

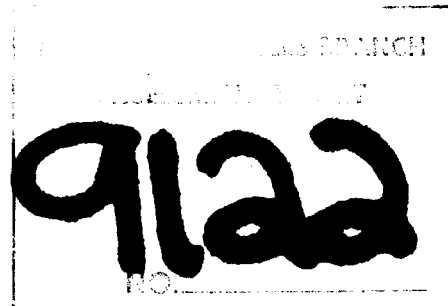
REPORT ON  
ROCK SAMPLING AND PERCUSSION DRILLING  
IN TRENCH NO.1  
B.T.E.M. CLAIM GROUP  
QUESNEL LAKE AREA  
CARIBOO MINING DIVISION  
93A/6E

Latitude: 52°29'N  
Longitude: 121°02'W

Owner of Claims: Stanley Resource Group Ltd.  
Operator: Stanley Resource Group Ltd.  
Consultant: G.A. Noel & Associates, Inc.

Author: Harold M. Jones, P.Eng.

Date: April 10, 1981



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## SUMMARY

On July 13, 1980, G.A. Noel, P.Eng. examined the Quesnel Lake area B.T.E.M. claim group of Stanley Resource Group Ltd. He sampled the central part of trench no.1 and examined the geology in the immediate area of the trench.

Between August 18-24, 1980, nine percussion holes were drilled in selected parts of trench no.1.

Assays from rock and percussion hole samples indicate the presence of gold in low values ranging from 0.002 to 0.023 oz/ton.

While no zones of gold concentration were located it was recommended that further exploration be conducted toward locating such a zone, if present, on the claims. The first stage of this work is estimated to cost \$28,500.

## INTRODUCTION

At the request of Stanley Resource Group Ltd., G.A. Noel, P.Eng., examined the B.T.E.M. claims on July 13, 1980. The purpose of the visit was to check sample parts of trench no.1, which returned interesting values in gold (Jones, 1980) and to examine other parts of the claims.

