u>Expiry Date</u>
Pete	(18)	365	June 5
Tara	(12)	360	June 5
Cordoba	(12)	367	June 5

Cordoba, Tara and Pete claims are recorded as shown on B.C. Claim Map 104P/4E (Map 3). This claim map is updated to November 1, 1979. One claim, the Tara, has lately been marked "ALSO DOE". Ownership ("G") forms for Cordoba, Tara, and Pete claims are included in this report (Map pocket). The claims are shown as in good standing as marked on these forms. Staker was G. Brett.

The veins and mineralization of economic interest reported to the end of the 1979 season have been those found on the Cordoba and Pete claims. No mineralization of note has yet been found on the Tara claim, though essentially no geological or prospecting work has been done on the Tara claim to date, except to cut a cat and 4-wheel drive road through the Tara claims to the Pete claims to the south.

A letter (record no. 79656), dated January 16, 1980 by Company lawyer J.P. Lee Edwards of Edwards, Martin, states CUSAC's up-to-date legal position re Plaza Resources Ltd.'s staking of the DOE claim over the territory marked on the claim sheet as the Tara claim, and the status of a joint agreement between Plaza and CUSAC. As Edwards states: "CUSAC is asking for a court order confirming the termination of this Joint Venture Agreement." A copy of Edwards' letter forms part of the Company's latest Statement of Material Facts.

4.0 ECONOMIC GEOLOGY

4.1 History:

Interest in the Table Mountain area was initiated by efforts to locate the source lode of the immensely rich gold placer of McDame Creek discovered in the 1860's. The north slope of Table Mountain forms the south wall of the McDame Creek Valley for 2 miles and contains the gold-quartz vein currently being mined by Erickson Gold Mines (Nu-Energy) Limited. On the crest of Table Mountain is the strong gold-bearing Velog quartz vein which originally attracted attention to the mountain. The vein runs approximately E-W for 1.5 miles.

Present efforts at structural analysis have been concentrated on the central portion of the Cordoba claims where a 4-claim area was set off on a 100 m. grid to facilitate trenching, drilling geophysical and geochemistry studies (the latter two already reported by J. Poloni (refill) at the north end of the claim area. On the Pete claims in the area of Presunka's Fault some work was done in the vicinity of this large steeply dipping E-W fault some 800 m. north of Pete Hamlin's cabin (Photo # 8). The "Pete" claims contain the "Pete Vein", a gold-quartz vein, and lie in the south part of the claim area. (See Map 5 (b), and Plan 14).

4.2 Geomorphology:

The north slope of Table Mountain is steep - $30-45^{\circ}$, and contains the Nu-Energy gold-quartz veins in slate and greenstone. The crest of Table Mountain is a broken E-W anticlinal structure with a "core" or line of Sylvester age greenstone intrusions marking the break. Another line of small Sylvester intrusions crosses the north end of Table Mountain - from the west edge of the Cordoba claims, across the Sky claims to the north, and over the north end of the top of Table Mountain and into McDame Creek basin on about a N.30 E. line.

The south slope of Table Mountain is a large, gently sloping alpine tableland which gradually merges into the upper shallow central bowl of Pooley Creek Valley. It drains by a number of small streams just beginning to dissect the tableland. Lower Pooley Creek Valley is a broad glacial U-valley with grass and beaver swamps to a point 1/2 mile south of the south boundary of the Pete claims. The Pete claims are on the low western side of this valley and are largely covered with spruce swamp over up to 50' of glacial blue clay containing some rounded glacial boulders of greenstone or diorite. To the south of the E-W line of Presunka's Fault, a low massive carbonate E-W ridge marks a pressure ridge on the south side of the fault. A small quartz vein, containing tetrahedrite, with a greenstained margin was found on the ridge (Map : Plan 12). The west side of the valley rises into Needle Point Mountain, and the map area of Panteleyev.

At about the upper north edge of the Pete claim block, Pooley Creek forks. One fork comes down the glacial valley on the S.W. flank of Table Mountain; the other comes from the east down a rock-bottom recent gorge downcutting into the glacial pass between Table Mountain and Hunter Group Mountain to the southeast. Hunter Group Mountain forms the east flank of Pooley Creek Valley.

4.3 Regional Geology and Major Structural Features:

The major rock unit on the claims is the Sylvester Volcanics Unit of Gabrielse (see Map 2). Descriptive notes from his 4 mile map I (Appendix 1) summarize regional geology and section members.

The south flank of Table Mountain is a gentle dip slope in the slates overlying a volcanoclastic sequence, both of which are Sylvester. Early in the season, the nature of the slate-volcanics contact was not known, but drill holes 1, 2 and 6, 7, and 8 cut section in the contact zone and show that at least some of the Sylvester volcanics are crystal tuffs, with which the overlaying (and interbedded) slates are conformable

The land surface "shaves" down-section rather gradually, in the down-slope direction, going southerly, so that the slate mantle is largely missing by about the bottom (S. Edge) of the cordoba claims. Below the slate, in the DDH 6, 7 and 8 section for 300' is mainly massive andesitic tuffs plus sills, dykes and other intrusive phases of the andesite interbedded with grey chert. The chert is mostly massive, but with conformable brecciated zones on depositional interfaces, overlain by a thin carbonaceous tuff and/or quartz-carbonate "sill" or sills just under the slate. The slate just above the chert contact is carbonaceous to graphitic paper slate or phyllite. Higher up-section it merges into more of an argillite, such as that on the Sky claims. Each member contains more or less interbeds of the other. This whole sequence is invaded by various small Sylvester "mushroom" shaped intrusions and cut by siliceous volcanic dykes ("chert" in composition) of the same age. Two notable such greenstone "mushrooms" lie on each side of the base camp - one to the west and one to the east. The extent of these is not yet mapped although each forms a low knoll. Around the lower drill site around DDH 1 and 2, on the Cordoba 4-claim "grid area", the slate is locally present only as remnants. The surface is the thin bed of soft talcy tuff or quartz carbonate with the underlying cherts in evidence. Around the upper part of the Cordoba grid area, the slate-chert contact area is in evidence with the slates establishing cover on the upper edge of the Cordoba claims uphill from the drill site. Slate is the upper unit.

Regional tectonics suggest the possibility of a Caldera type of andesitic volcanic event with upper McDame Creek Valley as a down-faulted collapse block, Hunter Group Mountains as largely pyroclastic, and explosion faults now marked by siliceous volcanic breccia and quartz veins.

4.4 Chert Breccia Zones:

One 'stratigraphic' control on the gold and silver mineralization in the area seems to be brecciated horizons in the chert, and also above this on the chert-carbonaceous slate contact and for a short distance up into the slate. The surface silver-manganese-rich zone in chert breccia at DDH1 and the massive sulphide stringers (carrying low gold assays) in chert breccia zones in DDH 6, 7 and 8, illustrate this type of mineralization.

4.5 Origin of Gold Mineralization:

It's a matter of interest that the andesitic Sylvester magma had to traverse several carbonates buried at considerable depths enroute to the surface - the Good Hope and Atan and Lower Devonian for example, which would have the effect of adding carbonate, under pressure, to the melt. Possible consequences are exclusion of silica, production of siderite from mafics, and later, generation of the first explosive pressures on the roof of the magma chamber due to exsolution of CO₂. Evidence of this would be the fine grained siderite-containing carbonate, "iron dykes" in fissures - later to be rebrecciated by H₂O (steam) drive after the cracked magma chamber roof had begun to admit sea water. Pillows (evidence of submarine extrusion) in the Sylvester are rare. At least, much of the Sylvester encountered in the drill holes was tuff and could have been subaerial. (Emergent volcanic surface = island). The later chert and overlying slate were subaqueous. (Island volcano collapses below sea level). There is much sharp-edged to rounded cherty volcanic debris in the quartz veins in explosion faults. This suggests that the transition to chert in the section also follows the point at which sea water had gained access to the magma chamber. This access would result in extraction of gold from sea water and violent explosion faulting and tephra ejection. This scenario is worth holding in mind in regard to mineralization in quartz veins containing chert and in fracture zones in the chert itself.

The Presunka Fault is of interest on a regional scale since it is a major E-W one with a steep dip, which has slipped on and mylonitized a carbonaceous to graphitic horizon in the section. (Photo # 11). It is the first E-W fault south of the crest of Table Mountain, 3 miles to the north. Faults radiate out of the Cassiar stock mapsheet area adjacent to the west (Pantelayev) into the Table Mountain area, some with appreciable strike slip components as shown on his map (Map 2(B)). There are also graphitic slickensides in the 50° - north dipping carbonaceous slates in the Erickson Gold Mine alongside the vein. Presunka's Fault is thus another major structural focus for possible mineralization, though assays from drilling to date (DDH 3, 4, 5) have not given more than trace values in gold-silver. It nonetheless does contain quartz veins, some sulphides and felsite dykes in the fault plane region.

4.6 Quartz Vein Mineralization:

A considerable amount of information on the nature of the mineralized quartz veins in the area has now been accumulated. The moderately steep to steeply dipping ones mark various types of faults on fissures. One type marks fault slips between beds in the carbonaceous horizons at the base of the slates. These may be of major proportions. Quartz veins in Presunka's Fault, the Jenny Vein, and possibly also the Voloug Vein, are examples of this type. Wherever the tectonic situation produced a shear, the graphitic slate faulted if it was anywhere close to the plane of maximum shear stress, yielded - slipped, graphitized and/or mylonitized. Quartz veins, felsite dykes and quartz-carbonate "iron dykes" all used the same openings. The three are closely related in time. The "iron dykes" must contain considerable fine grained siderite because while the fresh material is creamy white, it weathers and alters on its margins rapidly into brown limonite.

A suggested sequence which tends to localize gold values is typically as follows. An explosion fissure or fault fills with a quartz-carbonate "iron dyke". Subsequent explosion or block faulting shatters the dyke and quartz (SiO_2 and H_2O liquid) fills the opening. In the large E-W vein on the Cordoba claims, the west end of

the fissure is occupied by an "iron dyke". To the west, a small quartz vein shows in the fissure which then rapidly widens to about 20'. Engulfed fragments of "iron dyke" (or slightly later siliceous volcanics) are then rafted eastward by the viscous quartz-H₂O fluid. Fragments tend to be more rounded towards the vein margins. Replacement of the siliceous fragments by iron sulphide is evident as well as network replacement of quartz along the vein margins (Photo #16). As a result, the tenure of gold mineralization in the veins is variable but tends to enrich towards the more fragmental portion of the veins towards the ends. Vein paths in the andesite are arcuate: the major E-W vein turns S.E. at its east end; in the "Cominco Vein" on the greenstone knoll above and to the west of camp, the south end turns S.W. These veins terminate by gradually pinching off. (See Map 5 (a)).

The "Dino Vein" (Photo #21) strikes about N. 25° W. has its discovery point about 100 m. east of base camp on the W flank of the low greenstone knoll marking one of the small andesite intrusions alluded to earlier in the text. (See maps 5 (a) and Plan 9).

The Dino vein is about 2-1/2 ft. wide at the surface. The east contact dips about 70° W, and the west contact dips at 55° W, indicating a widening to depth, at least locally. About 150' of bearing vein is exposed. Its southern extremity on the surface is tenuous - it appears to continue beneath a quartz-carbonate metasediment bed. 100' further south, a small piece of quartz with tetrahedrite and chalcopyrite mineralization was found in a bulldozer trench. The vein - in the andesite - lies in a well-developed "iron dyke" - the breccia zone which is hematite stained. The vein is faulted by a cross-shatter on a plane lying around W. 20° N., dipping steeply north. Its continuation is offset some 80' to the west. This cross fault plane has a narrow limonitic zone in it in hematitic breccia.

The vein continues north for about 50', until it is cross-cut by an andesite dyke. Another ten feet to the north it is cut off by a much larger moderately north dipping siliceous dyke at least 15' thick, and then obscured by drift. 150' further northward along the hillside, the locus of the trace of the vein is again marked by a quartz vein which gives low gold assays in a sulphide and fragment-containing zone towards its south

end. This vein then arcs into a more northerly and slightly easterly strike, widens to 15' wide, splits and becomes bull quartz. This section is called the Fred Vein. Its northern extent has not yet been stripped. See Map (Plan 9).

Assays on the grab samples from the Dino Vein have been obtained in the 2 oz. - 80 oz./ton range. (A 500 lbs. sample submitted for mill test assayed 3.60 oz./T Au, .985 oz/T Ag). In places abundant coarse free gold is seen (Photo #13). Photo #14 shows iron sulphide, v.g. and tetrahedrite. As Photo #13 shows, gold is in ex-solution relations on the margins of the iron sulphide so that it becomes more easily visible in "boxwork" where the iron sulphide has oxidized at the ground surface. This gold is actually an alloy also containing about 10% silver. Free gold is not found associated directly with the tetrahedrite also present intermittently in the vein - this latter is the main silver-bearing mineral. Gold-pyrite and tetrahedrite mineralogical zoning in the quartz veins (Dino, Pete) is to some extent locally mutually exclusive.

Galena has also been noted in the vicinity of v.g. in the top of the flat vein, (Vein 7). A third habit for quartz veins is illustrated by this large - over 11' thick - flat lying quartz vein exposed in the DDH 6, 7, 8 area in backhoe trenches and the top section of the 3 drill holes themselves. This vein lies on the contact between the carbonaceous slate and the chert. (Maps : Plan 6, Sections 7 and 8). It carries a little galena on its upper surface, and although v.g. was only seen in it in one place, gold values are in the order of 0. - .36 oz/ton. Gold grade increases towards its meeting with steeper dipping veins 5 and 6.

The shape of veins in andesite and slate are different : in the slate, veins either follow bedding planes (vein 7) or planar steep tectonic cleavages (vein 10, Map 5 (a)). In the andesite, they follow arcuate explosion fault or fissure lines (veins 1, 2, 3). Drilling in the Line 9 (DDH 6,7,8) area has shown that a geometry change can occur as a vein goes from slate into chert or volcanics. It is believed that all these veins are closely of the same age and closely related to later stages of the volcanic events which formed the host rock. Deeper in drill holes in the massive grey chert and andesitic tuffs, wandering stringers of massive grey iron sulphide up to 2" wide are found in breccia zones. (Drill logs : DDH 1, 2, 6,7, 8). The massive sulphide gives

low (.002-.07 oz./ton range) gold values. While the grey sulphide may be a carrier phase for gold, it is not uniformly so, or at least assays do not reflect this. There seems to be a further enrichment by later corrosive solution activity on the sulphide phase, where oxidation products such as limonite or manganese dioxide become evident in the breccia zones (L4 area) or where sulphide is replacing siliceous fragments in quartz veins. (Vein 1, E. end). Massive sulphide stringers from the Presunka Fault area do not so far assay. However, a massive sulphide stringer from the top of Pooley Creek, near the Cordoba legal post, gave a .07 oz./ton gold assay in a sample which was about 25% by weight sulphide.

It is evident that not all the gold mineralization is purely in the quartz vein phase. Wallrock alongside veins is marked by green stains of a mariposite-type mineral which gives low (.2 lb./ton range) assays for nickel and/or chrome. Siderite, calcite and limonite in both competent wallrock and shattered hematitic, siliceous or sideritic dyke rubble are also observed. This is also, in places, associated with iron sulphides plus a little high-temperature quartz which gives high gold values in the DDH 6, 7, 8 area. (Square trench Map : Plan 6, Section 7). The wall rock alteration zones vary from zero width to a fair percentage of the width of a vein on either side of it. It is evident from small amounts of old drill core, and the shape of old trenches on the property dating from the 1930's, that the green (mariposite) alteration was regarded with interest by previous prospectors of the property. It is also quite possible that in some cases the greenish "margins" were an earlier mineralization of fissures later used (or not) by quartz veins and finally by hydrothermal solutions. In these early sulphide injections, iron was reacted to siderite, sulphide sulphur, perhaps to gypsum, and Cr, Ni, etc. to green hydrous silicates. Later Ni and Cr stains in the siliceous component of Ni, Cr, Mn, Zn, Ag (Au), etc. mineralizations in the L 4 area are in evidence.

Late hydrothermal solutions of the hot spring type have also been a carrier of gold and silver. Gold and silver values (usually predominately one or the other) - silver with Mn in the DDH 1, 2 area, and gold with limonite in the DDH 6, 7, 8 area yield

precious metal values in breccia zones in the chert and in limonite sections in the upper portions of the sections in DDH 6, 7.

The iron (and zinc) sulphide phase seen deeper in DDH 6, 7, 8 as massive sulphide stringers may have been the first extractant phase of gold from sea water, but later oxidation of sulphides, to acid sulphate solutions, with manganese and iron present, were responsible for enriching and remobilizing this first concentration by corroding away most of the carrier sulphide. A certain amount of very finely disseminated gold is present in the hematitic and siliceous and sideritic rubble in faults alongside quartz veins. While probably not economic, it makes for a useful dispersed gold phase as a source of fine gold particles for geochemical anomalies, hence *facilitating prospecting for mineralized faults and, thus, for veins.*

5.0 COMMENTS ON GEOCHEMISTRY & GEOPHYSICS TO DATE

5.1 Geochemistry:

The geochemistry for gold gave indications of several local anomalies in the high PPB range. Following these up, lead to discovery of the Dino vein, and another short vein fragment 40 m. on to the east of this, in which an assay of 2.54 oz./T gold was obtained (Sample B.C. 17454). Assay of red breccia zones on vein margins give assays such as .008 oz./T gold - low, (B.C. A29-1388 WDGJP 400) but showing some very finely dispersed gold along shatter fault zones and loci for veins. More, very detailed gold geochemical testing is thus recommended in areas where soil cover is mostly over bedrock, to avoid any alluvial concentrate effects from glacial overburden. The gold and silver geochemical anomaly contour map for the Cordoba Grid area (Poloni Report, Sept. 12, 1979 : Plans 6 (Silver), 7 (Gold)), are re-included in the Summary Report (pocket) for reference. Major gold and silver anomaly outlines are shown on Map 5 (A). The fact that veins now known to contain gold and silver coincided with gold-silver anomalies encourages detailed examination and test drilling on other of these anomalies not yet probed in detail.

5.2 Geophysics:

Interpretation of VLF geophysical anomalies to date has been somewhat complicated by the fact that shallowly dipping carbonaceous slates, which are locally graphitic, have been found in areas near the slate-volcanics contact in the upper part of the Cordoba claim . The bottom slate unit is highly carbonaceous, and locally graphitic, so that its conductivity may obscure sulphide reactions. In the Pete claim, the Presunka Fault line, corresponding to a very large VLF anomaly, was graphitic. Nevertheless, VLF reconnaissance found this major structure, which does have veins, felsite dykes and some sulphides in it, besides carbonaceous mylonite and local graphitic slips, all of which are found in other fault-vein systems such as that at Nu-Energy .

Geophysical prospecting is thus worth continuing but should be interpreted carefully. A low magnetic anomaly was found in 1979 on the Cordoba claims, possibly indicating pyrrhotite in the andesite, has not yet been investigated in detail. It lies between two parallel gold anomalies on Line 8 West, just west of gold anomaly 5 on the Cordoba claim, Unit 8 (See Plan 5 (a)), which will be drilled in the next season's program.

Table I lists reserves inferred by work on the Cordoba and Pete claim areas to date, resulting from surface mapping of the quartz veins, with surface sampling and/or samples from stripping and trenching by hand, backhoe and bulldozer. Detailed mapping of showing areas (Maps 6 - 14) was undertaken to arrive at estimates of vein surface areas. In some cases veins terminated by pinching or fingering out into dykes also using the same fissures, faults or breccia zones, and these lengths are marked without annotations on Table I. Where veins passed under the drift without signs of pinching out, length used in Table I is marked*. In other cases, only part of the vein's length is quoted and also marked*, due to lack of sample information as to grade further along the structure.

Depth estimates used for the particular vein tonnage estimates on Table I are obtained by the rigorous application of the formula $D=1/2L$, though in some cases there is additional structural inference (diverging dips, strong possibility that veins could extend further downward). This is done to be conservative. Vein's average width is estimated by averaging surface widths over the exposed length. In the case of veins 5, 6, 7 information from drill hole intersections at about 30-40 ft. below surface was also included to form the figure.

Grade is estimated by surface assays, supplemented by drill hole assays and bulk sampling (basis of grade estimates is noted in the Table), where available.

Grade of estimates of tonnages and grade is currently considered to be at the "Geologically Inferred" stage. In the 1980 program, work to find more veins, extend present ones, drill known targets at increased depth, and intensive sampling will be used to upgrade the present estimates to proven ore wherever possible, as well as following strike and dip extensions on bearing veins.

In Table I, reserves are separated into 3 categories : "Lowgrade Type Veins"; "High Grade Type Veins"; "Silver-Manganese Chert Breccia plus Gold-Limonite Vein-

Associated" types. The arbitrary grade figure of 0.2 oz./T gold was used to separate the first two categories. At gold prices in the \$500.00 - \$1,000.00 ounce range, material down to 0.2 oz./Ton would be profitable to process in an inexpensive 30 T/D gravity/flotation package mill. Economics of processing the much larger tonnage of materials below 0.2 oz./T in the lowgrade veins would be sensitive to gold price and require a much larger scale of processing plant, with correspondingly larger "front end" capital cost. The "Highgrade" reserves thus offer an immediately highly economic return on investment, and the lowgrade reserves require a much more careful evaluation and a much lower percentage return on investment.

The third category is represented in Table 1 by the intermittent rich surface showings now crosstrenched over a 150' N 15° E length associated with a brecciated zone in the chert, plus quartz veins, in the line 4 + 50 m E) area of Unit 5 of the Cordoba claim. This is not yet assigned a tonnage estimate, despite surface samples of limonite ochre and quartz vein mineralization carrying up to 3 oz./T gold, and silver assays in black manganese-zinc-copper breccia fillings and replacements yielding up to 21 oz./T silver and .03 oz./T gold. DDH 1 and 2 cut into the most manganese zone, and showed about 30' of mineralization of manganese-limonite plus small quartz veins. Visually, the intensity of mineralization and the intensity of brecciation both attenuate gradually downward, and the holes bottomed in massive chert and/or andesite. Very low core assays were obtained, including low manganese, which acts as a visual parameter for intensity of mineralization. Some core grinding occurred of the soft manganese breccia fillings despite careful drilling, so re-assay and an attempt to recover hole sludge now needs to be made. The limonite-gold association closer to a solution conduit, surrounded by silica-manganese silver mineralization further out in fractures off the main solution conduit is a characteristic late hydrothermal type precious metal mineralogical zoning phenomenon. About 600 m. North 15 E of the L4 showing, a highgrade gold-limonite intersection (DDH 7 "Hot 2") is evident in the L9 area. Late hydrothermal activity will "use" the same zones of weakness often also marked by quartz veins, but also tend to "spread" into fracture porosity. Geometry of the breccia zones in the chert may be "tabular" in that shrinkage can cause crackle-brecciation on the margins of chert units, raising the possibility of flat lying mineralized zones in the chert near conduits.

More very detailed geology and some more drilling is obviously necessary to understand the L4 0+50 E phenomenon. In any case such a mineral assemblage may require a different type of processing to recover precious metal values, since values can be very finely divided and require special flotation or leaching.

Numbering of veins and showings in Table I correspond to locations on Maps 5(2) and 5(A)(for the Pete Vein). Note that at 30 T/day, 15,000 T could be milled in about 2 years time.

TABLE I
CURRENTLY GEOLOGICALLY INFERRED VEIN GOLD-QUARTZ POTENTIAL
CUSAC'S CORDOBA & PETE CLAIMS

<u>Category</u>	<u>Map - this Report</u>	<u>No.</u>	<u>Dimensions L x Est. D* x Av. W(ft.)</u>	<u>Inferred Tons (12cf/T)</u>	<u>Inferred Grade Oz./T Au</u>	<u>Basis of Grade Est. (see Table II)</u>	<u>Inferred Oz. Gold</u>
<u>I. Lowgrade Type</u>							
E-W	5 (a)	1	675 x 337 x 6.5	127,000	.10	Surface	12,700
Cominco	5 (a)	2	290 x 145 x 10.5	36,800	.10	Surface	3,680
Line 3+50E	5 (a)	4	200 x 100 x 3	5,000	.05	Surface	250
Line 9, Flat	5 (a)	7	150* x 75* x 11	<u>10,330</u>	.11	Surface + 3 DDH's	<u>1,140</u>
				<u>178,330</u>			<u>18,000</u>
<u>II. Highgrade Type</u>							
Dino	5 (a)	3	150 x 75 x 2.5	1,110	3.60	Bulk Test	4,000
Hot	5 (a)	5	230 x 100* x 3.5	6,680	2.2	2 DDH's Surface	14,700
Hot-2	5 (a)	6	80* x 40* x 1.5	400	2.	2 DDH's	800
Pete	5 (b)	20	200* x 100* x 4	<u>6,670</u>	.5	Surface + 2 shafts	<u>7</u>
				<u>14,860</u>			<u>19,500</u>
<u>III. Silver-manganese Chert Breccia + Gold-limonite, Vein Conduit Associated</u>							
L4 + 50E	5 (a)	8	150 x ? x ?	?	0-20. Ag 0-4. Au	Surface	

Notes:

Silver values associated with vein-gold expected to be at least 1/2 oz. per oz. of gold.

L = Length D = Depth W = Average Width (all in ft.)

*Depth rigorously estimated as D=1/2L unless specifically noted.

** Part of Vein

cf = Cubic Feet T = Short Tons oz. = Ounces Troy

William D. G. ...

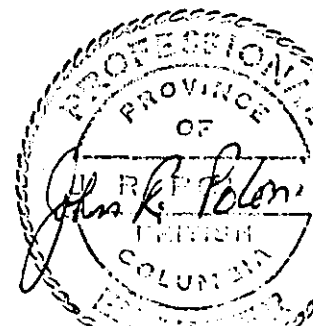


TABLE 2

ASSAYS SUPPORTING GRADE ESTIMATES IN TABLE 1

<u>DINO VEIN</u> (3)	<u>Assay No.</u>	<u>Gold oz/ton</u>	<u>Silver oz/ton</u>
	17459	5.50	1.30
	17460	25.05	5.31
	17461	.94	.32
	17458 (CS-25)	80.64	11.50
	Bulk Sample	3.60	.985
	AVERAGE	<u>23.14</u>	<u>3.88</u>
	EXPECTATION TABLE 1	< 3.60 >	< - >
<u>'HOT' VEIN</u> (5)	CS-18 (KK870)	.894	.80
	CS7	3.083	1.25
	KK863	1.0	-
	864	.91	.25
	865	.43	.20
	867	7.33	5.73
	872	1.26	.3
CORE	DDH6 (17379)	1.98	.38
	DDH7 (17385)	2.47	.67
	AVERAGE	<u>2.24</u>	<u>1.06</u>
	EXPECTATION TABLE 1	< 2.2 >	< - >
<u>'HOT' -2</u> (6)	DDH6 (17380)	.56	.48
	DDH7 (17386)	7.28	5.63
	AVERAGE	<u>3.92</u>	<u>3.05</u>
	EXPECTATION TABLE 1	< 2.0 >	< - >

PETE VEIN (20)

1978 Data Report, John Poloni *

WDG

TABLE 2 (con't)

<u>PETE VEIN</u> (20)	<u>Assay No.</u>	<u>Gold oz/ton</u>	<u>Silver oz/ton</u>
	2209	.748	2.56
	2214	.12	.12
	2220	.158	3.14
	18926	.016	5.20
	18927	.03	2.66
	18928	.044	.01
	18929	1.45	4.31
	18933	1.094	2.94
-	-	.30	5.24
	#3	1.465	1.98
	#4	.262	2.6
	AVERAGE	<u>.517</u>	<u>2.79</u>
	EXPECTATION TABLE 1	< .5 >	< - >

FOOTNOTE

* J. Poloni. "Report on the Pete and Corboa Mineral Claims. Cassiar Area, Liard Mining Division, for Cusac Industries Ltd. Sept. 6, 1978. Att. S.M.F. Filed June 15, 1979.

<u>FLAT VEIN</u> (7)	DDH6 (17377)	.36	.28
	DDH7 (17384)	.11	.14
	DDH8 (17393)	<.002	-
<u>SURF</u> (leached top)	17403	<.002	.04
	" " CS-17(KK8(9)	.020	TR
	(x cut long trench CS-2	.215	.31
	AVERAGE	<u>.117</u>	<u>.13</u>
	EXPECTATION TABLE 1	< .11 >	< - >
<u>E-W</u> (7)	CS-19(KK873)	.312	.3
	" 20 "874)	.01	.27
	" 21 "875)	.008	.19
	" 22(17453)	TR	TR
	" 23(17454)	.008	.04
	1978 401	.05	.13
	403	.26	.22
	2214	.12	.12
	17454	<u>1.27</u>	<u>.49</u>
		AVERAGE	<u>.226</u>
	EXPECTATION TABLE 1	< .1 >	< - >

WDG

TABLE 2 (con't)

<u>'COMINCO'</u> (2)	<u>Assay No.</u>	<u>Gold oz/ton</u>	<u>Silver oz/ton</u>
	762	.002	.02
	763	.023	.04
	765	.023	-
	34412	.390	.22
	2216	.072	.03
	2217	.024	.02
	2219	<u>.098</u>	<u>.26</u>
AVERAGE		.0903	.084
EXPECTATION TABLE 1		<.1>	<->
<u>L3+30E</u> (4)	758	.003	.04
	759	.002	.02
	760	.10	.04
	2244	<u>.05</u>	<u>.05</u>
AVERAGE		.044	.04
EXPECTATION TABLE 1		<.05>	<->

25/6

8.2 Quartz Veins

The Pete Vein has been traced for approximately 300 feet in an east-west direction with widths ranging from 3 to 6 feet.

It is generally well mineralized with finely disseminated to blebby tetrahedrite, less frequent inclusion of chalcopyrite, secondary azurite and malachite. To date, free gold has been seen in the area of the two shallow shafts but not elsewhere in the surface exposures. Plan No. 4 assay data suggests the presence of an ore shoot in the vicinity of the two shallow shafts where free gold is found and three samples assayed:

<u>No</u>	<u>Au oz/ton</u>	<u>Ag oz/ton</u>
#3	1.465	1.98
2209	0.748	2.56
18929	1.457	4.31
18933	1.094	2.94
AVERAGE:	1.191	2.92 WDG

To the east along the vein, assays indicate that the tenor of the gold decreases but the silver content is appreciably higher. This would tend to indicate that most of the gold is present as free gold and not tied to silver as a natural amalgam.

A program of diamond drilling (section 10) is recommended to further test the extent and tenor of the free gold in the region of the shallow shafts.

WDG

TABLE 3

L4, 0+50E, 150' Length of silver rich area

<u>LINE 4</u> <u>Area (8)</u>	<u>Assay No.</u>	<u>Gold oz/ton</u>	<u>Silver oz/ton</u>
	34410	4.12	8.81
	17405	.008	.03
	17406	.030	7.52
	17407	3.29	.70
	17408	.012	.08
	17409	.78	.60
	17452	.01	9.15
	CS-15	.048	21.1
	CS-6	<u>4.709</u>	<u>1.79</u>
AVERAGE		1.44	5.52
EXPECTATION TABLE 1		< ? >	< - >

Although structurally not yet fully understood, area offers interesting potential.

WJG

TABLE 5

Other Quartz Veins

I Low Assays

	ASSAY NO.	Gold oz/ton	Silver oz/ton
INDIAN VEIN	17410	.083	.85
FRED	2241	.17	.11
(16) EAST OF L9 Pits			
	17401	<.002	.03
	17402	.002	.02
	(CS-5) Float	.029	.07
(17) BULL QUARTZ VEIN			
W side of L9 trenches			
	17404	<.002	.002

II Highgrade Type Mineralization

a)	34415	.45	6.93 (tet) GB
	Just E of DDH 6, 7, 8 site		
b)	3" vein Quartz	Au-tetrahedrite, Presunka Fault Area	
	7451	1.71	.84
c)	Short vein segment (vein (12), L6, 140E+20N)		
	7462	2.69	.69

wdh

TABLE 6

Miscellaneous Assays - "Listvenite Alteration"
 17465 - Presunka baseline 'Listvenite'
 Cu \leq .01%, Ni = .12%, Cr = .25%
 (green color is nickel - chrome silicate)

TABLE 7

Spot Assays - Other Elements

Assay No.	
34406	.03%W
34407	.04%W
34410	4.12 oz/t Au, 8.81 oz/t Ag., .19% Cu, 19.8% Zn, .18%Pb
34409	.005 oz/t Au, .10 oz/t Ag, \leq .01%Cu, .54% Zn, .14% Ni
752	.93 oz/t Au, 4.55 oz/t Ag, 2.60%Zn, .12%N, \leq .001% Sn
753	.003 oz/t Au, -Ag, .03%Zn, W=.03% (alteration zone carries tungsten)
846KK	\leq .002 oz/ton Au, .13 oz/t Ag, \leq .01Zn, .02%W
2229	(property to west) Au -, .05 oz/t Ag, 4.20% Zn, .06% Cd, (zinc carries some cadmium)
17456	Au = .002 oz/t, Ag = .31oz/t Cr=.20%, Sb=.22% (tetrahedrite: argentiferous copper sulfantimonide)
2232	Au = .01oz/t, Ag=.49oz/t, Cu=.06% Zn=.03%, Mn=1.3% (Manganese-silver correlation)
2239 (DDH3)	300' W=.01% Mo=.002% specular iron oxide with low W, Mo content (mineral not W/Mo S ₂ series)

wph.

7.0 PROPOSED PROGRAM

7.1 Post Mortem, 1979 Season Field Program:

Approximate Costs - Cordoba and Pete Claims

Notes: Number of claim units worked on - 5.
 Number of claim units "gridded" on 20 meter grid - 4
 Feet of Diamond Drilling - 2,000

Costs are allocated by category of effort segregated on a sequence, Phase I through Phase IV. One or more phases can be implemented on a given area in any one season.

Phase I - prospecting, geological mapping, thin section or microscope work, establishment of 20 meter grid on area, geophysics, geochemistry, close-up airphoto mosaic and air photo base map, initial trenching, sampling, assaying, bulk assaying by test mill, etc.

Phase II - Exploratory and test diamond drilling for geology and initial indications of subsurface mineralization grade. Establishment of camp. Building roads.

Phase III - Close-spaced drilling to block out ore.

Phase IV - Purchase of heavy trenching, mine excavation, mine production start-up costs, milling equipment. 6 month costs of mining-milling operation.

Note: Cost of professional services - geological, ore testing, mill design, mine design, photogrammetry, etc. is shown here as a separate item.

Approximate 1979 costs

Phase I (Includes consulting)

Camp supplies, costs, establishment of semi-permanent camp, Cordoba grid area	\$ 15,000	
Construction of 4-unit 20 meter grid	2,000	
Geochemistry of 4-unit grid	6,000	
Geophysics (magnetometer, EM)	6,000	
Transportation - Cassiar - Camp 3, 3/4 ton vehicles, 2 4WD, 1 2WD	10,000	
Airfares @ 20 man trips, at \$300/trip	6,000	
Consulting and related fees	25,000	
Backhoe rental 15 days @ \$80/hr.	10,000	
Bulldozer rental, 15 days @ \$80/hr.	<u>10,000</u>	\$ 90,000
(includes costs of moving on and off property)		

Phase II

8 DDH's, total 2,000 ft. of core, site NX, skid mounted drill, costs include two 3-mile moves and one short move, plus turning drill on pad	<u>60,000</u>	
---	---------------	--

DIRECT TOTAL FIELD RELATED COSTS, 5 UNITS \$150,000

1979 costs per unit of Phase I and associated consulting
= $90,000/5 = \$18,000$ per claim unit.

7.2 1980 Projected Program Budget:

Phase I

Another 10 claim units on Cordoba and Pete claims, similar coverage as 1979	\$ 220,000	
Additional Phase I activities on original 5 units (mainly backhoe and bulldozer stripping)	<u>30,000</u>	250,000

Phase II

Exploratory and Test DDH's - 1979 Grid area
targets: See Au and Ag anomalies number on Plan 5 (a)
Number of projected holes on given target : 3 H = 3 holes; Plan 5(a).

GEOCHEM ANOMALIES

- No. 1 Dino Vein area. Strong anomaly over vein, and extends to south.
3 holes @ 300'.
- No. 2 Strong superimposed Au, Ag anomalies just to E of Dino vein.
Vein fragment, breccia zone. 3 holes @ 300
- No. 3 Strong superimposed Ag, Au anomalies over DDH 1, 2 gold-limonite,
2 silver-manganese surface showings, L3-4, 50E area:
3 holes @ 300'.
- No. 4 Strong Au anomaly, L7-8 on baseline - no work yet.
3 holes @ 300'.
- No. 5 Au anomaly L8 + 350W - no work done yet
3 holes @ 300'
- No. 6 Au anomaly, L3 + 400W. 2 holes @ 300'.
- No. 7 Au anomaly, L8 + 400W. 2 holes @ 300'.

Discretionary

2 holes @ 300'

CORDOBA 21 holes at 300', loaded cost \$30/ft.

6,300 ft. @ \$30/ft.

189,000

PETE claims - Pete vein area

3 holes @ 300'

900 ft. @ \$30/ft.

27,000

PHASE II type drilling

\$216,000

Permanent Camp

50,000

Roads (includes one from Cordoba camp to Vines Lake)

40,000

(50% govt. subsidy eventually recovered in road building)

TOTAL PHASE II

\$306,000

PHASE III

Blocking out ore by close-spaced diamond drilling

(L9 area "Hot" and "Hot - 2" veins)

5 setups: 8 holes @ 150' & 45° and 60°

1200 ft. @ 30/ft. 36,000

If 60° holes hit, 3 @ 60°, 200' depth, from
back-off stations

600 ft. @ 30/ft. 18,000

200' discretionary, @ 30/ft. 6,000 60,000

Dino Vein, 6 holes @ 250', thus

1,500 ft. @ 30/ft. 45,000

Pete Vein, 6 holes @ 250', thus

1,500 ft. @ 30/ft. 45,000

TOTAL \$150,000

DRILLING TO PROVE UP RESERVES

PHASE IV

Heavy Equipment Purchase

30 Ton/Day Rodmill - Gravity - Flotation package plant

Used equipment, built in Vancouver 50,000

1½ yd., 30'-reach backhoe, 45,000

and D7 cat, used 55,000

Mining Gear

Compressor 15,000

Jacklegs 5,000

Bits 5 000

Pump, hose 5,000

Hoist 5,000

Cable 3,000

Small air slusher 10,000 48,000

Blasting supplies 10,000

Contingency 2,000

Subtotal direct Mining Equipment 60,000

Ore Truck, used 15,000 75,000

(Bench and backhoe on Dino vein to 30', at same time as
lower level access constructed)

SUBTOTAL HEAVY EQUIPMENT COSTS 225,000

Butler Mill building (covers package mill plant)

40' x 50' - 2,000 sq. ft. @ \$20/ft. 40,000

TOTAL INVESTMENT \$265,000

PHASE IV

Mine and Mill Operational personnel and related supplies.

Mill 2 operators & mill manager
 - mines and 1 hoistman,

Mill manager is senior man.

5 men and 1 manager

6 month @ \$3,500/month

\$21,000/month, 6 months

186,000

Chemicals, supplies

14,000

SUBTOTAL

200,000

TOTAL PHASE IV

\$465,000

TOTALS

PHASE I	\$ 250,000
PHASE II	306,000
PHASE III	150,000
PHASE IV	<u>465,000</u>
	\$1,171,000
Contingency = 10%	<u>129,000</u>
TOTAL PROGRAM	<u><u>\$1,300,000</u></u>

(of this, \$265,000 is capital investment)

PART II

8.0 BULK MILLING TEST 500 LB. SAMPLE DINO VEIN ORE CORDOBA CLAIMS FOR CUSAC INDUSTRIES LTD.

SUMMARY

A 560 lb. sample of gold quartz ore from CUSAC Industries Ltd. Dino Vein on their Cordoba property, Table Mountain, Cassiar, B.C. was run in a small continuous ballmill - jig - classifier - flotation shaking table setup. 60 pounds of fine crushed feed was kept as a heads sample, and 500 pounds were milled.

Heads grade ran 3.60 oz. /Ton in gold and .985 oz./Ton in silver. A total of 10 pounds of sulphides, containing the gold, were recovered, indicating that the portion of the vein sampled ran 2% total sulphides. The richest part of the vein can run over 10% sulphides, so the grade of ore used in the test is felt to be conservative.

The sample was obtained randomly from the surface of the vein, with no attempt to be selective as to grade. 45% of the gold was separated as coarse free-gold in the jig. The doré bar from the amalgamated jig cons was kept for demonstration with the report (Photo T-11). The test was conducted by Universal Mechanical Seals Ltd. of Port Moody under the supervision of the authors.

A 560 lb. sample of ore was randomly cut from the top of the south portion of the Dino Vein, November, 1979. The ore was sacked and trucked to storage in Vancouver under supervision of W.D. Groves where it remained locked up until the test.

The test was performed by Mr. Peter Chapko and Mr. George Spalding of Universal Mechanical Seals, Inc. who own a test mill facility in Port Moody, B.C. J. Poloni and W.D. Groves saw the test setup and W.D. Groves supervised the actual grinding of the ore. The test was started on Saturday, December 15 and ran the 16th, 17th and 18th. The mill was run a total of 20.5 hours on the ore, giving a milling rate of about 25 lb./hour. Features of the circuit are shown in Figure 1 and Photos T4 and 5. Table T-1 gives the results of the test. The ore was first fine crushed, and a 60 lbs. sample of the fine crush feed was grab sampled at intervals. This 60 lb. sample was then mixed and rolled, and an 8 lb. sample of this was taken to Bondar Clegg Ltd., for assay in quarters. Average heads ran 3.60 oz./Ton Au and .985 oz./Ton Ag, with a 10% deviation of individual quarter assays about the arithmetic mean, which is reasonable variation for a sample containing free gold (see Table T-2). The mill circuit had various notable features. The grind of the tails is about 100-150 mesh, and that of the small amount of fines caught on the blanket tails water filter is about 500 plus mesh. The grind in the 18" mill, using mostly 1-2" balls, was gentle enough to liberate gold without making appreciable flour or leaf. The jig before the spiral classifier took the coarse gold and sulphides out of the circuit as soon as the lifter discharge removed them from the mill. (Retention of gold in the mill, because of the positive discharge feature, was small). Addition of flotation reagents : Dow froth 250 and xanthate collector, copper sulphate activator into the classifier-mill loop prevented overgrinding sulphides, and also helped float fine, flat gold. The overflow discharge from the spiral classifier helped trap quartz in the grinding loop to promote liberation of fine gold. Sulphides were scavenged in 3 forward feed cells, plus 1 accumulator froth cell.