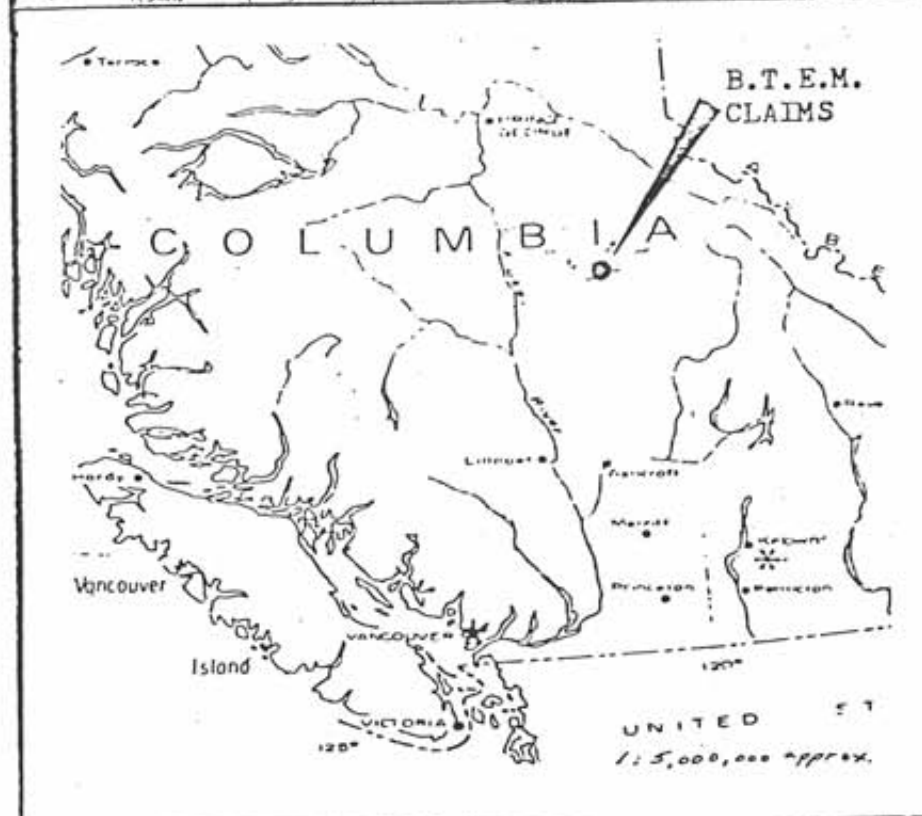
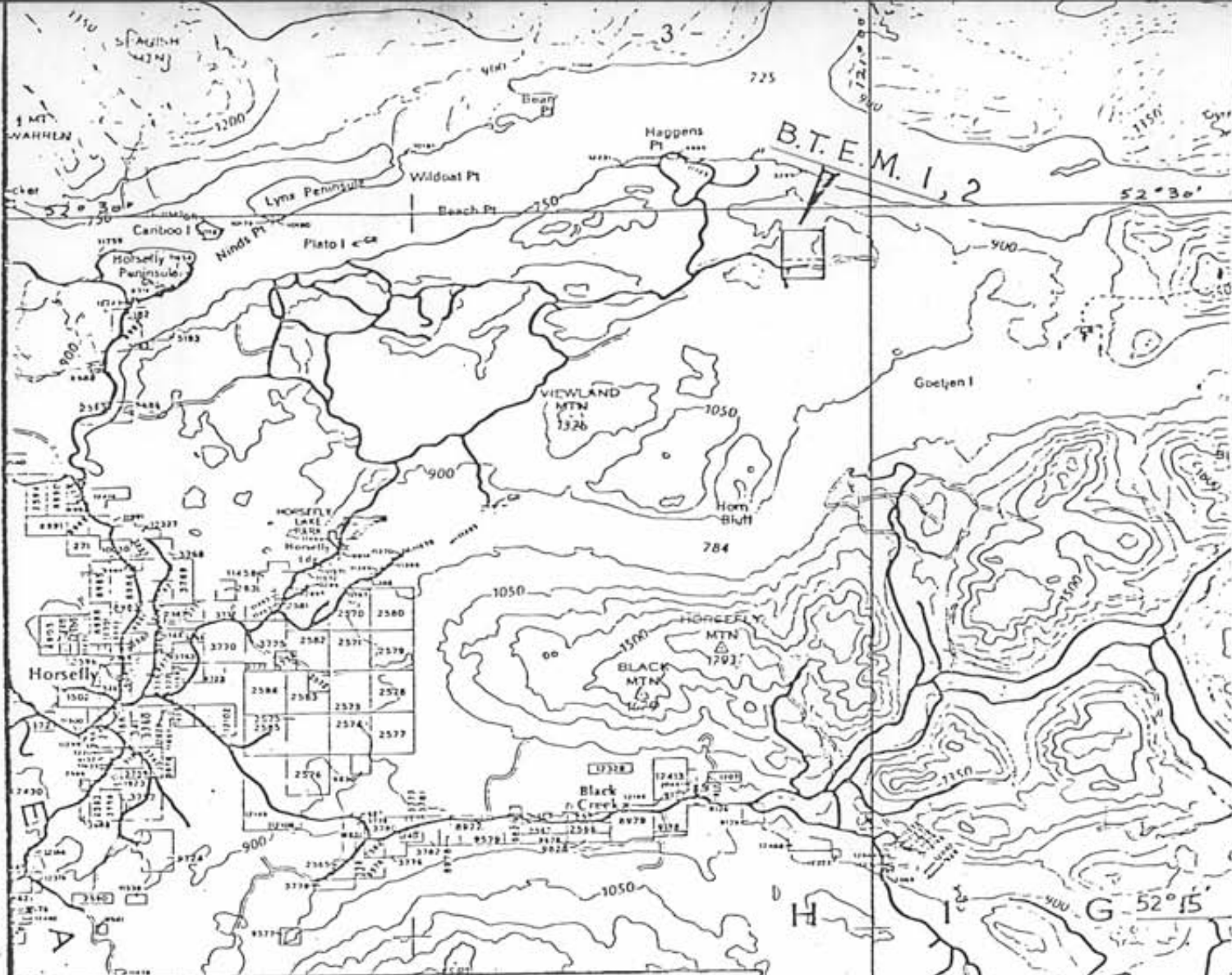
Following the examination by Noel (1980) Stanley Resource Group Ltd. between August 18-24, 1980, conducted a limited drill program on the property.

G.A. Noel & Associates, Inc. were recently requested to review the work completed to date on the B.T.E.M. claims and prepare a report covering the examination by Noel (1980) and the percussion drilling.

### Location and Access - Latitude $52^{\circ}29'N$ , Longitude $121^{\circ}02'W$

The B.T.E.M. claim group is located in the Cariboo district of British Columbia 85 km northeast of Williams Lake and 30 km northeast of Horsefly. It lies immediately north of the west end of Hen Ingram Lake and 1.5 km south of Quesnel Lake.

The claims are readily accessible by 60 km of good paved and gravel roads from Williams Lake to Horsefly; then by 25 km of secondary roads east of Horsefly toward Quesnel Lake and the property. The last 4 km are restricted to 4-wheel drive vehicles.



**FIGURE 1**  
 LOCATION MAP  
 B.T.E.M. Claims  
 Quesnel Lake Area  
 Cariboo M.D.  
 1:250,000

### Property

The property consists of two claims. They may be described as follows:

<u>Claim Name</u>	<u>No. of Units</u>	<u>Record No.</u>	<u>Expiry Date</u>
B.T.E.M. No.1	9	1065	July 11, 1981
B.T.E.M. No.2	3	1066	"

The claims are owned by Stanley Resource Group Ltd., 850 West Hastings Street, Vancouver, B.C.

### History

The B.T.E.M. claim group covers a small part of what had been the KE and LO claim groups held and explored by Helicon Exploration Ltd. during 1965. They conducted an exploration program which included geological mapping, geophysical surveys, trenching, stripping and diamond drilling. Their work found that pyrite, pyrrhotite and chalcopyrite occurred as fracture fillings in sediments. No grades were given.

No other work is reported on the ground covered by the B.T.E.M. claims.

In 1979, L.S. Trenholme, P.Eng. examined the B.T.E.M. claims. He recommended geological mapping of the trenches and soil sampling in their vicinity.

In May, 1980, Harold Jones, P.Eng. examined the B.T.E.M. claims and mapped and sampled trenches 1 and 2. Samples taken by him from the central part of trench 1 returned interesting, but low, values in gold. The results of this work were reviewed in a private company report (Jones, 1980).

Between May - August, 1980, Stanley Resource Group Ltd. conducted an exploration program on the property which included prospecting, soil sampling, geological mapping and percussion drilling.

#### FIELDWORK

The assay results of samples collected by Jones (1980) from the central part of trench 1 showed very low values in gold (0.001 to 0.029 oz/ton). Two specimen samples assayed much higher (0.292 and 0.574 oz/ton).

On July 13, 1980, G.A. Noel, P.Eng. resampled the central part of trench 1. The purpose of this was to check the above sample results and attempt to define an auriferous zone. He collected 10 samples. These were taken as continuous chips over variable lengths. Some coincided with the intervals used by Jones (1980).

Upon completion of the above sampling Noel examined the geology in the general vicinity of the trench.

Between August 18 and August 24, H.N. Horning Percussion Drilling Company completed 9 holes totalling 158 metres.