Coarse gold and sulphides from the jig were panned and the coarse quartz and middlings returned to the circuit during the test. The final jig con was then amalgamated by grinding with a small amount of mercury and caustic for 20 minutes. Flotation reagents prevented amalgamation without grinding. Grinding also had the advantage of rendering the jig sulphide phase more homogeneous for assay purposes.

Before the jig con was separated, binocular microscopic photographs were taken by Dr. D. Waldron of the mixed jig con, as well as the flotation con and table con. Coarse gold, up to 1/10" was separated into the jig con (Photo T-6). Fine, flat gold of about 150 mesh was visible in the float con under the microscope (Photo T-9), on the "toe" of the pan when the float con was panned. Very small rolled-up shapes of gold were seen - a few specks - in the table con (Photo T-10), which otherwise consisted of fine quartz sand. The final tails water filter fines were not inspected under the microscope, but contained almost no sulphides.

Gold and sulphides in place in the vein quartz are shown in Photos T-1 and T-2. The pasty amalgam from the ground and amalgamated jig con was squeezed through a fine chamois and the resulting gold amalgam was smelted by Delta Refining and Smelting to doré bullion. The doré was weighed, 4 tiny holes drilled into the flattened button and the fineness of the button's drillings assayed by Delta. The flattened button was imprinted with the company name for identification purposes, and retained to be shown with the report (Photo T-11).

Jig sulphide con, float con, float tails, table con and table tails, the blanket filter fines and the mercury left over from the amalgamation were assayed at General Testing Labs of Vancouver. Assay results are attached from the three assayers.

Apart from giving a useful bulk assay of a fairly large sample of the vein material, the test indicated that no severe problems in milling of the ore are to be expected in a standard gravity-float mill circuit (such as that in use on similar gold-quartz at Nu-Energy). The test circuit flowsheet is thus amenable, with minor changes, to a production scale circuit in which final engineering optimization could take place.

9.1 Miscellaneous Notes - Test:

No upgrading of rough float con was carried out.

Ore was crushed to 3/8" minus.

Circuit-mill, classifier, etc. were cleaned after test - the pannings were added in to the jig con. Some very fine flow gold had settled in the classifier.

Gold balance around the mill-classifier-flotation circuit was 99.46% of feed.

TABLE T-1
GOLD AND SILVER MATERIAL BALANCE

<u>Stream</u>	<u>Dry Wt. (lbs.)</u>	<u>Troy Assay oz./Ton</u>		<u>Troy Total oz. Metal</u>	
		<u>Au</u>	<u>Ag</u>	<u>Au</u>	<u>Ag</u>
Crushed Feed	500	3.60	0.985	0.900	0.246
		(Table T-2)			
Jig:	2.15				
a) Gold Amalgam	15.5 gms. (= .455 oz.) 89.24% Au, 9.97% Ag			0.407	0.0455
b) Free Hg		(87.32 mg.)	21.7 mg.)	0.00256	0.00064
c) Extracted Sulphides					
Sulphides	2.15	25.22	6.45	0.0272	0.0069
Jig Total					
Flotation Sulphide Con	8.72	85.88	24.58	0.374	0.107
Flotation Sand Tails	489.13*	0.345	0.31	0.0844	0.0759
(Tails, % of feed metal)				(9.38%)	(30.8%)
		oz. accounted for		0.89506	0.2297
		% unaccounted for		0.54%	6.5%
Table Con	10 lbs.*	0.120	0.15	0.006	0.00075
Table Tails	478.13 lbs.*	0.138	0.14	0.033	0.034
Tails Water Filter Mud	1 lb.*	0.381	0.26	0.00038	0.00026
Total Table Outstreams				(.0339)	(.03501)

Jig Total

Flotation Sulphide Con.	8.72	85.88	24.58	0.374	0.107
Flotation Sand Tails	489.13*	0.345	0.31	0.0844	0.0759
	(Tails, % of feed metal)			<u>(9.38%)</u>	<u>(30.8%)</u>
		oz. accounted for		0.89506	0.2297
		% unaccounted for		<u>0.54%</u>	<u>6.5%</u>
Table Con	10 lb.*	0.120	0.15	0.006	0.00075
Table Tails	478.13 lbs.*	0.138	0.14	0.033	0.034
Tails Water Filter Mud	1 lb.	0.381	0.26	0.00038	0.00026
Total Table Outstreams				(.0339)	(.03501)

Notes:

Balance around feed-grind-settle float circuit - very good closure

99.46%

Balance around table not so good -

perhaps loss of extreme fines in the tails water

(only 40.5% of gold fed to the table accounted for)

34 gms. = 1 troy oz.

1000 mg. = 1 gm.

2000 lb. = 1 ton

Au = Gold Ag = Silver

Hg = Mercury

Total Milling Time - 20.5 hours. Rate - 25 lb./hour

Panned mill circuit cleanup cons added to jig con

* By subtraction

TABLE T-2

BONDAR CLEGG

Bondar Clegg Assay Report #A29-1640, December 17, 1979

Crushed Heads Sample #13877 assayed in quarters

<u>Samples (gms.)</u>	<u>Au. oz./Ton</u>	<u>Ag. oz./Ton</u>
No. 1 341	3.87	1.02
No. 2 323	3.52	1.08
No. 3 327	3.61	.95
No. 4 <u>299</u>	<u>3.26</u>	<u>.89</u>
Total 3632 (8 lb.s)	3.60 average	.985 average

= 10% variation about the mean

At \$600/oz. Gold, \$ 20/oz. Silver

3.60 x 600	2,160
0.985 x 20	<u>19.7</u>

Value of Precious Metals/Ton indicated in feed

\$ 2,179.7

TABLE T-I

GOLD & SILVER MATERIAL BALANCE

Stream	Dry Wt. (lbs.)	Troy Assay oz./Ton		Troy Total oz. Metal	
		Au	Ag	Au	Ag
Crushed Feed	500	3.60 (TABLE T-2)	0.985	.900	.246
Jig:	2.15				
a) Gold Amalgam	15.5 gms. (= .455 oz.) 89.24% Au, 9.97% Ag	—	—	.407	.0455
b) Free Hg		(87.32 mg.)	21.7 mg.)	.00256	.00064
c) Extracted Sulphides	2.15	25.22	6.45	.0272	.0069
Jig Total					
Flotation Sulphide Con	8.72	85.88	24.58	.374	.107
Flotation Sand Tails (Tails, % of feed metal)	*489.13	.345	.31	.0844 (9.38%)	.0759 (30.8%)
		oz. accounted for		.89506	.2297
		% unaccounted for		0.54%	6.5%
Table Con	*10 lbs.	.120	.15	.006	.00075
Table Tails	*478.13 lbs.	.138	.14	.033	.034
Tails Water Filter Mud	1 lb.	.381	.26	.00038	.00026
Total Table Outstreams				(.0339)	(.03501)

Notes:

Balance around feed-grind-settle float circuit - very good closure 99.46%

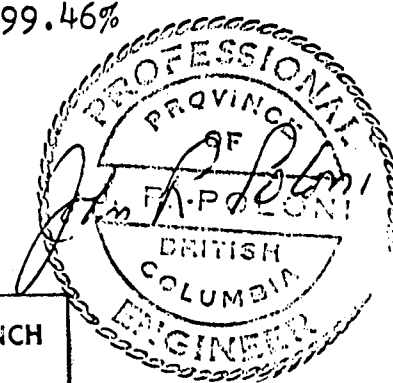
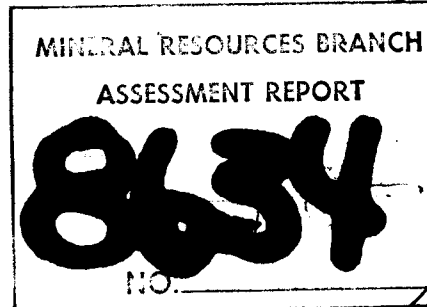
Balance around table not so good -
perhaps loss of extreme fines in the tails water
(only 40.5% of gold fed to the table accounted for)

34 gms.=1 troy oz. 1000 mg.=1 gm. 2000 lb.=1 Ton.
Au=Gold Ag=Silver Hg=Mercury

Total Milling Time=20.5 hours. Rate = 25 lb./hour

Panned mill circuit cleanup cons added to jig con.

* By Subtraction



William D. Groves

CERTIFICATE

I, William D. Groves, do hereby certify that:

1. I, William D. Groves, am a consulting geological engineer, residing at #425-1915 Haro Street, Vancouver, British Columbia.
2. I am a graduate of the University of British Columbia, (B.A.Sc., Geological Engineering, 1960). I am a graduate of the University of Alberta, B.Sc., in Chemical Engineering in 1962, and of the University of British Columbia with a Ph.D. in Chemical Engineering in 1971.
3. I am a Registered Professional Engineer of the Province of British Columbia (#8082).
4. I have practiced my profession since 1960.
5. I have worked on CUSAC's Table Mountain properties in the periods of July 19-22, Sept. 1-Oct. 20, and Nov. 5-12, 1979; in conjunction with Mr. S. Presunka (Geophysicist) and Mr. J. Poloni, P. Eng., geologist, G. and F. Brett and others, doing geology and sampling, jointly supervising 1979 drilling with J. Poloni, escorted a bulk sample from the property to Vancouver, November 12-14, 1979, and supervised the milling of the bulk sample December 15-17, and subsequently analyzing the results.

I have worked closely with Mr. J. Poloni, P.Eng., professional engineer, who supervised the program on the property particularly in the earlier part of the Summer, and with whom this report is jointly written.

6. I have not received, directly or indirectly, nor do I expect to receive any interest, direct or indirect, in the property of CUSAC Industries Ltd., or of any affiliates thereof, nor do I beneficially own, directly or indirectly, any securities of CUSAC Industries Ltd., or any affiliate thereof.
7. I hereby consent to the use of this report in a Prospectus or Statement of Material Facts to be filed with the Vancouver Stock Exchange and Superintendent of Brokers for British Columbia.

Respectfully submitted,

William D. Groves

Dr. W.D. Groves, P.Eng.

DATE: February 4, 1980

SUMMARY OF NOTATION

Mn	Manganese
Qtz.	Quartz
Fe	Iron
W.	Weathering
Brecc.	Breccia
Chert.	Chert
Cherty.	Cherty
ϕ	Transition Phase (?) direction of injection
Frax.	Fractures
$\angle = 40^\circ$	40° angle between axial direction and foliation measurement
Dk.	Dark
Arg.	Argillite
$\Delta = 6'$	Vertical trench wall height = 6 ft.
Blk.	Black
Volc.	Volcanic
Irreg.	Irregular
Xline	Crystalline
F.G.	Fine Grained
Poss.	Possible
Sphal.	Spalerite
Sil.	Silicious
A	Andesite
AT	Andesite Tuff

CERTIFICATE

I, John R. Poloni, of 5502 - 8B Avenue, in Delta, in the Province of British Columbia,

DO HEREBY CERTIFY THAT:

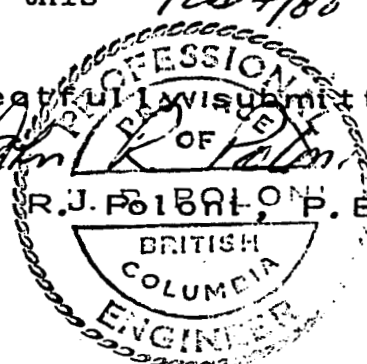
1. I am a Consulting Geologist.
2. I am a graduate of McGill University of Montreal, Quebec, where I obtained a B.Sc. degree in Geology, in 1964.
3. I am a registered Professional Engineer in the Geological Section of the Association of Professional Engineers of the Province of British Columbia.
4. I have practiced my profession since 1964.
5. I am a Fellow of the Geological Association of Canada and a member of the Canadian Institute of Mining and Metallurgy.
6. I have personally visited the Pete and Cordoba mineral claims during the Summer and Fall of 1979 and assisted in the preparation of this report.
7. I have no interest in the properties and securities of CUSAC Industries Ltd., nor do I expect to receive or acquire any.
8. I hereby consent to the use of this report in a Prospectus or Statement of Material Facts to be filed with the Vancouver Stock Exchange and Superintendent of Brokers for British Columbia.

Dated this

Feb 4/80

Respectfully submitted,

John R. Poloni
John R. J. Poloni, P. Eng.



MINERAL ACT - PROVINCE OF BRITISH COLUMBIA

Record of Mineral Claim
FORM G

MAP NO. 104 P/4E 8 RECORD NO. 365
 M.G. RECEIPT NO. 111899 B RECORDED AT Victoria B.C. THIS 7th DAY OF June 19 77
 DO NOT WRITE IN SHADED AREAS LIARD Mining Division

**Affidavit
for
Mineral
Claim**

NAME Guilford Reed AGENT FOR _____
 ADDRESS 890-W. Pender #205 ADDRESS _____
 VALID SUBSISTING F.M.C. NO. 153785 VALID SUBSISTING F.M.C. NO. _____

MAKE OATH AND SAY: I COMMENCED LOCATING THE Pete MINERAL CLAIM

ON THE 5 DAY OF June 19 77 AT 9:00 A.M. AND COMPLETED THE LOCATION
(TIME INDICATE A.M. OR P.M.)

ON THE 5 DAY OF June 19 77 AT 10: A.M. CONSISTING OF
(TIME INDICATE A.M. OR P.M.)

3 UNIT LENGTHS West AND 6 UNIT LENGTHS North AND I HAVE IMPRESSED ALL THE REQUIRED INFORMATION
(DIRECTION) (NUMBER) (DIRECTION)

ON METAL TAGS NO. 11407 WHICH HAS BEEN SECURELY FASTENED TO THE POSTS AS REQUIRED UNDER THE REGULATIONS.

IDENTIFICATION POST(S) NOT PLACED WERE N1, N2, N3, N4, N5, W1, W2, W3, W4, W5, W6, W7, W8, W9, W10, W11, W12, W13, W14, W15, W16, W17, W18, W19, W20, W21, W22, W23, W24, W25, W26, W27, W28, W29, W30, W31, W32, W33, W34, W35, W36, W37, W38, W39, W40, W41, W42, W43, W44, W45, W46, W47, W48, W49, W50, W51, W52, W53, W54, W55, W56, W57, W58, W59, W60, W61, W62, W63, W64, W65, W66, W67, W68, W69, W70, W71, W72, W73, W74, W75, W76, W77, W78, W79, W80, W81, W82, W83, W84, W85, W86, W87, W88, W89, W90, W91, W92, W93, W94, W95, W96, W97, W98, W99, W100

CHECK "V" APPLICABLE SQUARE THE LEGAL CORNER POST _____ IS SITUATED: Near
 THE WITNESS POST FOR THE LEGAL CORNER POST _____

DESCRIBE POSITION OF POST RELATIVE TO KNOWN TOPOGRAPHICAL OR SURVEYED FEATURES THAT RELATE TO FEATURES OF MAIN SKY CLAIM IS APPROX. 1 mile North of the North boundary of Pete Claim. L.C. is approx. 800' West of Poley Cr. and approx. 1,000' North of the Zenith or deep at point of Poley Pass. South of CG 1536. LEP of Pete is 6,100 meters.

BEARING AND DISTANCE TO TRUE POSITION OF LEGAL CORNER POST FROM THE WITNESS POST _____
 BEARING AND DISTANCE FROM IDENTIFICATION POST TO WITNESS POST _____

I HAVE COMPLIED WITH ALL THE TERMS OF THE MINERAL ACT AND REGULATIONS PERTAINING TO THE STAKING OF MINERAL CLAIMS AND HAVE ATTACHED A PLAN, ACCEPTABLE TO THE MINING RECORDER, OF THE LOCATION.

SWORN AND SUBSCRIBED TO AT _____
 THIS _____ DAY OF _____ 19 _____ BEFORE ME Guilford Reed
 * Guilford Reed SIGNATURE

111899 = 2107x⁰⁰
 MR OR SMR STAMP

* THIS AFFIDAVIT MAY BE TAKEN BY A PERSON EMPOWERED TO TAKE AFFIDAVITS BY THE EVIDENCE ACT OF BRITISH COLUMBIA.

NO. OF UNITS		PER YEAR		CREDIT		TRANSFERS (B/S'S, ASSIGNMENTS, CONVEYANCES)	
WORK NUMBERS	C/L IN S	MINING RECEIPT AND DATE RECORDED	TYPE OF WORK	YEAR OF EXPIRY	WORK UNIT(S)	RENTAL IN \$	
21900/917		June 2/78	P	1979			June 1, 1979 \$2301 P/S all interest to Cusac Industries Ltd.
30045-62		Apr 23/79	P	1980			

MINERAL ACT - PROVINCE OF BRITISH COLUMBIA

Record of Mineral Claim
FORM G

MAP NO. 104 P/48 B RECORD NO. 366
 MINING RECEIPT NO. 111899 B RECORDED AT Victoria B.C. THIS 7th DAY OF June 1977
 DO NOT WRITE IN SHADED AREAS
 MINING RECORDER [Signature] MINING DIVISION LIARD

Affidavit for Mineral Claim
 NAME Guilford Pratt AGENT FOR _____
 ADDRESS 840 W. Pender #205 ADDRESS _____
 VALID SUBSISTING F.M.C. NO. 153785 VALID SUBSISTING F.M.C. NO. _____

MAKE OATH AND SAY:- I COMMENCED LOCATING THE TARA MINERAL CLAIM

ON THE 5 DAY OF June 1977 AT 10:00 AND COMPLETED THE LOCATION
(TIME INDICATE A.M. OR P.M.)
 ON THE 5 DAY OF June 1977 AT 10:30 CONSISTING OF
(TIME INDICATE A.M. OR P.M.)

2 UNIT LENGTHS S AND 6 UNIT LENGTHS W AND I HAVE IMPRESSED ALL THE REQUIRED INFORMATION.
(NUMBER) (DIRECTION) (NUMBER) (DIRECTION)

ON METAL TAGS NO. 33686 WHICH HAS BEEN SECURELY FASTENED TO THE POSTS AS REQUIRED UNDER THE REGULATIONS.

IDENTIFICATION POSTS NOT PLACED WERE S₁, S₂, S₃W, S₃W₂, S₃W₃, S₃W₄, S₃W₅, S₃W₆, W₁, W₂, W₃, W₄, W₅, W₆, W₇, W₈, W₉, W₁₀, W₁₁, W₁₂, W₁₃, W₁₄, W₁₅, W₁₆, W₁₇, W₁₈, W₁₉, W₂₀, W₂₁, W₂₂, W₂₃, W₂₄, W₂₅, W₂₆, W₂₇, W₂₈, W₂₉, W₃₀, W₃₁, W₃₂, W₃₃, W₃₄, W₃₅, W₃₆, W₃₇, W₃₈, W₃₉, W₄₀, W₄₁, W₄₂, W₄₃, W₄₄, W₄₅, W₄₆, W₄₇, W₄₈, W₄₉, W₅₀, W₅₁, W₅₂, W₅₃, W₅₄, W₅₅, W₅₆, W₅₇, W₅₈, W₅₉, W₆₀, W₆₁, W₆₂, W₆₃, W₆₄, W₆₅, W₆₆, W₆₇, W₆₈, W₆₉, W₇₀, W₇₁, W₇₂, W₇₃, W₇₄, W₇₅, W₇₆, W₇₇, W₇₈, W₇₉, W₈₀, W₈₁, W₈₂, W₈₃, W₈₄, W₈₅, W₈₆, W₈₇, W₈₈, W₈₉, W₉₀, W₉₁, W₉₂, W₉₃, W₉₄, W₉₅, W₉₆, W₉₇, W₉₈, W₉₉, W₁₀₀

CHECK "X" APPLICABLE SQUARE
 THE LEGAL CORNER POST IS SITUATED: Near
 THE WITNESS POST FOR THE LEGAL CORNER POST

ACCURATELY DESCRIBE POSITION OF POST RELATIVE TO KNOWN TOPOGRAPHICAL OR SURVEYED FEATURES THAT RELATE TO FEATURES ON A MAP.
Cassiar R.P. South of Collision Hk. Tara claim joins Cadaba to the North, and Pete to the South. (1000 metres approx from Collision Hk.) South East Tara is 2,000 metres South of C.G. 6531 to legal Corner Post.