## GEOLOGY

### Regional Geology

The general area between Horsefly and Quesnel Lakes, which include the B.T.E.M. claims, is underlain by Jurassic(?) and Cretaceous(?) volcanics and sediments (Campbell, 1961). These include green andesitic tuff, agglomerate and flows; minor argillite, chert and conglomerate. Approximately 5 km to the west of the claims a small area of the above rocks are capped by Tertiary basaltic breccia, tuffs and flows.

Structurally, the general area of the B.T.E.M. may be very disturbed. A northwest striking fault projects southerly into the area (Campbell, 1961) as does a northeasterly inferred fault through the north arm of Quesnel Lake. Local north striking anticlinal-synclinal folding also occurs in this area (Campbell, 1961).

### Local Geology

Outcrop is not abundant within the area examined. The best continuous rock exposures are within two trenches and one stripped area, all done by Helicon Exploration Ltd. in 1965. (Figures 3 & 4).

Noel (1980), examined trench 1 in detail and noted that it "runs along and across a section of Mesozoic cherts, siltstones and tuffs which show pervasive iron sulphides (pyrite and pyrrhotite) both as disseminations and fracture fillings. A little chalcopyrite and possibly some sphalerite are present in places. This largely pyroclastic section shows heavy iron oxide coatings along exposed surfaces. The section includes