BEARING AND DISTANCE TO TRUE POSITION OF LEGAL CORNER POST FROM THE WITNESS POST _____
 BEARING AND DISTANCE FROM IDENTIFICATION POST TO WITNESS POST _____

I HAVE COMPLIED WITH ALL THE TERMS OF THE MINERAL ACT AND REGULATIONS PERTAINING TO THE STAKING OF MINERAL CLAIMS AND HAVE ATTACHED A PLAN, ACCEPTABLE TO THE MINING RECORDER, OF THE LOCATION.

SWORN AND SUBSCRIBED TO AT _____
 THIS _____ DAY OF June 19____ BEFORE ME
[Signature]
 * THIS AFFIDAVIT MAY BE TAKEN BY A PERSON EMPOWERED TO TAKE AFFIDAVITS BY THE EVIDENCE ACT OF BRITISH COLUMBIA.
 MR OR SMR STAMP

WORK NUMBERS	C/L IN S	MINING RECEIPT AND DATE RECORDED	TYPE OF WORK	YEAR OF EXPIRY	CREDIT		TRANSFERS (S/S'S, ASSIGNMENTS, CONVEYANCES)
					WORK UNITS	RENTAL IN \$'S	
21918/929		June 2/78	P	1979			
30063-74		Apr 23/79	P	1980			

List of References - Geology

1. Progress Report on the Pete and Cordoba Mineral Claims, Cassiar Area, Liard M.D. for Cusac Industries Ltd. by John R. Poloni, B.Sc., P. Eng. September 12, 1979 (Includes and summarizes 1979 Geophysical Surveys & Maps of S. Presunka, Geophysicist)
2. G.S.C. Memoir 319 by H. Gabrielse, 1954 incl. Map 1110A. McDame Area, Cassiar District, B.C. 4 mi = 1 in Map & its Notes included.
3. Cassiar Map Area (104/P) A. Panteleyev 1978 (Map 2 (B) included B.C. Dept. of Mines. Cassiar Stock Area.
4. J. Poloni. "Report on the Pete and Cordoba Mineral Claims. Cassiar Area, Liard Mining Division for Cusac Industries Ltd. September -, 1978, Att. S.M.F. Filed June 15, 1979.



INDIAN RESERVES
 Because of the large number of reserves in British Columbia a selected number could be portrayed at this scale. Reserves in the Fraser Canyon and Victoria area are shown on the Victoria-Vancouver inset on the side of this map. Information on Indian Reserves courtesy of Survey and Land Branch, Department of Energy and Resources, Government of Canada.

Early 1800's fur-trading post named for English admiral Lord Nelson

Mile zero of Alaska Highway. Dawson Creek Museum and Art Gallery. Dawson Creek Fall Fair and Rodeo, August

Plan 1
 Area Map, Cassiar Area Road Map, Showing Claim Area

1" = 50 mi.





Plan 2 (a)



G.S.C. McDame Area.
Area structures, Rock
Units, Gabrielse, 1954

1" = 4 mi.

MAP 110A
MEMOIR 319.

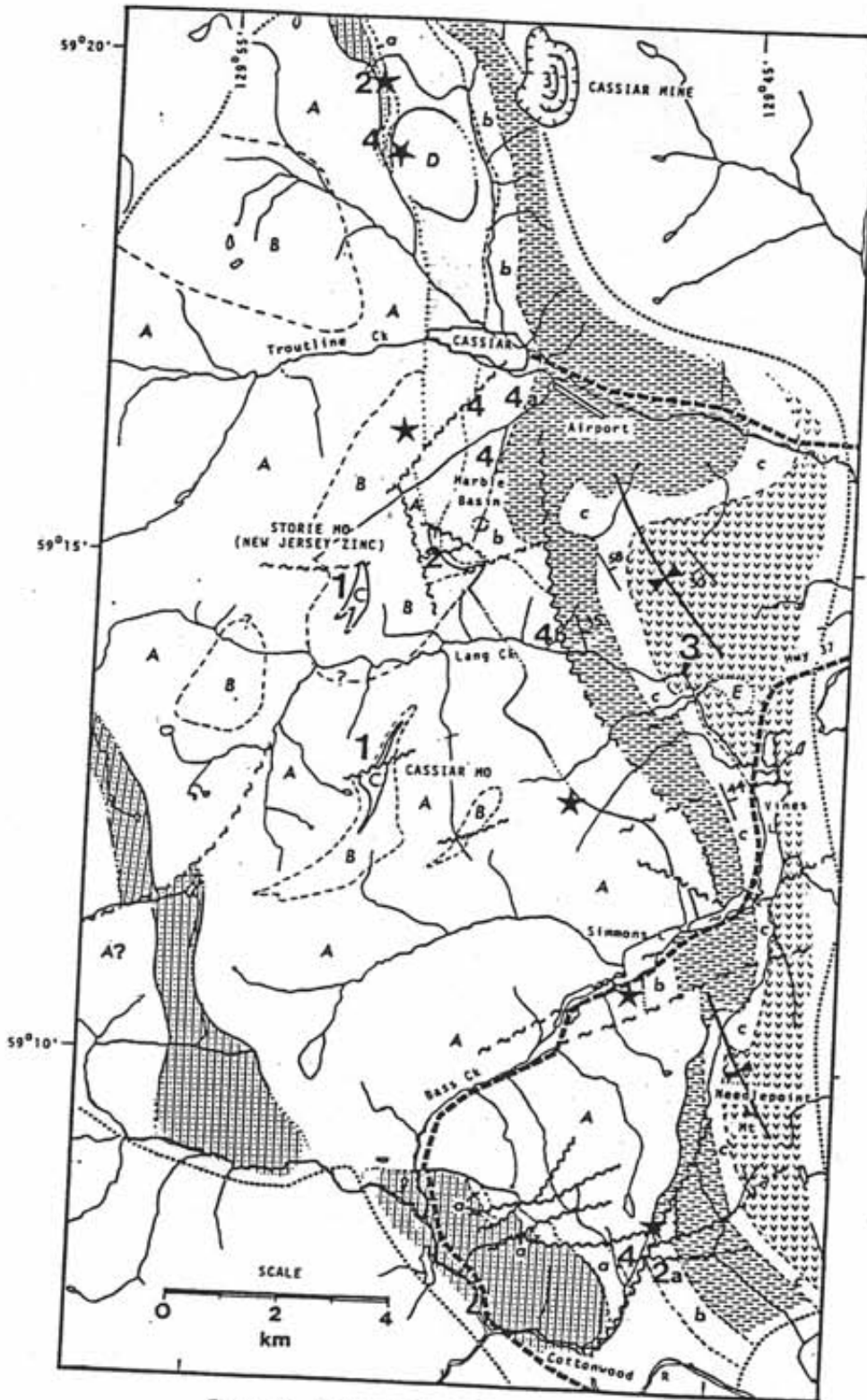


Figure 16. Geology of the Cassiar map-area.



CASSIAR ASBESTOS POWER
MINERAL RESERVE
O.C. 2180, 27-9-60
RELEASE REQUIRED

ALSO: PAR 2, FR. N. & P. OF FR. 10-4 (10)

ALSO: DOE 1051 (10)

Plan 3



Claim Sheet B.C. 104P/4E, of
Nov. 1, 1979, Vancouver
Recorder's Office

1 cm. = 500 m.

432

DESCRIPTIVE NOTES

- GARDNER, 1954

The same map-area is accessible by motor vehicle via the Alaska Highway and the Cassiar Road: the latter runs from mile 648.5 to Cassiar, a distance of 87 miles. The Cassiar-Stewart Road, under construction, leaves the Road 1 mile east of McDame Lake and runs southerly along Bass Creek, Coltonwood River and Dease River, to Dease River. A numerous branch road, usable only by trucks and four-wheel-drive vehicles, follows McDame Creek to the old post of McDame on Dease River. Dease River is navigable throughout its course, but near its mouth Mile and Four Mile Rapids require careful navigation. Pack-horse trails afford access to most of the map-area and horse feed is generally available. Timber-line is about 4,500 feet above sea-level. Many well timbered lakes can be used by aircraft available at Watson Lake. The map-area includes parts of two main physiographic units—Liard Plateau and Cassiar Mountains—and a number of subdivisions of these units. Liard Plateau, to the northeast, is relatively flat and heavily covered by drift. The western border of the Rocky Mountain Trench forms a distinct straight escarpment where it enters the area from the southeast, and merges with the Liard Plateau north of Red River. Dease Plateau, west of the Liard Plateau, is characterized by northwesterly trending ridges of low to moderate relief. Horseranch Range, bordered to the east by Dease River and to the west by the valleys of Dease and Rapid Rivers, extends northerly from Looncry Lake as a high, unbroken ridge for almost 30 miles. It forms an outlying part of the Cassiar Mountains to the southwest. The highest point in the range is 7,300 feet in elevation and about 5,000 feet above Dease River, the maximum relief in the map-area. The southwestern and southern parts of the area are occupied by the Cassiar Mountains, a rugged region with a maximum relief of about 4,000 feet. During Pleistocene time, ice moving northeasterly and easterly, covered the entire area except possibly a few of the highest peaks. The Horseranch group (A), a regionally metamorphosed and locally altered assemblage of Cambrian and/or Precambrian sedimentary rocks, as much as 7,000 feet thick, underlies Horseranch Range. These rocks, exposed in a doubly plunging anticline, are bounded by faults and so that their relations to other rocks are unknown. A conformable sequence of Precambrian and Lower Cambrian limestone, dolomite, and shale, the Good Hope (1, 2) and Atan (3, 4) groups respectively, occupy mainly a northwesterly trending, complex synclinal zone on the northeast flank of the Cassiar Mountains. Precambrian rocks can be as much as 4,000 feet thick but the base is not exposed. Fossiliferous Lower Cambrian strata are at least 3,000 feet thick. Highly contorted Cambro-Ordovician rocks of the Kechika group (5) probably overlie the Atan group (3, 4). In the southwestern and southern parts of the area Cambro-Ordovician strata are mainly dark grey argillaceous rocks as much as 1,000 feet thick, whereas in the northeastern and eastern parts they are mainly light buff and grey calcareous and siliceous rocks more than 2,500 feet thick. Bodies of greenstone, which are mainly or entirely intrusive, are common in the Kechika group (5). Northeast and east of the major synclinal zone in the southwest part of the map-area, the Walker group (5) is overlain disconformably (?) by fossiliferous cherty dolomites and generally non-fossiliferous sandy dolomites and dolomitic sandstones of the Ordovician and Silurian Sandpile group (6a, 6b). On the limbs of the synclinal zone and in several places of it, however, strata probably equivalent to the Sandpile group (6b), but lacking fossiliferous cherty dolomite, rest directly on Lower Cambrian rocks. Highly altered dykes and sills of greenstone have intruded the dolomitic rocks. Laminated dolomite of Silurian and/or Devonian age (6c) conformably overlies Silurian strata on the limbs of the synclinal zone. Dolomite of Cambrian (6d) of Silurian and/or Devonian age occurs in a few places. The McDame group (7a, 7b) comprises a lower member of fossiliferous, black, fetid dolomite from 350 to 550 feet thick, and an upper member of platy limestone from 175 to 275 feet thick. This group unconformably overlies rocks ranging in age from Cambro-Ordovician to Silurian and/or Devonian. An assemblage of Upper Devonian and Lower Mississippian volcanic rocks, as much as 15,000 feet thick—the Sylvester group—conformably (?) overlies the McDame group (7a, 7b) on the limbs of the synclinal zone in the southwest part of the map-area. Lenses, sills, and stocks of ultramafic rocks (9) cut the Sylvester group and are believed to be of Lower Mississippian age. A marked unconformity indicates the base of the Middle Mississippian rocks (10). In the south-central part of the map-area, carbonate rocks of the McDame group, as much as 1,000 feet thick, overlie the Sylvester group (8); at Stewart Lake they overlie rocks of the Kechika group (5). Granitic rocks of the Cassiar intrusions (11), probably emplaced in Tertiary time, underlie the rugged region in the southwest part of the map-area.

Rocks underlying the Liard Plain and Dease Plateau are highly folded and faulted. In particular, thin-bedded, incompetent Cambro-Ordovician strata have been intensely deformed and cleavage has been developed to a high degree. The Horseranch group (A) is exposed in a relative simple, doubly plunging anticline bounded on the west and southeast by major faults. The Cassiar Mountains in the southwestern and southern parts of the area embrace mainly two anticlinal areas and an intervening synclinal area. Within the anticlinorium west of Dease and Rapid Rivers the strata are complexly folded and faulted. The Cassiar batholith has been emplaced into an anticlinal area bordering the synclinal zone to the southwest. The structure within the southeasterly plunging synclinal zone is not well known, but the outline of the major structure is symmetric and well defined.

Several major longitudinal faults have been recognized, along which some movement has taken place in Tertiary or post-Tertiary time. In addition to these faults, numerous northerly and northeasterly trending faults cut strata in the anticlinorium west of Dease and Rapid Rivers and in the structurally complex area southeast of Deadwood Lake.

Placer gold was discovered on McDame Creek in 1874 and on Walker Creek in 1877, but since 1887 only McDame Creek has yielded important amounts of gold. Gold has also been panned on Rosella and Spruce Creeks and on Dease River. The gold originated in quartz veins in volcanic rocks of the Sylvester group (8), which carry free gold, pyrite and tetrahedrite. These veins are particularly abundant in the area between Pooley Creek and the mouth of Quartzrock Creek.

Minor chalcopyrite was noted in five places in a narrow zone of calcareous phyllites extending for at least 12 miles northwesterly from Hidden Valley Creek. A showing containing specular hematite, chalcopyrite, and minor galena occurs 1 1/2 miles south of the mouth of Nizi Creek. Silver-lead-zinc minerals have replaced dolomitized limestone and, to a lesser degree, quartzite of the Atan group (3, 4) in a zone extending from Mt. Haskin to south of Dease River beyond Atan Lake. Near Atan Lake galena occurs with barite. Silver-lead-zinc replacement bodies, containing much manganese magnetite, occur 3 miles northwest, and 2 miles south, of Cassiar. Quartz veins 3 miles northwest of Cassiar contain significant amounts of bismuth. Pyrrhotite and magnetite replacement bodies carrying minor molybdenite and scheelite occur along the contact of the Cassiar intrusions (11) with the Good Hope (1, 2) and Atan (3, 4) groups. Beryl is found in pegmatites in the central and northern parts of Horseranch Range, and helvite occurs in tactite 2 miles northeast of the mouth of Bass Creek.

High-grade chrysotile asbestos is being mined from a serpentine body 3 miles north of Cassiar, and non-commercial bodies of asbestos were noted in most of the ultrabasic bodies in the map-area. Small lenses of chromite occur in dunite bodies, and from 0.1 to 0.3 per cent nickel was obtained from samples of several of the ultrabasic bodies.

Thin, much-contorted seams of lignitic and sub-bituminous coals occur in Tertiary rocks (12) along Rapid River.

NOTES ACCORDING TO
MAP NO A
GEOLOGY.
MCDAME
CASSIAR DISTRICT
BRITISH COLUMBIA
IN

GENERATED BY
H. GARDNER

APPENDIX 1

The youngest consolidated sedimentary rocks in the area (12), of Tertiary and/or Quaternary age, are coal-bearing along Rapid River. Basaltic intrusive rocks of Tertiary or Pleistocene age (13) form a few small outcrops along Rapid River. A thin, discontinuous drift of glacial, glacio-fluvial, and fluvial origin (14)

MARKED	GOLD		SILVER		Cu	Zn	Ni				
	Ounces per Ton	Grams per Metric Ton	Ounces per Ton	Grams per Metric Ton	Percent	Percent	Percent	Percent	Percent	Percent	Percent
2230	0.005		0.12		0.01	0.02	0.21				
2231	0.002		0.02		0.01	0.01	0.10				
2232	0.010		0.49		0.06	0.03	1.30				
2234	0.008		0.28		0.17	0.07	0.54				
2235	0.010		0.31		0.01	0.05	0.19				
2236	0.004		0.18		0.01	0.10	0.25				
2237	0.040		0.97		0.11	0.24	0.55				
2238	0.010		2.84		0.05	0.76	0.26				
2239	-		-		-	-	-				
2240	20.65		3.02		-	-	-				

cc Mr. J. Poloni

NOTE:

Rejects retained three weeks
Pulps retained three months
unless otherwise arranged.

[Handwritten Signature]
DIRECTOR GENERAL, DEPARTMENT OF MINES

[Handwritten notes and stamps at the bottom of the page, including "27 26 25" and "27 26 25"]

2239

cc Mr. J. Poloni

Metric Ton

Metric Ton

Metric

percent

Percent

Percent

Percent

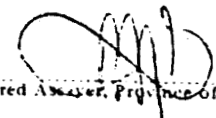
Percent

0.01

0.002

NOTE:

Rejects retained three weeks
Pulps retained three months
unless otherwise arranged.

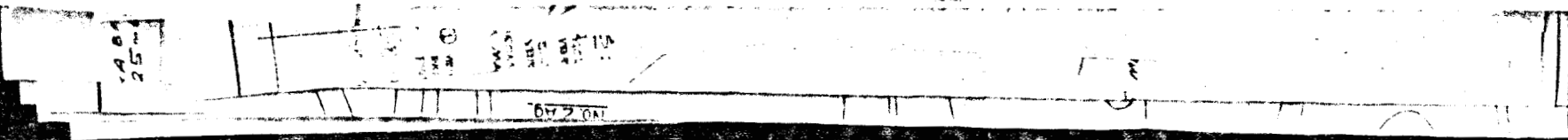

Registered Assayer, Province of British Columbia

67201

MARKED	GOLD		SILVER		Percent	Percent	Percent	Percent	Percent	Percent	Percent
	Ounces per Ton	Grams per Metric Ton	Ounces per Ton	Grams per Metric Ton							
2242	0.002		0.11								
2243	0.080		1.40								
2244	0.050		0.05								
2246	0.005		0.18								
2247	0.002		0.36								
2248	<0.002		0.06								
2249	<0.002		0.04								
2250	<0.002		0.04								
2251	<0.002		<0.02								
2252	<0.002		0.02								
WPGJP# 400	0.008		0.05								
401	0.050		0.13								
403	0.26		0.22								
17451	1.71		0.84								


NOTE:
 Rejects retained three weeks
 Pulps retained three months
 unless otherwise arranged.

Registered Assayer, Province of British Columbia



	Ounces per Ton	Grams per Metric Ton	Ounces per Ton	Grams per Metric Ton	Percent	Percent	Percent	Percent	Percent	Percent	Percent
29 gms											
Box 1				Δ							
DDH 6 Box 15.5-37' - 17377	0.36		0.28	16.5'							
DDH 6 Box 37-41' - 17378	0.094		0.06	4'							
DDH 6 Box 41-45' - 17379	1.98		0.38	7'							
DDH 6 Box 45-51' - 17380	0.56		0.48	13'							
DDH 6 Box 10. 4" V. massive 17381	0.042		0.02	1/2'							
DDH 6 Box 10. 4" SULPHIDE 17382	0.030		0.08	1/10'							
DDH 6 Box 15. 272' 1/2" 17383	0.038		0.61	5'							
DDH 7 Box 15'-23' - 17384 FLAT VEIN	0.11		0.14	19'							
DDH 7 Box 2. 45'-42' - 17385	2.47		0.67	9'							
DDH 7 Box 3. 57'-58' - 17386	7.28		5.63	1'							
ZINE BIFF AND											

NOTE:
 Rejects retained three weeks
 Pulps retained three months
 unless otherwise arranged.


Registered Assayer  Province of British Columbia

Handwritten notes and stamps at the bottom of the page, including a date stamp "MAY 2 1954" and other illegible markings.

	Ounces per Ton	Grams per Metric Ton	Ounces per Ton	Grams per Metric Ton	Percent	Percent	Percent	Percent	Percent	Percent	Percent
DDH 6, BOX 9 ^{SULPHIDE} ^{STRINGER} 17387	<0.002		0.03		-						
DDH 6, BOX 9, 167' 17388 SULPHIDES.	<0.002		0.02		-						
" BOX 12 215-216' 17389 SULPHIDES.	0.012		0.06		-						
DDH 7, BOX 9, 171' 17390 white sulfide	0.002		0.04		-						
DDH 7, BOX 10, 186' 17391 "	<0.002		<0.02		-						
DDH 7, BOX 11, 201' 17392 cube iron	0.002		0.02		-						
DDH 8, FLAT VEIN, 011' 17393 FLAT VEIN.	<0.002		0.05	100%	-						
DDH 8, BOX 12 27-35' 17394 Rusty Zone	<0.002		0.03		-						
DDH 8, BOX 3 61-63.5' 17395 912 VEIN BRCC	<0.002		0.02		-						
DDH 8, BOX 3, 64' 17396 VEIN SULPHIDE	0.002		0.02		-						
DDH 8, BOX 11, 198' 197-200' 17397 sulfide stringer	<0.002		<0.02		<0.01						
DDH 8, BOX 16, 293-295' 17398 "	<0.002		0.02		<0.01						
DDH 8, BOX 18, 329' 17399 - sulfide	<0.002		0.03		<0.01						
DDH 8, BOX 20, 356-363' 17400 sulfide stringer	<0.002		0.02		<0.01						
DDH 8, BOX 21, 379-380 17401 sulfide stringer	<0.002		<0.02		<0.01						

NOTE:

Rejects retained three weeks
Pulps retained three months
unless otherwise arranged.