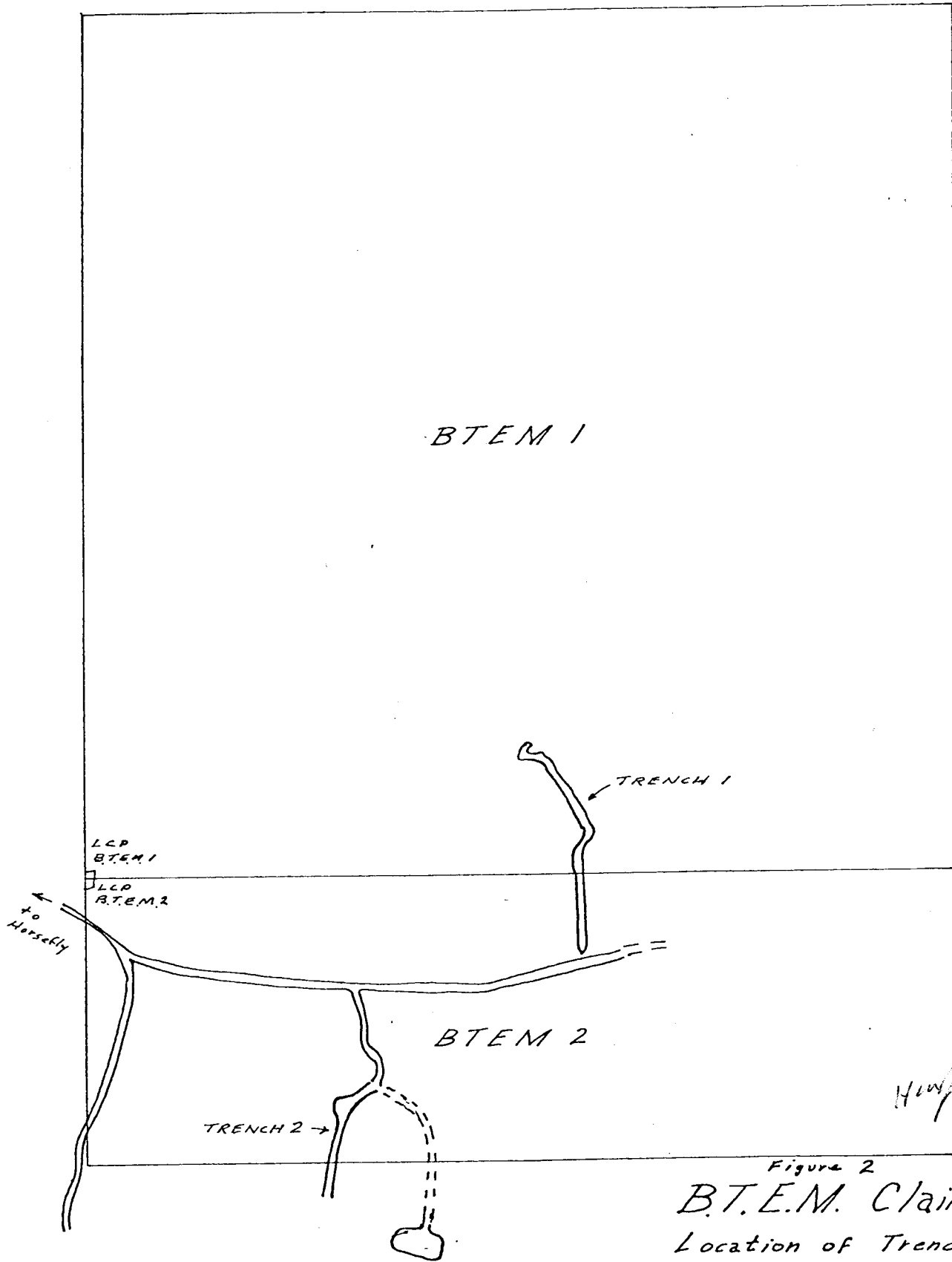
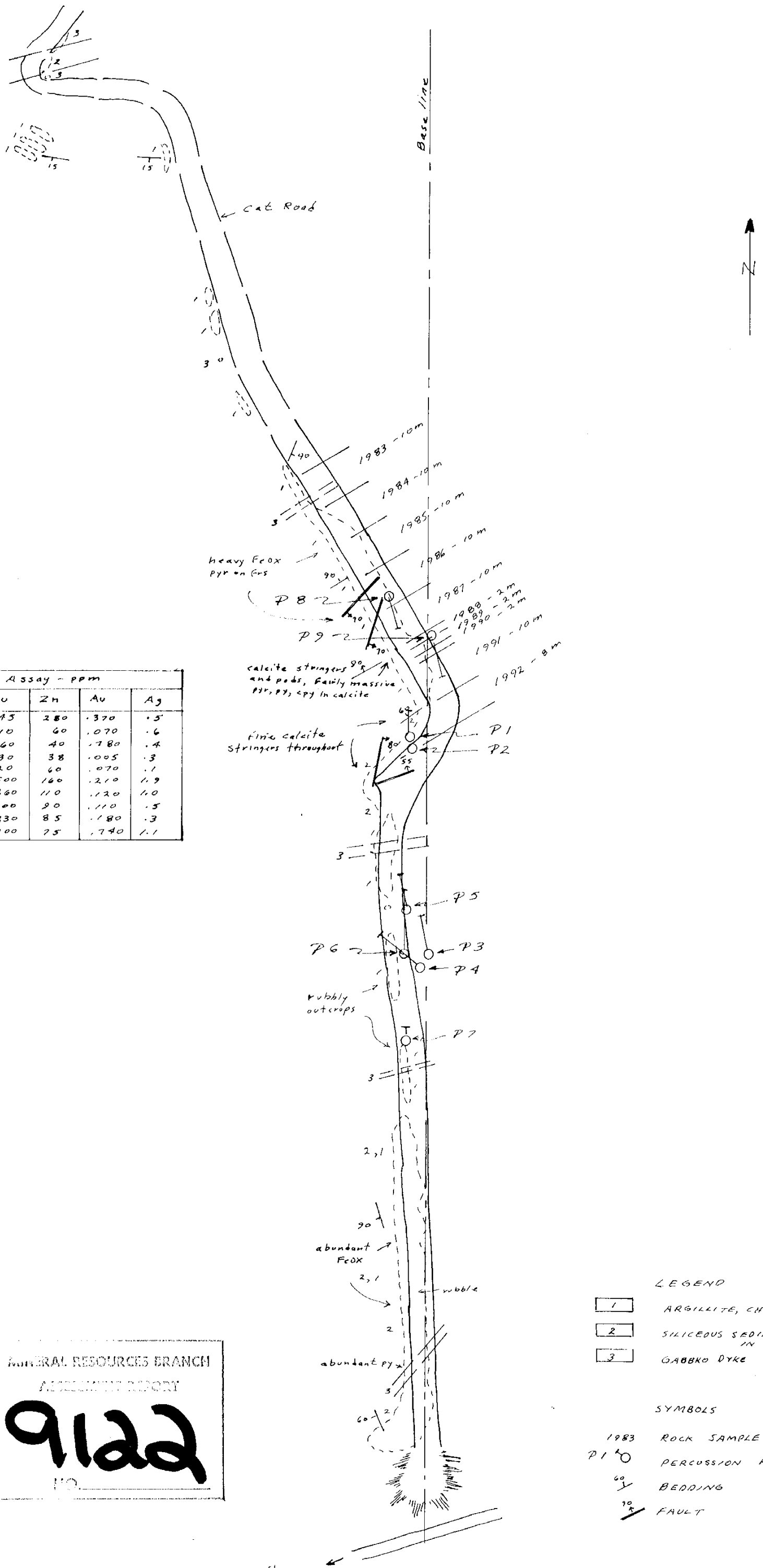