Registered Assayer, Province of British Columbia

RE: DIAMOND DRILL HOLES 3, 4 & 5


September 28, 1979 to

October 20, 1979

Room & Board \$4,600

4 men at \$50 per day per man = \$200 per day

23 days x \$200 = \$4,600



GRID LOCATION COORDINATES	VEIN NUMBER OR DDH NUMBER + TAG NO.	ASSAY LAB TAG NO.	Au ^o g/t	Ag ^o g/t	Cu ^o %	Zn ^o %	Pb ^o %	Mn ^o %	W, Ni, Cr Cd, Sb, Sn, ETC.	ASSAY REPORT NO.	ASSAY REPORT DATE	FIELD TAG NO. IF DIFF- ERENT	FIELD SAMPLING DATE	SAMPLER(S)	FIELD BOOK REF/DATE	NOTEBOOK DATE	LENGTH/ WIDTH	SAMPLING TECHNIQUE	DESCRIPTION OF LOCATION	DESCRIPTION OF GEOLOGY
78	PETE VEIN (20)	2209	.748	2.56									JUL 15/78	Doubrail				GRAB.	SHAFT 2 PILE	VEIN MATL.
78	PETE VEIN (20)	2210	.076	4.85	1.49%								JUL 15/78	"				GRAB.	TRENCH 1 E of shaft.	Vein matl. near porphyry dyke
78	E-W (1)	2214	.12	.12									JUL 15/78	G. BRETT			7'-4'	GRAB.	E-W vein.	Vein with fine matrix SE dir. E of shaft.
78	COMINCO (1)	2216	.072	.03									JUL 17/78	G. BRETT			3-4.5'	CHIP.	Cominco	Old trench # 2
78	COMINCO (2)	2217	.024	.02									JUL 17/78	G. BRETT			20'	CHIP.	Cominco	
78	COMINCO (2)	2219	.098	.26									JUL 17/78	G. BRETT			15-20'	CHIP.	Cominco PIT #3	
78	PETE (20)	2220	.158	3.14									JUL 17/78	G. BRETT			3'	CHIP.	3' VEIN.	
78	PETE (20)	18926	.016	5.20									AUG 24/78	J. POLONI						
78	PETE (20)	18927	.03	2.66										J.P.						
78	PETE (20)	18928	.044	.01										J.P.						
78	PETE (20)	18929	1.45	4.31										J.P.						
78	PETE (20)	18933	1.094	2.94										J.P.						
78	ORE PILE PETES CABIN (20)		.30	5.24 (TET)																
78	PETE (20)	#3	1.465	1.98																
78	PETE (20)	#4	.262	2.6																

MINERAL RESOURCES BRANCH
ASSESSMENT REPORT
8634
NO.

1978
POLONI
REPORT
JUNE 15/79
S.M.F.

GRID LOCATION COORDINATES	VEIN NUMBER OR DDH NUMBER + FOOTAGE	ASSAY/LAB TAG. NO.	ASSAYS Au %/T Ag %/T Cu % Zn % Pb % Mo %	W, Ni, Cr, Mn, Sb, Cd, Sn, etc. comp.	ASSAY REPORT NO.	ASSAY REPORT DATE	FIELD TAG. NO. IF DIFFERENT	FIELD SAMPLING DATE	SAMPLER(S)	FIELD BOOK REF/DATE	NOTEBOOK DATE	LENGTH/ WIDTH	SAMPLING TECHNIQUE	DESCRIPTION OF LOCATION	DESCRIPTION OF GEOLOGY
CRK	DDH 7 15-23	17383	.038	.61		129-193	NOV 20/79					0.8'			
	DDH 7 23-42' FLATV. (1)	17384	.14									0.19' FLAT			
	DDH 7 41-55' HOT (2)	17385	2.47	.67								0.9' HOT			
	DDH 7 57-58' HOT-2 (3)	17386	7.28	5.63								0.1' HOT-2			
CRK	DDH 6 Box 9 SULPH STRINGS	17387	<.002	.03		129-1522	NOV 28/79		LOG. NOV 8/79	WDG.				DDH 6 167'	IFT SAMPLE ZONE/MASSIVE grey sulphide
	DDH 6 Box 12 215-216'	17388	<.002	.02					LOG. NOV 10/79	WDG.				DDH 6 215-216'	Massive sulphide blobs/filling etc brecc. andite
	DDH 6 Box 17 305-307'	17389	.012	.06					LOG. NOV 10/79	WDG.				DDH 6 Box 17 305-317'	Qtz-filled breccia zone in andesite.
	DDH 6 Box 9 171'	17390	.002	.04					LOG. NOV 10/79	WDG.					
	DDH 7 Box 10 186'	17391	<.002	<.02					LOG. NOV 10/79	WDG.					
	DDH 7 Box 11 201'	17392	.002	.02					LOG. NOV 11/79	WDG.					
FLATV.	DDH 8 Box 1 17-28' (7)	17393	<.002	.05					LOG. NOV 11/79	WDG.					
	DDH 8 Box 2 97-35'	17394	<.002	.03					LOG. NOV 11/79	WDG.					
	DDH 8 Box 3 51-63.5'	17395	<.002	.02					LOG. NOV 11/79	WDG.					
	DDH 8 Box 3 64'	17396	.002	.02					LOG. NOV 11/79	WDG.					
	DDH 8 196' x 198-203'	17397	<.002	<.02	<.01				LOG. NOV 11/79	WDG.					
	DDH 8 Box 16 293-295'	17398	<.002	.02	<.01				LOG. NOV 11/79	WDG.					
	DDH 8 Box 18 327.5 x 329'	17399	<.002	.03	<.01				LOG. NOV 11/79	WDG.					
	DDH 8 Box 20 356' x 363'	17400	<.002	.02	<.01				LOG. NOV 11/79	WDG.					
	DDH 8 Box 21 (LAST) 179-310'	17401	<.002	<.02	<.01				LOG. NOV 11/79	WDG.					
	L9 AREA, LOCHAE TOP FLATV.	CS-17	.020	TRACE		NU EN.	SEPT 5/79	KK 869		G.B. WDG.	J.P. NOTES	± 20'	SKIM CHRE FLAT V. UPPER SURF.		
	L9 INT/FLAT A → HOT	CS-18	.874	.80		NU EN.	SEPT 26/79	KK 870		WDG.	G.P. NOTES	Sp 13/79	GRAB/CHIP		JP SEPT 12/79. L9 INT. WDG + GB. SKIM SAMPLE
		CS-16	.006	0.0	(.31) - ...	NU EN.	AUG 23/79	KK 848							WDG. BROWN Fe ORCHRE, VERT VEIN/FLAT VEIN AREA.
		CS-15	.048	12.11		NU EN.	AUG 23/79	2224							
		CS-9	.008	3.38		NU EN.	AUG 23/79	2223							
		CS-10	.072	12.64		NU EN.	AUG 23/79	2224							
		CS-11	TRACE	TRACE				2225							
		CS-12	.137	.30				2226							
		CS-13	.023	.14				2227							
	L9 AREA (14)	CS-14	.634	.75				KK 775		G.B.		1'	GRAB/CHIP		GB SAMPLE: THIN QTZ VEIN STRATH L9.
		CS-15	.018	16.20											
		CS-3	TRACE	TRACE		NU EN.	AUG 16/79	BIG BAG							
		CS-4	TRACE	TRACE				KK 767							
	L9, FLAT IN CREEK.	CS-5	.029	.07				KK 768	JUL 23/79	G.B. + WDG.	JP NOTES.		FLOAT	WHITE GULL QTZ - CREEK - L9	FLOAT IN CR, JUST E OF 'HOT VEIN' - SEE 5(A)
		CS-6	4.709	1.79				KK 769			JP NOTES.	1.5-2'	GRAB		JP SEPT 12/79 PLAN II.
	L9, HOT V. W/MARGIN	CS-7	3.083	1.25				KK 771		G.B. TSP.	JP NOTES.	1' WIDTH	CHIP/GRAB		HEAVY PYRITE, VERT. VEIN (HOT)
		CS-1	TRACE	TRACE		NU EN.	AUG 15/79								
	L9, HOT V. W/MARGIN	CS-2	.215	.31		NU EN.	SEPT 25/79	17458	DIAG #1 SEPT 25/79	WDG + GB.	JP NOTES	6'		X-ZONE, E TRENCH	X-ZONE W. TRENCH.
	DINO V. DISCOV. PIT	CS-25	80.644	11.50		NU EN.	SEPT 25/79	17458	DIAG #1 SEPT 25/79	WDG.	WDG NOTES (OCT 1/79)	VEIN 2.5'	CHIP/GRAB		QTZ VEIN IN PLACE (V.G. AREA/FLAT VEIN)
	L9 (HOT)	KK 863	1.35 ppm	2 ppm	7 ppm	23 ppm									
	L9 D.P.T. GALVANA SMOKE	KK 864		20 ppm	12 ppm	9.00 ppm	Aut. 680 ppb								
	E-W (1)	CS-19	.312	.3		NU EN.	SEPT 13/79	KK 873	SEPT 11/79	WDG + GB.	WDG NOTES			(HOT) North West High Trunk Low Angle Vein Exposure	QZ SAMPLE ALONG 12" MID VEIN
	E-W (1) STRIKE EXT. W.	CS-20	.010	.27				KK 874	SEPT 11/79	WDG + GB.				Trunk L9 180E GALVANA SAMPLE	QZ SAMPLE SURF FLAT INT. A
	E-W (1) STRIKE EXT. W.	CS-21	.008	.19				KK 875	SEPT 11/79	WDG + GB.				17' WIDE E-W BRETT VEIN	SELECT-RANDOM SULFIDE RICH SIDE
	Room (358) EXT. W.	CS-22	TRACE	TRACE				17453	SEPT 11/79	WDG.	WDG OCT 1/79			Long Trunk part end of E-W VEIN	21 WIDE VEIN ON STRIKE
	Room (358) EXT. W.	CS-23	.008	.04				17454	SEPT 11/79	WDG.				Lat. in Trunk E-W Vein?	VEIN ON STRIKE
	L6 + D, 40 E. (12)	CS-24	TRACE	.32				17455	SEPT 11/79	WDG.	WDG SEPT 20/79			N. wall cont. E-W vein, L3 area and E/B.	W/airborne stained mal. N wall of 35' W20N vein.

MINERAL RESOURCES BRANCH
ASSESSMENT REPORT
8634
NO. 2

PAGE 2.

FT.

GRID LOCATION COORDINATES.	VEIN NUMBER OR DDH NUMBER & FOOTAGE	ASSAY LAB TAG. NO.	Au ^o oz/T	Ag ^o oz/T	Cu %	Zn %	Pb %	Mn %	W, Ni, Co, Pt, Cd, etc. %	ASSAY REPORT NUMBER	ASSAY REPORT DATE	FIELD TAG. NO. IF DIFFERENT	FIELD SAMPLING DATE	SAMPLER(S)	FIELD NOTEBOOK PAGE / DATE	LENGTH / WIDTH	SAMPLING TECHNIQUE	DESCRIPTION OF LOCATION	DESCRIPTION OF GEOLOGY
112mpt. ORE CONT.	① EW SE STRIKE	17452	.01	9.15						A29-1036	SEPT 27/79		SEPT 17/79	WDG.		4' WIDTH	CHIP	BEND IN EW VEIN CONT → SE, HEAVY PYRITE.	Heavy pyrite N40°W. QTR VEIN.
513. OC. W.	① EW SE STRIKE	17454	1.97	4.9						A29-1117	OCT 5/79								
	② W. N. D. IN J. C.	17456	.002	.31	.20				Antimony + '2256										
	③ W. N. D. IN J. C.	17457	.010	.04															
	④ W. N. D. IN J. C.	17459	5.50	1.30															
	⑤ W. N. D. IN J. C.	17460	75.05	5.31															
	⑥ W. N. D. IN J. C.	17461	.94	.32															
	SHORT VEIN, 55' N. of pit.	17462	2.69	1.69									SEPT 23/79	WDG.	W. N. D. 'OCT 7/79', 'OCT 24/79	2 1/2'	CHIP/GRAB	DINO V. 30' TO N of 17460 DINO V. AT DISJUNCTION MARK. DINO V. 30' TO S of 17460 L. 140 W (+50 W) #2, 900' approx. V. heavy sulphide quality 50' N. of vein.	2 1/2' STRONG QTR VEIN. BRECCIA ZONES EACH SIDE. QTR-V. g. - tet. pyrite. Short section of 2.5' N20W/45 NW dipping. Mn. Grey sulphide.
514. CORE	① DDH1, Box 1, 9'-20'	2230	.005	.12	.01	.02			Mn .21	A29-1282	OCT 18/79		OCT 6/79	WDG.					
515.	② DDH1, Box 2, 10'-27'	2231	.002	.02	<.01	.01			Mn .10										
	③ DDH1, Box 2, 27'-34'	2232	.019	.49	.06	.03			Mn 1.30										
	④ DDH1, Box 2, 34'-42'	2234	.008	.28	.17	.07			Mn .54										
	⑤ DDH2, Box 1, TOP 15'-28'	2235	.010	.31	.01	.05			Mn 0.19										
	⑥ DDH2, "	2236	.004	.18	<.01	.10			Mn .25										
	⑦ "	2237	.040	.97	.11	.24			Mn .55										
	⑧ "	2238	.010	2.84	.05	.76			Mn .26										
	⑨ DDH3, 1' to 300' (PRES. FT.)	2239							W = 0.01, Mn = .002	A29-1282A	OCT 24/79		OCT 8/79	W.D.G.		1' to 300'	DDH3 CORE SAMPLE - 300' GRAB. ACROSS VEIN.	Suspected WS ₂ , near dyke cutting DDH3 CARB.	
	⑩ DINO V. EXT.	2240	20.65	3.02									OCT 8/79	W.D.G.	W.D.G. 'OCT 21/79' MAR.	2 1/2'		Sample by bank. Near 4' DINO V. 50' N of fault.	
516. OC. W.	① FREDY. S. E. C. A.	2241	.17	.11						A29-1316	OCT 26/79		OCT 9/79	WDG + G.B.	WDG. 'OCT 22/79'	W. margin 1'	CHAR. W. OF VEIN. CHARACTER.	Frd. V. 110' S of Disjunct. platine blind outcrop.	
	② ASSEY. PRESUMED O. L.	17465			<.01				Ni = .12, Cr = .25				OCT 4/79		WDG. 'NOV 2/79'			WEST S of Penakha Bend in DDH3 area. PETE	
517. ROLD	① L9 180E D PIT. (HOT)	864	.91 (SEIR)	8.17	6.6ppm	790ppm				A29-1335	OCT 26/79		SEPT 3/79	WDG. (HIGH B. T.)		SAMPLED 2' WIDTH	□ PIT. (HOT V.)	HIGH TEMP QTR	
	② L9 180E D PIT. (HOT)	865	.43	6.4ppm	156ppm	840ppm							SEPT 3/79	WDG.			□ PIT	OXIDE ALONGSIDE HIGH GRADE VEIN (W. ED. (HOT))	
	③ GALENA IN SAMPLE	867	7.33	5.73	1080ppm	895ppm			v.g. in sample.				SEPT 7/79	WDG.			Long Trench (HOT) / Long trench	High Grade Gold Discovery.	
	④ PIT (HOT)	872	1.26	10ppm	49ppm	6,800ppm							SEPT 7/79	WDG.			□ PIT in trench	High Grade Gold - Gold.	
518. CORE	① COJ. 300' AREA, NW. CORNER	2242	.002	.11						A29-1385	NOV 14/79		OCT 13/79	WDG.	WDG. 'NOV 11/79'	Character	Pit at outcrop slate.	Small massive sulphide lens in contorted slate	
	② L4, 01100M E NS VEIN	2243	.080	1.40									OCT 15/79	WDG.	WDG. 'NOV 12/79'	Character	Indian vein - broken edge E side on bulldozer track.	QTR-mel + grey sulphide. (S. side BK)	
	③ L4, 0120E	2244	.050	.05									OCT 15/79	WDG.	WDG. 'DEC 7/79'	Character	4' vein NS, 30' W of backhoe	4' vein NS with siliceous frings being repl. pyrite. just above backhoe	
	④ DDH5 sulphide pebble.	2246	.005	.18									OCT 19/79	WDG.	WDG. 'DEC 4/79' P.	Character	DDH5 CORE - PRES. FLT.	DDH5 - black contorted carbonaceous ls. (pyrite) - minor sulphide interfillings.	
	⑤ DDH5 Box 2 97-105'	2247	.002	.36									OCT 20/79	WDG.	WDG. 'DEC 5/79' P.	Character	CORE BK. 1/3 CORE	DDH5 - CORE - PRES. FLT	
	⑥ DDH5 Box 3 (11) 105-127'	2248	<.002	.06									OCT 20/79	WDG.			CORE BK. 1/3 CORE		
	⑦ DDH5 Box 4 125-141' (OR)	2249	<.002	.04									OCT 20/79	WDG.			CORE BK. 1/3 CORE		
	⑧ DDH5 Box 5 6 Grey CARB	2250	<.002	.04									OCT 20/79	WDG.			CORE BK. 1/3 CORE		
	⑨ DDH 32A BKEST PIT	2251	<.002	<.02									OCT 20/79	WDG.	WDG. 'DEC 6/79'		CORE - GREY CARB.	DDH5 - CORE - PRES. FLT	
	⑩ DDH 32A GREY CARB	2252	<.002	.02									OCT 20/79	WDG.			CORE - RANDOM CHIP	DDH5 - CORE - PRES. FLT	
	⑪ RED BRECCIA, INDIAN VEIN MARGIN.	WDG 408	.008	.05									OCT 20/79	WDG.	WDG. 'DEC 7/79'	TRENCH	GRAB - HAND TRENCH	DDH5 - Core chip grey carbonate.	
	⑫ EW VEIN 50' B L L3 MARK	40	.05	.13									OCT 20/79	WDG.	WDG. 'DEC 8/79'	BLOCKS FROM	CHIP/GRAB	DDH 7 - 4 BKEST QTR L.S.	
	⑬ EW VEIN "	403	.26	.22									OCT 20/79	WDG.	WDG. 'DEC 8/79'	CHARACTER.	GRAB	HANDS W TRENCH L4 + 05E, INDIAN VEIN	
	⑭ PETE AREA 3" VEIN CUTS. PRES. B/L	1745	1.71	0.84									SEPT 7/79	WDG.	WDG. 'DEC 8/79'	3" ALT. GRAB	CHIP	Blocks from N. of EW V. E. of B. L.	
													SEPT 22/79		WDG. 'SEPT 22/79'			QTR-CARB VEIN MARGIN	
																			Grey sulphide on margin of vein. Blackish msh. S. side of vein.
519. CORE	① DDH 6 15'-31' VEIN	17377	.36	.28						A29-1533	NOV 30/79		NOV 7/79	WDG.		15' x 16.5' flat			FLAT VEIN ON SURF VEIN?
	② DDH 6 32'-36'	17378	.094	.06															Rusty margin
	③ DDH 6 37'-41' HOT	17379	1.98	.38															HOT.
	④ DDH 6 47'-52' HOT	17380	.56	.48															HOT - 2 Part of B. L.
	⑤ DDH 6 178' MASSIVE S.	17381	.042	.02															
	⑥ DDH 6 272'	17382	.03	.08															

MINERAL RESOURCES BRANCH
ASSESSMENT REPORT
8634
NO.

NEW SMALL GOLD QTR-TET. VEIN
(MISNAMED ACTUALLY 17415, AS IN NOTES)

CONT.

J.L. Diamond Drilling Ltd.,
#3 - 7811 Steveston Hwy.,
Richmond, B.C.

October 22nd, 1979.

INVOICE TO:

Cusac Industries Ltd.,
Ste. 152 - 890 W. Pender St.,
Vancouver, B.C. V6C 1J9. Attention: G. Brett

Re: Contract dated Sept. 10/79 - 10 miles south of Cassiar, B.C.

Footage @ \$19 p.f.

Hole No. 1	176'	\$ 3,344.00
Hole No. 2	110'	2,090.00
Hole No. 3	374'	7,106.00
Hole No. 4	132' to Oct. 10/79	2,508.00

Transportation and move of drill and personnel
from Vancouver to drill site -

Drill move	2,000.00
Air fare - 2 men	258.00

Sept. 16/79

Move and set-up - Field Cost	
16 hrs - 2 men - @ \$20 p.h.	320.00
8 hrs - Drill machine rental at \$15 p.h.	120.00

Sept 17/79

Work on sloop to transport equipment - Field Cost	
16 hrs. - 2 men - @ \$20 p.h.	320.00
8 hrs. - Drill machine rental @ \$15 p.h.	120.00

Sept. 18/79

Field Cost - Move - set up - 2 men - 16 hrs.	
Waiting time for	
Transportation - 2 men - 4 hrs.	
20 " @ \$20.ph.	400.00
8 hrs. - Drill machine rental @ \$15.ph.	120.00

Sept. 19/79

Lay water line and haul pump to water supply-Field Cost	
2 men - 16 hrs. @ \$20. ph.	320.00
2 men - Travelling time	
4 hrs. @ \$12. ph.	48.00
8 hrs. - Drill machine rental @ \$15.ph.	120.00

19,194.00

(Continued)

To:
Cusac Industries Ltd.

- 2 -

October 22/79

Sept. 20/79

\$19,194.00

Complete set-up - Field Cost

2 men - 22 hrs. @ \$20 p.h. 440.00

2 men - 4 hrs. travelling time @ \$12. ph. 48.00

8 hrs. Drill Machine rental @ \$15.00 p.h. 120.00

Sept. 21/79

Casing - Hole No. 1 - 14' @ \$19. p.f. 266.00

Sept. 22/79 to Sept. 23/79 - no extra charges
for client's a/c

Sept. 24/79

Completion of Hole No. 1 @ 176'

Move and set-up to Hole No. 2

Cost of not reaching depth of 400'

7 hrs. @ \$55. p.h. 385.00

Sept. 25/79

Completion of move to Hole #2

5 hrs. @ \$55. p.h. 275.00

Hole No. 2 - Casing - 20' @ \$19. p.f. 380.00

Sept. 26/79

No Water - Field Cost

2 men - 2 hrs. @ \$20.ph. 40.00

2 hrs. Drill machine rental @ \$15. ph. 30.00

Sept. 27/79

Hole No. 2 completed at 110'

Cost of not reaching depth of 400'

Dismantling, etc. - 6 hrs. @ \$55. p.h. 330.00

Sept. 28/79

Field Cost - Move, set-up and work on the road

2 men - 24 hrs. @ \$20 p.h. 480.00

8 hrs. Drill machine Rental @ \$15. p.h. 120.00

Sept. 29/79

Road Work - Field Cost

2 men - 24 hrs. @ \$20. p.h. 480.00

Drill machine rental - 8 hrs. @ \$15. p.h. 120.00

Sept. 30/79

Field Cost - Set-up for Hole #3

Set-up - water supply pump

2 men - 22 hrs. @ \$20. p.h. 440.00

8 hrs. Drill machine rental @ \$15. p.h. 120.00

Core Boxes

100 @ \$7.00 per box

700.00

23,968.00

To:
Cusac Industries Ltd.

- 3 -

October 22nd, 1979.

23,968.00

October 1/79

Road Work and set-up - Field Cost
20 hrs. - 2 men - @ \$20. p.h. 400.00
8 hrs. Drill machine rental @ \$15. p.h. 120.00

October 2/79

Travel Time - 4 hrs. - 2 men @ \$12.00 p.h. 48.00
Casing - 30' @ \$19. p.f. 570.00

October 3/79

Travel time - 4 hrs. - 2 men @ \$12. p.h. 48.00
Casing - 14' @ \$19. p.f. 266.00

October 4/79

Travel time - 4 hrs. - 2 men - @ \$12. p.h. 48.00
Casing - 16' @ \$19. p.f. 304.00

October 5/79

Travel time - 4 hrs. - 2 men - @ \$12. p.h. 48.00

October 6/79

Travel time - 4 hrs. - 2 men - @ \$12. p.h. 48.00

October 7/79

Travel time - 4 hrs. - 2 men @ \$12. p.h. 48.00

October 8/79

Travel time - 4 hrs. - 2 men @ \$12. p.h. 48.00
Hole No. 4 - Field Cost - move, set-up
4 hrs. - 2 men @ \$20 p.h. 80.00
4 hrs. - Drill machine rental @ \$15. p.h. 60.00
Casing - 20' @ \$19 p.f. 380.00

October 9/79

Travel time - 4 hrs. @ \$12. p.h. 48.00
Casing - 22' @ \$19 p.f. 418.00

October 10/79

Travel time - 4 hrs. @ \$12. p.h. 48.00

26,998.00

(Continued)

26,998.00

Cost in excess of \$3.00 p.f. - Cost of Bit \$741.78

Sept. 22/79

Bit #1 - Footage drilled - 45'		Cost	
Less 30% Recovery	\$4.94	\$ 16.48 p.f.	
\$3.00 p.f.	<u>3.00</u>	7.94 "	
		8.54 "	
45' @ \$8.54 p.f.			384.30

Sept. 23/79

Bit #2 - Footage drilled - 45'		16.48 p.f.	
Less 30% Recovery	\$4.94	7.94 "	
\$3.00 p.f.	<u>3.00</u>	8.54 "	
45' @ \$8.54 p.f.			384.30

Sept. 24/79

Bit #3 - Footage drilled - 65'		11.41 p.f.	
Less 30% Recovery	\$3.42	6.42 "	
\$3.00 p.f.	<u>3.00</u>	4.99	
65' @ \$4.99 p.f.			324.35

Oct. 3/79

Bit #4 - Footage Drilled - 50'		14.84 p.f.	
Less 30% Recovery	\$4.44	7.44 "	
\$3.00 p.f.	<u>3.00</u>	7.40 "	
50' @ \$7.40 p.f.			370.00

Oct. 5/79

Bit #5 - Footage Drilled - 116'		6.39 "	
Less 30% Recovery	\$1.91	4.91 "	
\$3.00 p.f.	<u>3.00</u>	1.48 "	
116' @ \$1.48 p.f.			171.68

N.B. 30% Recovery on bits
 Bit cost in excess of \$3.00 p.f.
 to be adjusted on final billing,
 pending our credit recovery of bits.

11/57

546

	28,632.63
Less: Paid	<u>19,000.00</u>
Due	<u>\$ 9,632.63</u>

J.L. Diamond Drilling Ltd.,
#3 - 7811 Steveston Hwy.,
Richmond, B.C.

November 1st, 1979.

INVOICE - # 2

Cusac Industries Ltd.,
Ste. 152 - 890 W. Pender St.,
Vancouver, B.C.
V6C 1J9

Re: Contract Sept.10/79 - Cassiar

Footage @ \$19 p.f.

Oct. 14 - 20/79

Hole # (5) - 218'

\$ 4,142.00

Move of drill & equipment from
job site to Vancouver, B.C.

2,000.00

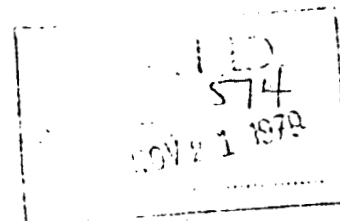
\$ 6,142.00

J.L. DIAMOND DRILLING LTD.

Marge Breen
Marge Breen.

O.K.

SB



J.L. Diamond Drilling Ltd.
#3 - 7811 Steveston Hwy.,
Richmond, B.C.

November 26th, 1979.

INVOICE - 3

Cusac Industries Ltd.,
Ste. 152 - 890 W. Pender St.,
Vancouver, B.C.
V6C 1J9

Re: Contract Sept.10/79

Oct, 23-Nov.7

	Hole No. 6	363	
	" 7	319	
	" 8	<u>366</u>	
		1048 @ \$19 p.f.	\$19,912.00
	Airfare - Move of personnel Cassiar - Vancouver		258.00
Oct. 11	Move-set up for Hole #5 2 men - 6 hrs. @ \$20. p.h. Drill machine rental - 6 hrs. @ \$15 p.h. Travel Time - 2 men - 4 hrs @ \$12 p.h.		120.00 90.00 48.00
Oct. 12	Road Building & Drill move 2 men - 19 hrs. @ \$20 p.h. Drill machine rental - 8 hrs. @ \$15 p.h. Travel time - 2 men - 4 hrs. @ \$12 p.h.		380.00 120.00 48.00
Oct. 13	Move-set up 2 men - 22 hrs. @ \$20 p.h. Drill machine rental - 8 hrs. @ \$15. p.h.		440.00 120.00
Oct. 14	Travel time - 2 men - 4 hrs. @ \$12. p.h. Casing - 40' @ \$19 p.f.		48.00 760.00
Oct. 15	Travel time - 2 men - 4 hrs. @ \$12. p.h. Casing - 22' @ \$19 p.f.		48.00 418.00
Oct. 16	Travel time - 2 men - 4 hrs. @ \$12. p.h. Road work 2 men - 5 hrs. @ \$20 p.h. Drill machine rental - 5 hrs. @ \$15. p.h.		48.00 100.00 75.00
Oct. 17	Cat driving 1 man - 8 hrs. @ \$20 p.h. Drill machine rental - 8 hrs. @ \$15. p.h.		160.00 120.00
Oct. 18	Travel time - 2 men - 4 hrs. @ \$12. p.h. Casing - 28' @ \$19. p.f.		48.00 532.00
Oct. 19	Travel time - 2 men - 4 hrs. @ \$12. p.h.		48.00

To: Cusac Industries Ltd. - 2 -

J.L. Diamond Drilling Ltd.,
#3 - 7811 Steveston Hwy.,
Richmond, B.C.

Invoice - 3

November 26th, 1979.

Oct. 20	Travel time - 2 men - 4 hrs. @ \$12. p.h.	\$ 48.00
	Move-set up	
	2 men - 19 hrs. @ \$20. p.h.	380.00
	Drill machine rental - 8 hrs. @ \$15. p.h.	120.00
Oct. 21, 22 23	Move-set up - 10,560' excess move 33 hrs., less 11 hrs. for contractor's a/c 22 hrs. @ \$55. p.h. (<i>20/m</i>)	1,210.00
Oct. 23	Casing 5' @ \$19 p.f.	95.00
Oct. 24	Casing 10' @ \$19. p.f.	190.00
Oct. 26	<u>Reaming</u> - (Charged at Field Cost as no details given on shift report)	
	2 men - 4 hrs. @ \$20. p.h.	80.00
	Drill machine rental - 4 hrs. @ \$15. p.h.	60.00
Oct. 29	<u>Reaming</u>	
	2 men - 2 hrs. @ \$20. p.h.	40.00
	Drill machine rental - 2 hrs. @ \$15. p.h.	30.00
Oct. 30	Move-Set up	
	3 men - 18 hrs. @ \$20 p.h.	360.00
	Drill machine rental - 8 hrs. @ \$15.p.h.	120.00
Oct. 31	Casing 27' @ \$19. p.f.	513.00
Nov. 2	No Water	
	3 men - 6 hrs. @ \$20. p.h.	180.00
	Drill machine rental - 6 hrs. @ \$15. p.h.	90.00
Nov. 4	Move-Set up	
	3 men - 25 hrs. @ \$20. p.h.	500.00
	Drill machine rental - 8 hrs. @ \$15. p.h.	120.00
Nov. 5	Casing 19' @ \$19. p.f.	361.00
		<u>28,438.00</u>
	<u>Less: Bit Cost as per Invoice #1</u>	1,634.63
	Track Rental, etc. as per your invoice Nov. 20/79	<u>2,201.50</u>
		24,601.87
	Quik Gel, Quik Trol - as per agreement to purchase - copy of invoice enclosed	<u>630.00</u>
		<u>\$ 25,231.87</u>

CUSAC INDUSTRIES LTD.
#152 - 890 W. Pender
Vancouver, B.C.
V6C 1J9

IN ACCOUNT WITH

RICHMOND DRILLING, Attention: M. Breen
#124 - 11673 - 7th Ave.
Richmond, B.C.
V7E 3B7

1.

Truck rental, 4 x 4.
September 22nd to November 9th incl.
@ \$625 per month, plus \$40 per month insurance

\$1,109.50

2.

Repairs

Yoke	\$ 30	
Wheel & Brake		
Adjustments	180	
Labour	<u>100</u>	
(5hrs @ \$20)		

310.00

3.

Dispatching, telephone calls re parts & supplies
(8 hrs. per week for 7 weeks - 56 hrs. @ \$12
per hours

662.00


4.

W.D. Groves - labourer
Move out - Nov. 8th
(10 hrs. @ \$12)

120.00

TOTAL

\$2,201.50


G.H. Brett, President

November 20, 1979

CUSAC INDUSTRIES LTD.
#152 - 890 West Pender
Vancouver, B.C.

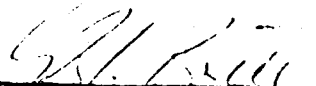
V6C 1J9

RICHMOND DRILLING
#124 - 11673 7th Ave
Richmond, B.C.
V7E 3B7

PURCHASED FROM NU-ENERGY

5 barrels diesel @ \$49.50 per barrel

Total \$247.50



G.H. Brett

THIESSEN EQUIPMENT LTD.

CLOVERDALE INDUSTRIAL ESTATE
 17910 ROAN PLACE, SURREY, B.C. V3R 5K1
 TELEPHONE 576-9491 TELEX 04-363363

DATE: September 13, 1979

INVOICE TO: J & L Diamond Drilling
 205 515 Cottonwood Drive
 Coquitlam, B.C.

CONIGNED TO:
 7551 Ash St.
 Richmond, B.C. Job - 124

INVOICE No 6038

SHIPPED VIA Valley Bus	PREPAID	COLLECT X	SHIPPING ORDER No. D 20044
SHIPPING DATE Sept. 11/79	FEDERAL SALES TAX Exempt	PROVINCIAL SALES TAX 4% Extra	CUSTOMER'S ORDER No.

Quantity	Unit	Description	Unit Price	Amount
50	25 Kg	Quik Gel	\$4.80/ea	\$240.00
5	Cases	Quik Trol (50 X 1 Kg)	\$78.00/case	\$390.00
				\$630.00
			4% SS Tax	25.20
				\$655.20

2860

Paid
Sept. 19/79
Chq. # 141
J. L. Diamond Drilling Ltd.
re: Job # 124
Carson

After 60 days, Interest of 1½% will be charged on Declining Account Balance

ALL INVOICES NET 30 DAYS
 REMIT FROM THIS INVOICE — NO STATEMENTS ISSUED



CASSIAR ASBESTOS CORPORATION LIMITED

Cassiar, B.C. V0C 1E0

Phone: 778-7435

Telex: 036-88533

INVOICE

C 522

RICHMOND DIAMOND DRILLING

7551 Ash Street

Richmond, B.C.

September, 1979

Accomodations

\$384.00

Cafeteria Charges

84.00

\$468.00

Abid

Richard La ...

RE: DRILLING REPORTS

ITEM 8 (e)

The core for Diamond Drill Holes 1, 2, 6, 7 & 8
is stored in the core shed located at the Cusac Camp
on the Cordoba Claims

Re: Item 8 (d)

We have supplied the logs, Dr. Groves qualifications
and all assay data

A handwritten signature in cursive script, appearing to read "Robert B. Brown", is written over a horizontal line.

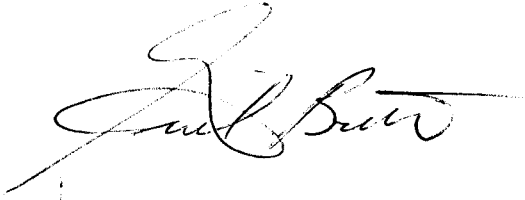
RE: DRILLING REPORTS

ITEM 8 (e)

The core for Diamond Drill Holes 3, 4 & 5
is stored in the core shed located at the Cusac Camp
on the Cordoba Claims.

RE: ITEM 8 (d)

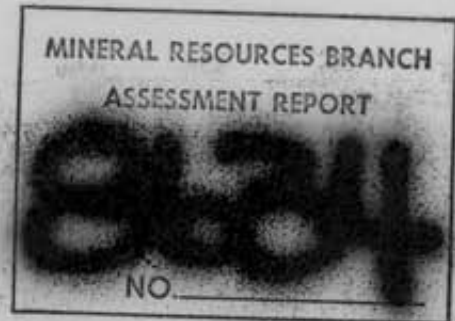
We have supplied a statement from Dr. W.D. Groves,
a statement of his qualifications and all assay
data.

A handwritten signature in cursive script, appearing to read "Paul Butts". The signature is written in dark ink and is positioned in the lower-left quadrant of the page.

CUSAC INDUSTRIES LIMITED

SUITE 330 - 890 WEST PENDER STREET
VANCOUVER, B.C. V6C 1J9 CANADA
(604) 682-2421 OR 669-0216

Ministry of Mines
and Petroleum Resources
Province of B.C.
Parliament Bldgs.
Victoria, B.C.
V8V 1X4



Attention: Mr. Kalnins

November 25, 1980

Dear Mr. Kalnins:

Re: PETE, BUNNY, JAGER, LORRAINE, CORDOBA Mineral
Claims - Drilling Report '80 #326

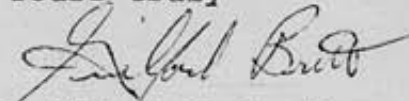
With reference to our telephone conversation of last week, I am now returning the reports with the amendments as suggested by you.

As mentioned over the phone, the total acct. from J.L. Drilling Ltd. is \$62,839.50, and a copy of the itemized bill is in the front pocket of each report. The costs for room and board are also itemized and are enclosed in the front pocket.

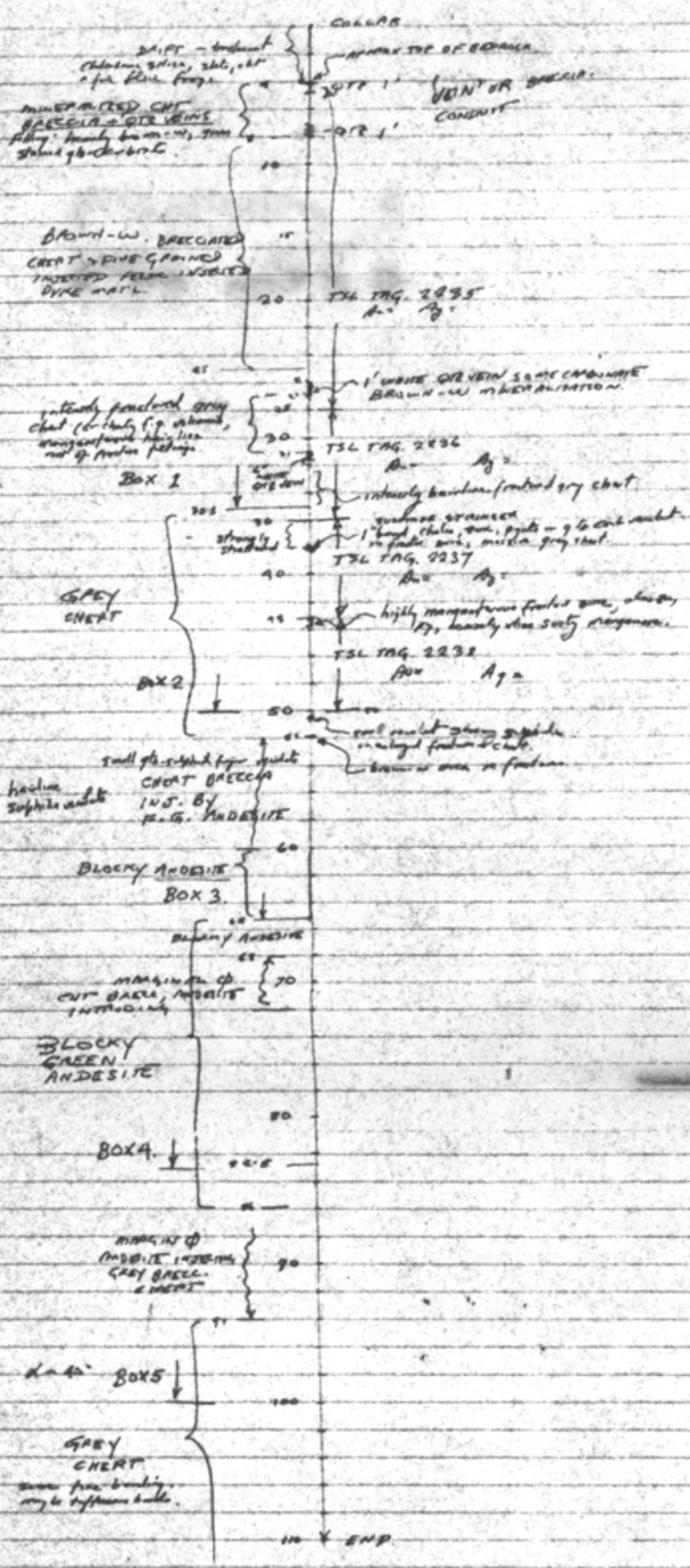
The 1979 diamond drill holes are marked on two maps which are in the back pocket. The scale of these maps is 1 cm to 25 m, and have been prepared by John Poloni, P.Eng.

I believe the drill core logs and correlated assays as included in the report were satisfactory to you, and that the above information is sufficient to have the report approved.