Figure 2  
B.T.E.M. Claims  
Location of Trenches  
Scale: 1:10,000  
H.M.J.  
April 10, 1981



Sample No.	Assay - ppm			
	Cu	Zn	Au	Ag
1983	145	280	.370	.5
1984	110	60	.070	.6
1985	360	40	.780	.4
1986	130	38	.005	.3
1987	120	60	.070	.1
1988	2500	160	.210	1.9
1989	860	110	.120	1.0
1990	500	90	.110	.5
1991	830	85	.180	.3
1992	1700	75	.740	1.1

MINERAL RESOURCES BRANCH  
 ASSESSMENT REPORT  
**9122**  
 NO.

- LEGEND
- 1 ARGILLITE, CHERTY ARGILLITE
  - 2 SILICEOUS SEDIMENTS, CHERTY IN PART (TUFFS?)
  - 3 GABBRO DYKE
- SYMBOLS
- 1983 ROCK SAMPLE
  - P1 PERCUSSION HOLE
  - 60° BEDDING
  - 90° FAULT

To Horsefly  
 20 km

BTEM CLAIMS - TRENCH No. 1  
 GEOLOGY MAP SHOWING LOCATION OF DRILL  
 HOLES AND ROCK SAMPLES  
 HORSEFLY AREA, B.C. CARIBOO M.D.  
 APRIL 1981 H.M. JONES, P. ENG.  
 scale 1:1000

H.M.J.

some carbonate bands and is cut by numerous thin seams of quartz and carbonate, generally with some associated sulphides. The bedding generally strikes north to northeast with fairly steep westerly dips although the variations in attitude apparent in trench 1 indicate folding about several axes.

In the surface sampling, (Jones, 1980), a central section of trench 1 showed interesting but spotty gold values over a length of about 80 metres (north-south). Accordingly part of this section was re-sampled in detail as indicated on the attached sketch." (Figure 3).

Noel also examined the geology in the vicinity of trench 1. The only good exposures were found to the west of the trench. These consisted of light grey-white, fine-grained felsitic tuffs(?), somewhat cherty in part. These rocks are similar to those seen in parts of trench 1 but are completely devoid of obvious sulfides or limonite stain. This lack of mineralization is in sharp contrast to trench 1 where sulfides or iron-staining is abundant.

#### PERCUSSION DRILLING

Nine holes totalling 158 metres were drilled in trench 1 by H.N. Horning Percussion Drilling Company (see Figure 3). Drilling was started on August 18 and was completed on August 24. Four additional days were spent sun-drying, splitting and packing samples. Drilling and sampling were supervised by B. Fenwick-Wilson on behalf of Stanley Resource Group Ltd.