Yours truly


Guilford H. Brett
President

GHB/lm



MINERAL RESOURCES BRANCH
 ASSESSMENT REPORT
8634
 NO. _____

W. D. Graves

LOC. 1979

08
 Pebbles overburden: white qtz minor (qtz in matrix) granitic stream pebbles
 TOP OF BEDROCK 11.5
 20
 30
 40
 50
 60
 70
 80
 90
 100
 110
 120
 130
 140
 150
 160
 170
 180
 190
 200
 210
 220
 230
 240
 250
 260
 270
 280
 290
 300

15.5
 TAG. 17377 Au = .56 Ag = .28 Δ = 16.5'
 32
 TAG. 17378 Au = .099 Ag = .06 Δ = 4'
 37
 TAG. 17379 Au = 1.98 Ag = .38 Δ = 4'
 41
 RIGHT DEPTH IN 50 INTERSECTION WITH
 52
 TAG. 17380 Au = .56 Ag = .48 Δ = 3'
 60
 6" brown sheared fracture v. little mineralization
 70
 80
 90
 100
 110
 120
 130
 140
 150
 160
 170
 180
 190
 200
 210
 220
 230
 240
 250
 260
 270
 280
 290
 300
 310
 320
 330
 340
 350
 363'

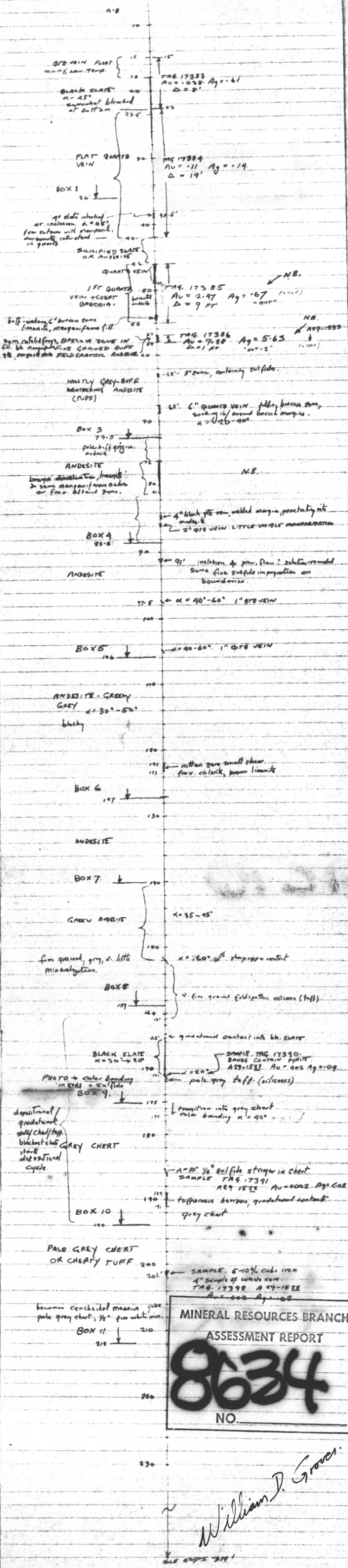
MINERAL RESOURCES BRANCH
 ASSESSMENT REPORT
8634
 NO.

William D. Gross

NOTE: AT 272' BOX 5
 1/8" sulphide stringer. In siliceous zone.
 TAG. 17381. Au = .03 Ag = .06

CHERT & CHERTY ANDESITE TO END AT 363' (BOX 20)

COLLAR

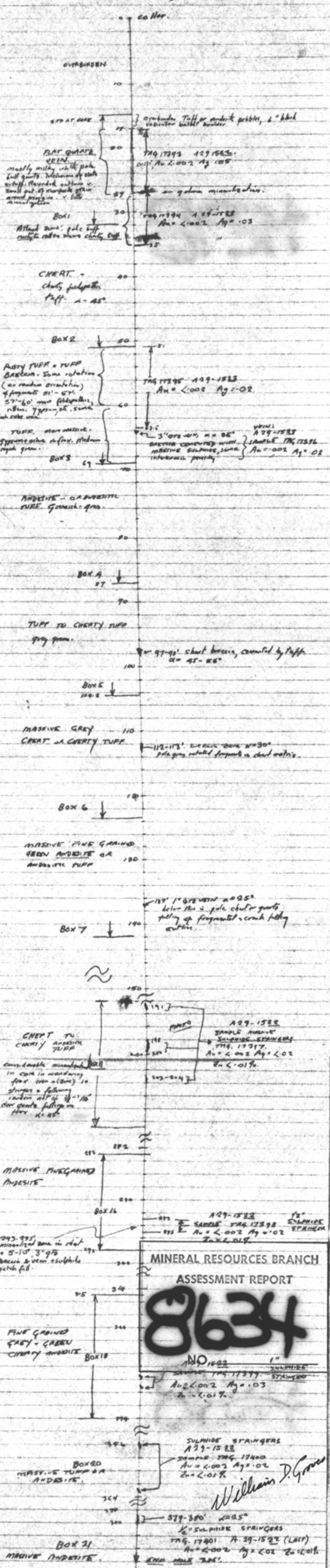


MINERAL RESOURCES BRANCH
 ASSESSMENT REPORT
8634
 NO.

William J. Groves

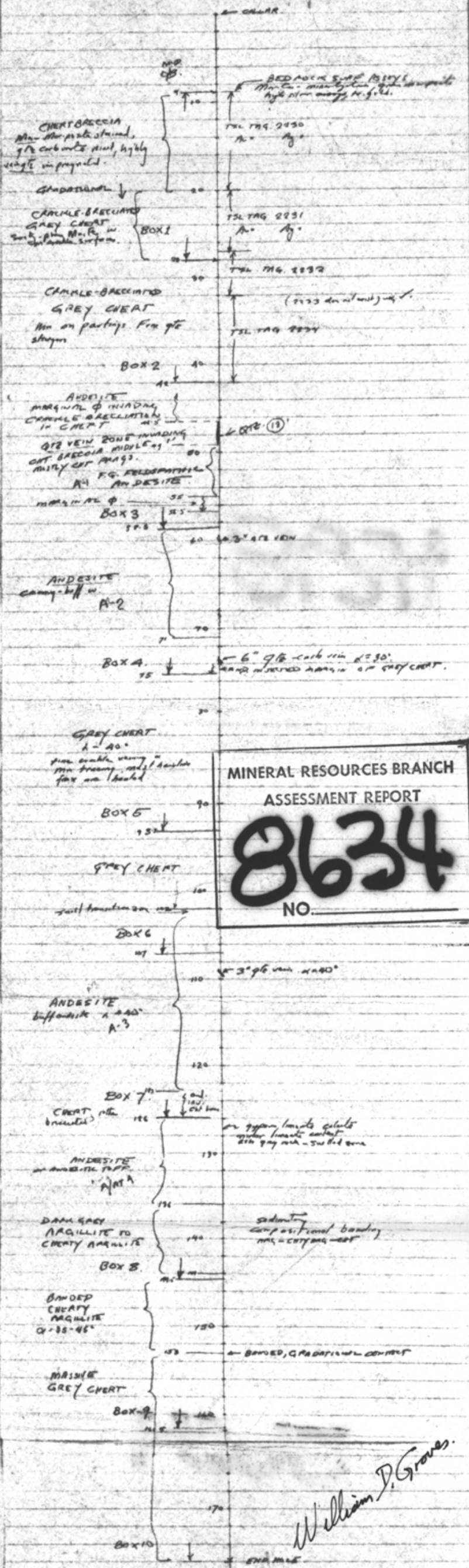
ALL EXPOS 319'

LINE 9 AREA, CORDOBA CLAIMS CUSH. COUN. ARGENTINA
 DPH 8. Same station as DPH 6, 7
 FORESIGHT W 33°N, -45°, 386' 1 Line = 8 FT
 WDG. 1979



William D. Grove

LINE 3-5 AREA COADDOBA CLAIMS CURAC PASSIA
DDNH. FOREGHT E 85° S, -50°, 176' LENGTH.



MINERAL RESOURCES BRANCH
ASSESSMENT REPORT
8634
NO. _____

William D. Graves

UNIT 12

UNIT 11

UNIT 10

UNIT 9

UNIT 8

UNIT 7

30' PACELINE
DATED, MARKED
STAR SW 35
SEPT 1979

FUNCTION ZEPHYRUS OF POLICY CH
IN BEAVER SWAMP
LEGN FROM CLAIM WITH 100' W/SE
FOLLOWING LOPE & PIN, BUTY CALSIN JUNCTION
MANOR.

WIDE COMPANY TRAVELER
224 OCT 17 1979

UNIT 6

UNIT 5

UNIT 4

DD5

DD3

DD4

SCALE 1cm = 25m

TRAPLINE
STATION

WIDE
COMPANY
TRAVELER
224 OCT 17 1979

NEW POST
STAR SW 35
SEPT 18, 78
PUS
5' SW
SEPT 19, 78

PETE'S
CABIN

WIDE COMPANY TRAVELER
224 OCT 17 1979

UNIT 3

UNIT 2

PETE UNIT 1

PETE CLAIM - UNIT NUMBERS

18	17	16	
15	14	13	
12	11	10	
9	8	7	
6	5	4	
3	2	UNIT 1	
		199	
		L.P.	

CUSAC INDUSTRIES LTD
TABLE MOUNTAIN AREA
PETE CLAIM
LIARD M.D., B.C.

PETE VEIN PRESUNKA
FAULT AREA, 1979 DDH345

JOHN W. HILTON & ASSOCIATES
ARCANIAN RESOURCES CORP.
DRAWING NO. C/PK23 45 PLAN E1E

SCALE 1cm = 25m DATE JAN 31, 1980 177 E.S.W.



NOTE: OCT 1979 WIDE COMPANY TRAVELER
GEOPHYSICS: EM-16 CONTOURS -10, -20, -30, -40, 0, 10
FROM T.R.C. SEPT 13/79 PLAN 9
FROM 1979 DATA - S. PRESUNKA

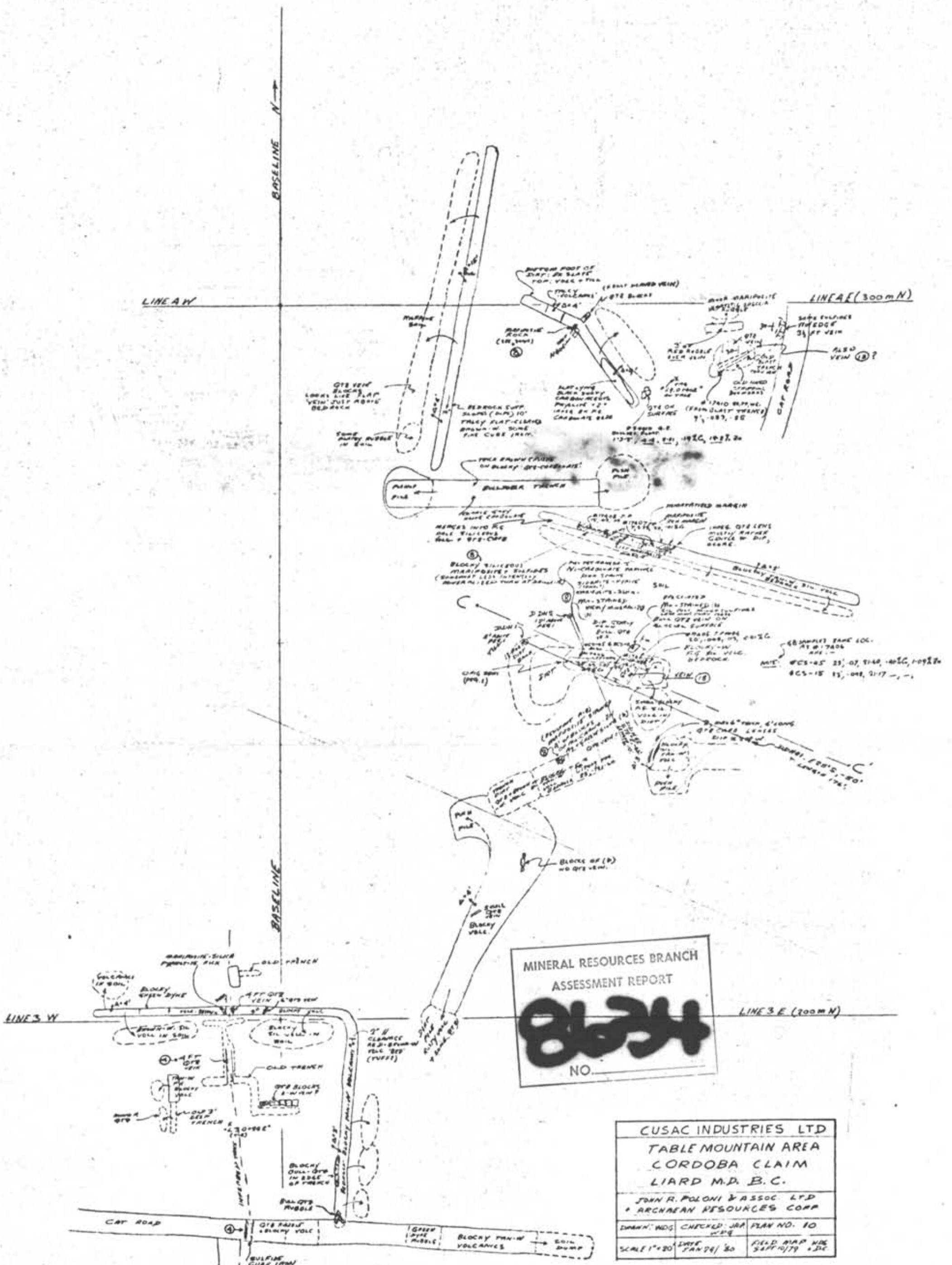
VLF SOURCE STATION 2.4 WAVELENGTH
SOURCE: AZIMUTH ARROW

PETE L.P.
RECORD
11407

MINERAL RESOURCES BRANCH
ASSESSMENT REPORT

863A

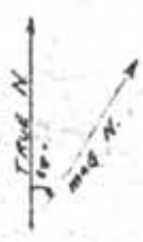
PETE UNIT LINE'S BEARING
IN HAND L.P.

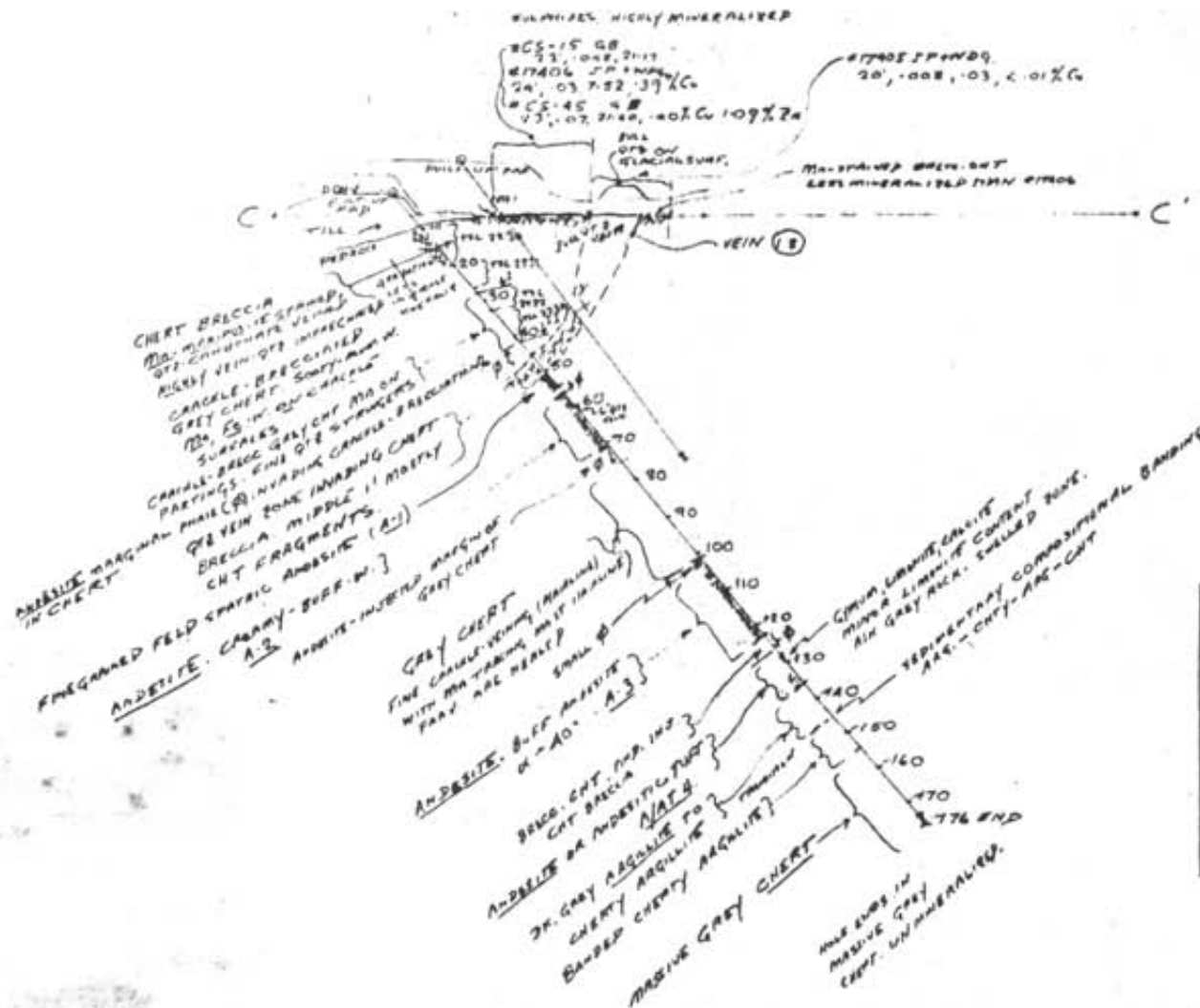


MINERAL RESOURCES BRANCH
 ASSESSMENT REPORT
KRM
 NO.

CUSAC INDUSTRIES LTD		
TABLE MOUNTAIN AREA		
CORDOBA CLAIM		
LIARD M.D. B.C.		
JOHN R. POLONI & ASSOC LTD		
+ ARCHAIC RESOURCES CORP		
DRAWN: MDS	CHECKED: JRA	PLAN NO. 10
SCALE 1"=20'	DATE: JAN 24/80	FIELD MAP NO: 2471/79 + JIC

Notes: GRID: 100 METERS, 20 M. SPACING
 Assay data etc. #
 SEE ALSO J.P. MAP PART 10 XII SEPT 1979
 #17406, #17407, 24', 03, 7.53, 39%
 SAMPLE NO. SAMPLES: 100, 200, 300, 400, 500, 600, 700, 800, 900, 1000, 1100, 1200, 1300, 1400, 1500, 1600, 1700, 1800, 1900, 2000, 2100, 2200, 2300, 2400, 2500, 2600, 2700, 2800, 2900, 3000, 3100, 3200, 3300, 3400, 3500, 3600, 3700, 3800, 3900, 4000, 4100, 4200, 4300, 4400, 4500, 4600, 4700, 4800, 4900, 5000, 5100, 5200, 5300, 5400, 5500, 5600, 5700, 5800, 5900, 6000, 6100, 6200, 6300, 6400, 6500, 6600, 6700, 6800, 6900, 7000, 7100, 7200, 7300, 7400, 7500, 7600, 7700, 7800, 7900, 8000, 8100, 8200, 8300, 8400, 8500, 8600, 8700, 8800, 8900, 9000, 9100, 9200, 9300, 9400, 9500, 9600, 9700, 9800, 9900, 10000





MINERAL RESOURCES BRANCH
ASSESSMENT REPORT:

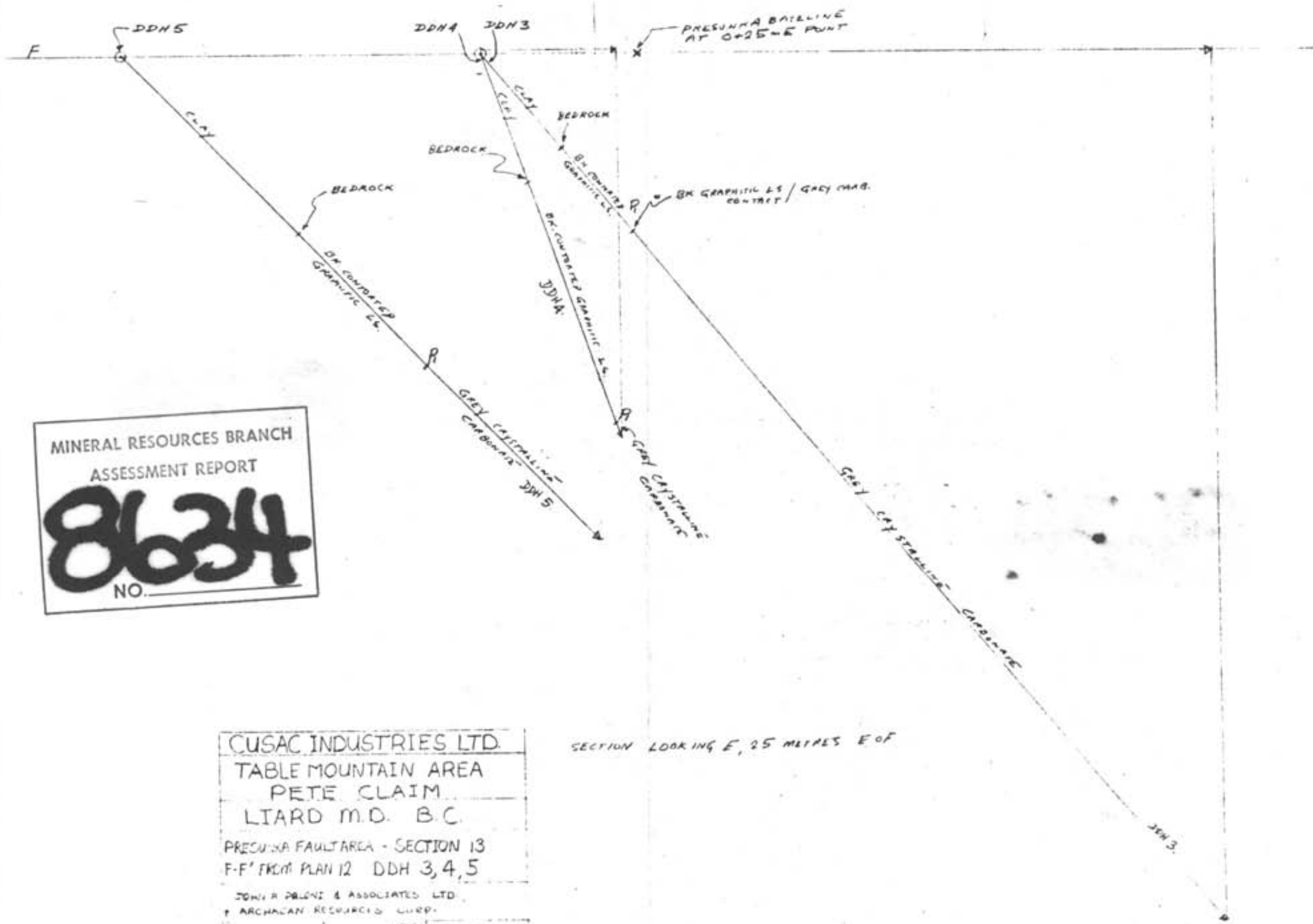
8634

NO. _____

NOTE
SEE PLAN 10 FOR REFERENCE C-C'