Drill cuttings from each hole were collected in 1.5 metre intervals.

The first sample from each hole was taken over 3 m but this included approximately 1.5 m of overburden drilling, the cuttings of which were not recovered.

Samples were collected in large tubs in 1.5 m intervals. Dry samples were run through a Jones splitter one or more times to reduce the bulk to approximately 4 kg (one large sample bag full). The rejects were stored in separate bags.

Wet samples collected over the same interval, were dried, then split and bagged as above.

An attempt was made to log the drill cuttings but due to their fineness this did not prove satisfactory. Since all holes were shallow, the geology intersected would be very similar to that exposed in the trench.

## SAMPLE RESULTS

### Rock Samples

All rock samples were analysed by Acme Analytical Laboratories in Vancouver using the atomic absorption method.

The following is a list of assay results from rock samples collected by G.A. Noel, P.Eng. Their locations are shown on Figure 3.

<u>Sample No.</u>	<u>Width</u>	<u>Assays in ppm</u>			
		<u>Cu</u>	<u>Zn</u>	<u>Ag</u>	<u>Au</u>
1983	10 m	145	280	0.5	0.370
1984	10 m	110	60	.6	0.070
1985	10 m	360	40	.4	.780
1986	10 m	130	38	.3	.005
1987	10 m	120	60	.1	.070
1988	2 m	2500	160	1.9	.210
1989	2 m	860	110	1.0	.120
1990	2 m	500	90	0.5	.110
1991	10 m	830	85	.3	.180
1992	8 m	1700	75	1.1	.740

Percussion Drill Samples

The following percussion drill samples were collected by B. Fenwick-Wilson and analysed by Acme Analytical Laboratories Ltd. by the atomic absorption method.

Percussion Drilling Sample Results

<u>Interval (m)</u>	<u>Length (m)</u>	Hole P1 <u>Au oz/ton</u>	Hole P2 <u>Au oz/ton</u>	Hole P3 <u>Au oz/ton</u>	Hole P4 <u>Au oz/ton</u>	Hole P5 <u>Au oz/ton</u>	Hole P6 <u>Au oz/ton</u>	Hole P7 <u>Au oz/ton</u>	Hole P8 <u>Au oz/ton</u>	Hole P9 <u>Au oz/ton</u>
0 - 3.05	3.04	0.031	0.065	0.002	0.004	0.011	0.007	0.020	0.001	0.003
3.05 - 4.57	1.52	0.008	0.014	0.004	0.005	0.004	0.014	0.046	0.009	0.001
4.57 - 6.08	"	0.002	0.003	0.012	0.002	0.020	0.003	0.072	0.005	0.011
6.08 - 7.62	"	0.003	0.012	0.003	0.003	0.012	0.002	0.033	0.008	0.001
7.62 - 9.14	"	0.018 <sup>(1)</sup>	0.011	0.003	0.002	0.022	0.003	0.016	0.005	0.003
9.14 - 10.67	"		0.027	0.004	0.002	0.005	N.S.		0.008	0.004
10.67 - 12.19	"		0.040	0.003	0.003	0.005	0.001		0.006	0.006
12.19 - 13.72	"		0.001	0.003	0.003	0.006	0.002		0.005	0.022
13.72 - 15.24	"		0.010	0.002	0.001		0.019			0.003
15.24 - 16.76	"		0.004	0.003	0.001		0.009			0.014
16.76 - 18.29	"		0.001	0.002	0.001		0.012			0.001
18.29 - 19.81	"		0.001		0.007		0.020			0.001
19.81 - 21.33	"		0.003		0.001		0.020			0.001
21.33 - 22.86	"				0.007		0.001			0.001 <sup>(2)</sup>
22.86 - 24.38							0.001			
24.38 - 25.90							0.001			
25.90 - 27.43							0.001			
27.43 - 28.95							0.001			

(1) 7.61 m - 7.92 m

(2) 21.33 m - 21.94 m

### CONCLUSIONS

The assay results of surface samples collected by Noel (1980) show low grade gold values in the central part of trench 1. These range from 0.002 oz/ton to 0.023 oz/ton (0.070-0.780 ppm). These compare favourably with those taken by Jones (1980).