CUSAC INDUSTRIES LTD		
TABLE MOUNTAIN AREA		
CORDOBA CLAIM		
LIARD M.D. B.C.		
SECTION C-C' PARALLEL TO DDH#1. SILVER SHOWING L4 + 50E, GRID AREA		
JOHN R POLONI & ASSOC LTD + ARCHAIC RESOURCE CORP		
DRINK WDG	CHICKEN WDG	SECTION # 11
SCALE 1"=20'	DATE JAN 24 80	2200 2 250 200 1000 1 271000

817406
 817405

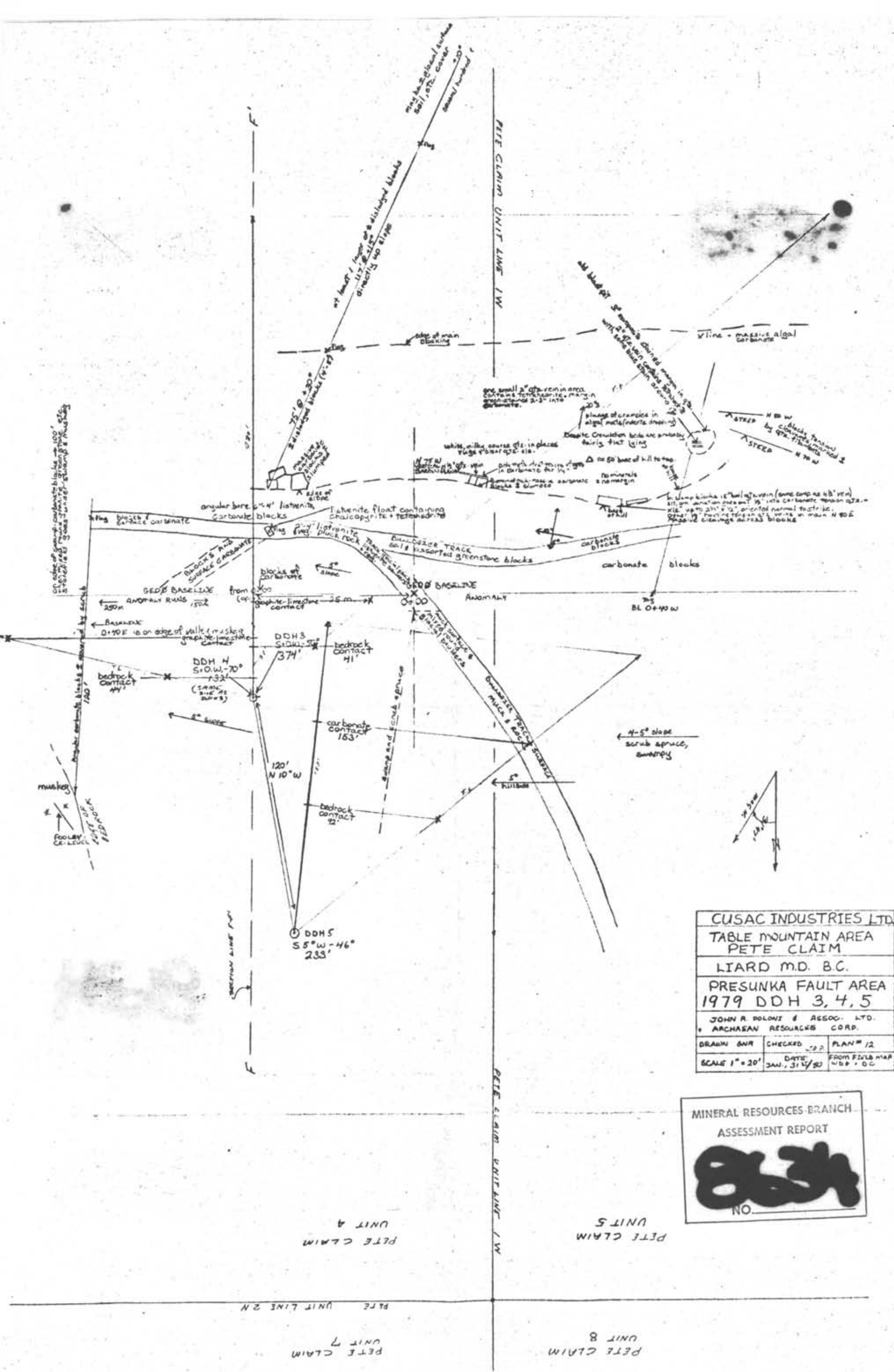


MINERAL RESOURCES BRANCH
 ASSESSMENT REPORT
8624
 NO. _____

CUSAC INDUSTRIES LTD.
 TABLE MOUNTAIN AREA
 PETE CLAIM
 LIARD M.D. B.C.
 PRESUNNA FAULT AREA - SECTION 13
 F-F' FROM PLAN 12 DDH 3, 4, 5
 JOHN A. DELANEY & ASSOCIATES LTD.
 ARCHAEAN RESOURCES CORP.
 DRAWN BY [signature] CHECKED BY [signature] SECTION 13

SECTION LOOKING E, 25 METRES E OF

JWN 3



CUSAC INDUSTRIES LTD.		
TABLE MOUNTAIN AREA		
PETE CLAIM		
LIARD M.D. B.C.		
PRESUNKA FAULT AREA		
1979 DDH 3, 4, 5		
JOHN A. POLONI & ASSOC. LTD.		
ARCHAICAN RESOURCES CORP.		
DRAWN BY	CHECKED	PLAN # 12
SCALE 1" = 20'	DATE: JAN., 31/80	FROM FIELD MAP WBP + DC

MINERAL RESOURCES BRANCH
ASSESSMENT REPORT

824

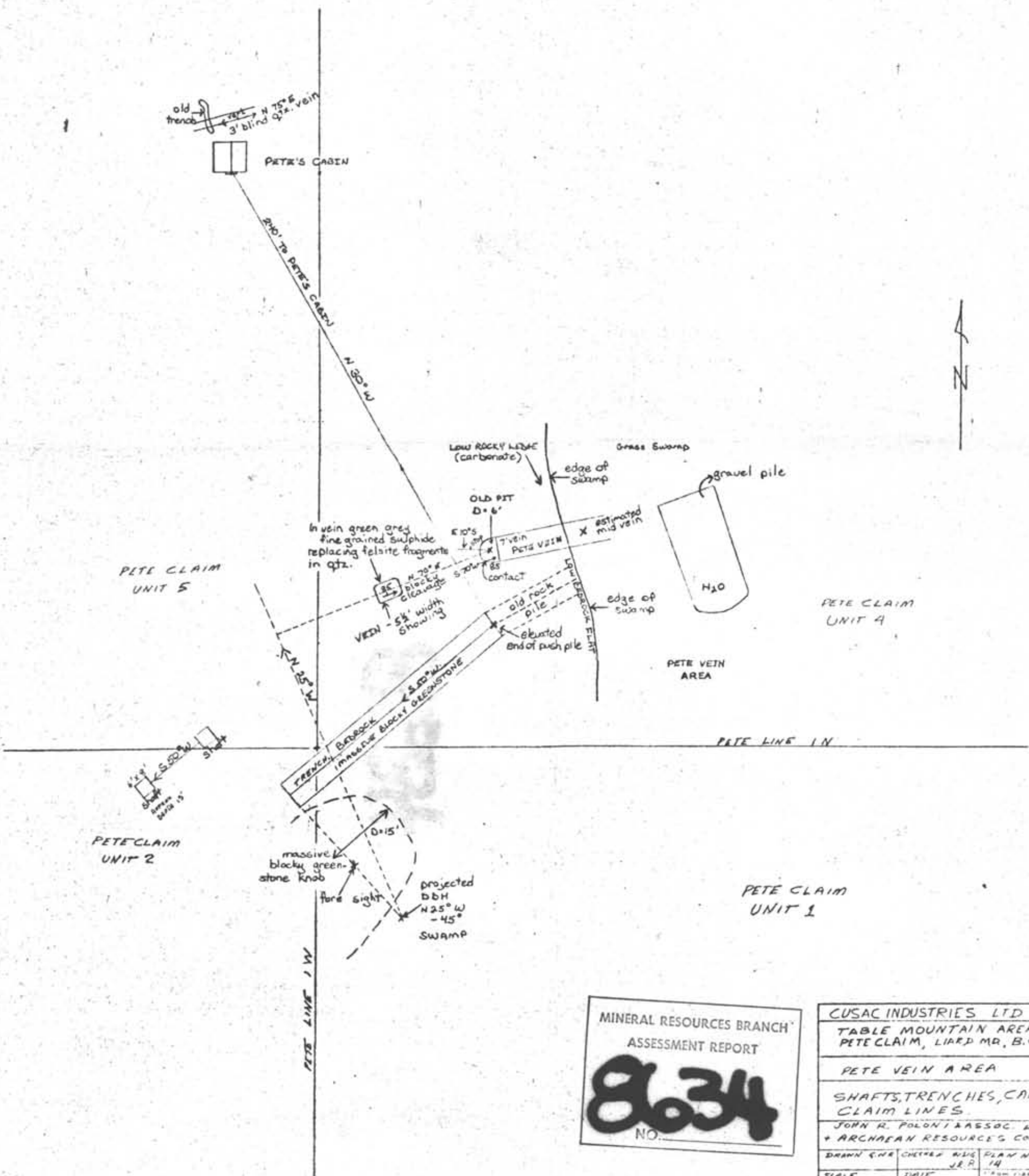
NO. _____

PETE CLAIM UNIT 4

PETE CLAIM UNIT 5

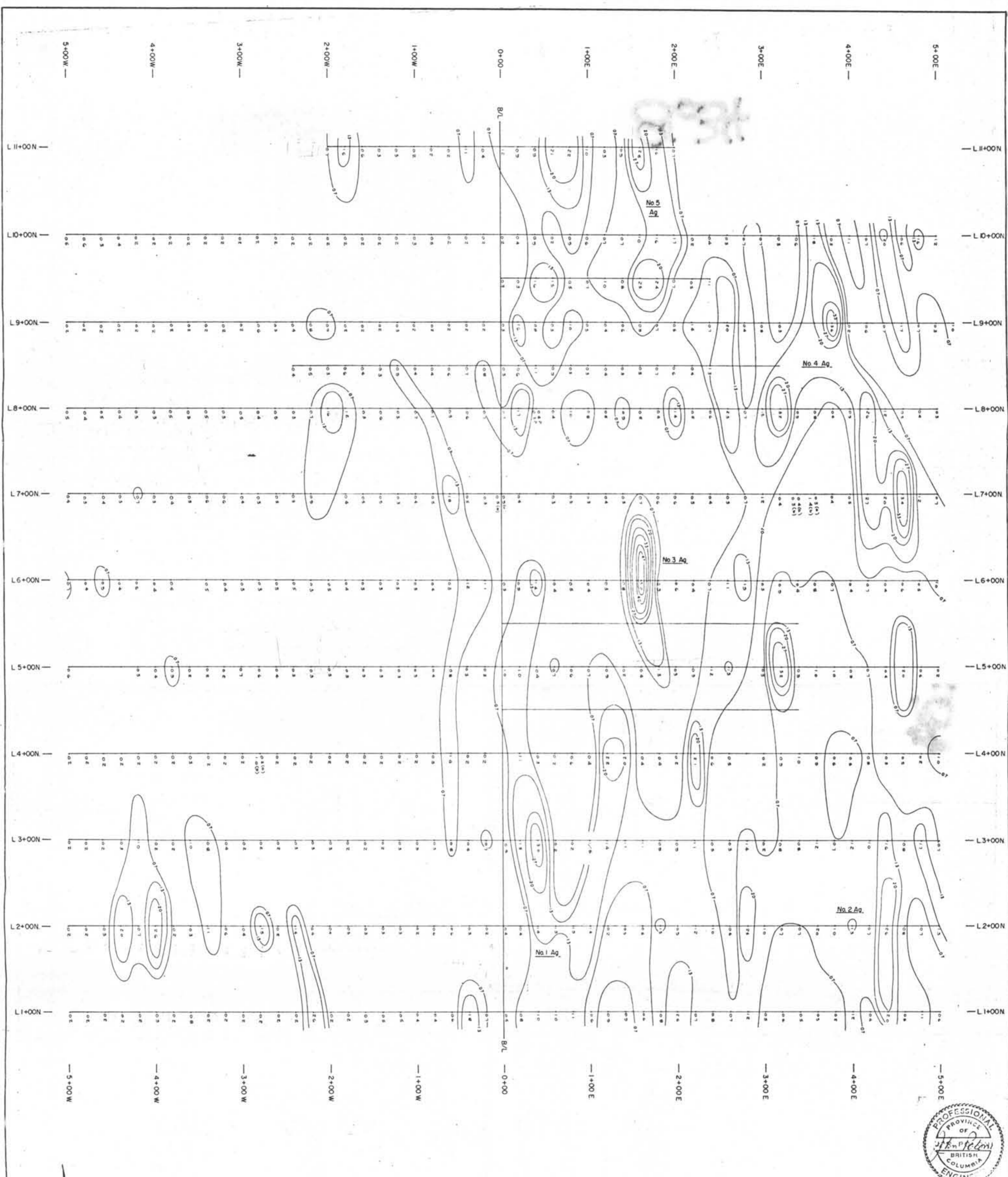
PETE CLAIM UNIT 7

PETE CLAIM UNIT 8



MINERAL RESOURCES BRANCH
ASSESSMENT REPORT
8034
NO.

CUSAC INDUSTRIES LTD		
TABLE MOUNTAIN AREA PETE CLAIM, LIARD RD, B.C.		
PETE VEIN AREA		
SHAFTS, TRENCHES, CABIN CLAIM LINES		
JOHN R. POLONI & ASSOC. LTD + ARCHAICAN RESOURCES CORP		
DRAWN BY SHE	CHECKED BY J.R.	PLAN NO. 14
SCALE 1"=20'	DATE MAY 31 1980	FROM 1980 MAP 44-101 OFF.



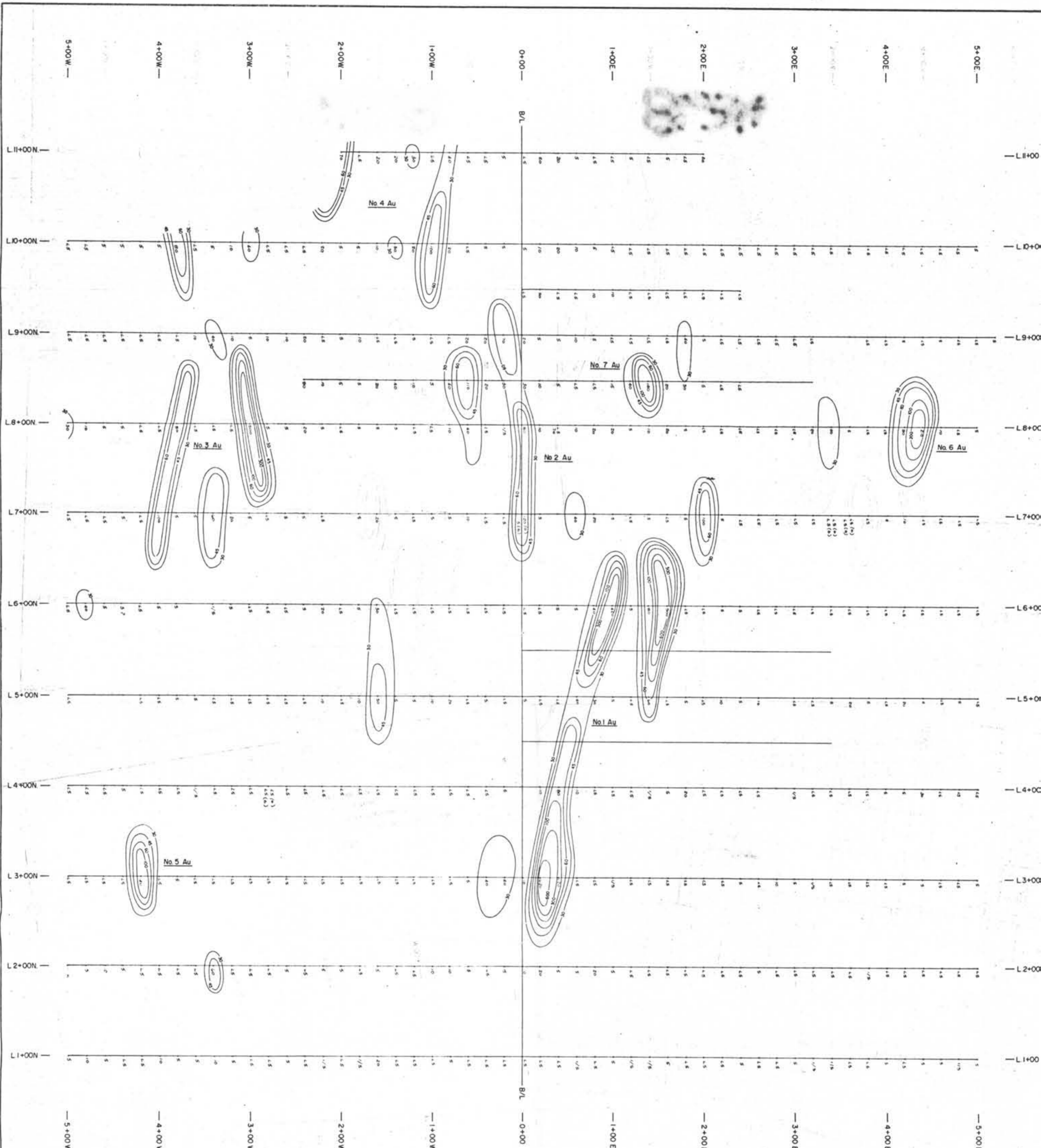
LEGEND
 2+ SAMPLE LOCATION & ASSAY IN PPM
 7+ INSUFFICIENT SAMPLE
 B/L BASE LINE

SAMPLE DATA PPM Ag
 MEAN 067
 ANOMALOUS WEAK >13PPM
 ANOMALOUS MODERATE >20PPM
 ANOMALOUS STRONG >27PPM

MINERAL RESOURCES BRANCH
 ASSESSMENT REPORT
8634
 NO.

CUSAC INDUSTRIES LTD.		
PETE & CORDOBA MINERAL CLAIMS CASSIAR AREA, LIARD MD		
GEOCHEMICAL SOIL SURVEY SILVER (PPM)		
JOHN R. POLONI & ASSOCIATES LTD		
DRAWN: JRP	CHECKED: JRP	PLAN No: 6
SCALE: 1:2000	DATE: SEPT 12, 1979	





LEGEND
 20 SAMPLE LOCATION & ASSAY IN PPB
 10 INSUFFICIENT SAMPLE
 < 5 LESS THAN
 B/L BASE LINE

SAMPLE DATA PPB Au
 MEAN 1466 PPB
 ANOMALOUS WEAK > 30 PPB
 ANOMALOUS MODERATE > 45 PPB
 ANOMALOUS STRONG > 60 PPB

MINERAL RESOURCES BRANCH
 ASSESSMENT REPORT

 NO. _____



CUSAC INDUSTRIES LTD.		
PETE & CORDOBA MINERAL CLAIMS CASSIAR AREA, LIARD M.D.		
GEOCHEMICAL SOIL SURVEY GOLD (P.P.M.)		
JOHN R. POLONI & ASSOCIATES LTD.		
DRAWN JRP	CHECKED JRP	PLAN NO.
SCALE 1:2000	DATE SEPT 12, 1979	7