Percussion drill sample assay results show gold values in the same range as those obtained from the surface samples.

It is concluded that gold is present within the well mineralized sediments of trench 1 but in very low amounts. Gold content tends to increase slightly within those sections which contain numerous calcite stringers and pods. These sections are also well mineralized with pyrrhotite, pyrite and chalcopyrite.

It is concluded that no significant gold bearing zone has yet to be found but further work is justified to search for such a zone.

### RECOMMENDATIONS

It is recommended that the B.T.E.M. claims be geologically mapped, then soil sampled in areas of interest. Anomalous areas should then be explored by backhoe trenching and rock sampling, followed by diamond drilling, if warranted.

COST ESTIMATE

Stage I - one month

Geological Mapping - 1 geologist, 2 assistants including room & board, vehicle, etc.	\$ 20,000.00
Geochemical survey - by contract, estimate	5,000.00
- soil sample assays	<u>3,500.00</u>
	\$ <u>28,500.00</u>

Stage II - three weeks

Backhoe trenching, sampling, geological supervision, all inclusive	\$ <u>20,000.00</u>
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Stage III - one month

Diamond drilling, say 500 metres all inclusive, say	\$ <u>60,000.00</u>
--	---------------------

Respectfully submitted,

*Harold M. Jones*

HAROLD M. JONES, P.Eng.



REFERENCES

Campbell, R.B. (1961): Map 3-1961-Geology, Quesnel Lake, (West Half), British Columbia, Sheet 93A (West Half).

Jones, H.M. (1980): Private letter report on B.T.E.M. claims for Stanley Resource Group Ltd.

Noel, G.A. (1980): Private letter report on B.T.E.M. in claims for Stanley Resource Group Ltd.

Min. of Mines & Pet. Res. (1965): KE & LO claims, pp.141.

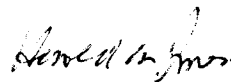
Trenholme, L.S. (1979): Report of Examination, B.T.E.M. claims, Quesnel Lake Area, Cariboo M.D. - private report.

CERTIFICATE

I, Harold M. Jones, of the City of Vancouver, British Columbia do hereby certify that:

1. I am a Consulting Engineer, and a partner in the firm of G.A. Noel & Associates, Inc.
2. I am a graduate of the University of British Columbia in Geological Engineering, 1956.
3. I am a registered Professional Engineer of the Province of British Columbia and also a member of the Canadian Institute of Mining and Metallurgy.
4. I have practised my profession continuously since 1956 in mining exploration in British Columbia, Saskatchewan, Yukon and Northwest Territories, Alaska, Arizona and Australia.
5. I have reviewed all the data listed under References in this report as well as worked on the B.T.E.M. claims between May 12-14, 1980.

DATED at VANCOUVER, B.C. this 10th day of April, 1981.



HAROLD M. JONES, P.Eng.

A P P E N D I X I

Statement of Costs

STATEMENT OF COSTS

1) Examination by G.A. Noel, P. Eng. July 13, 1980.		
including report	\$375.00	
assays	35.00	
travel expenses	<u>156.70</u>	566.70
2) Percussion Drilling		
H.N. Horning Percussion drilling - 158 metres @ \$19.70/m.	3,110.00	
B. Fenwick-Wilson - geologist-supervisor August 18-24, 1980 -drying and preparing samples August 25-28, 1980, 11 days @ \$150/day	1,650.00	
S. Spaulding - field assistant - August 18-28, 11 days @ \$75/day	825.00	
Sample Assays	<u>415.00</u>	6,000.00
3) Report on Rock Sampling and Percussion Drilling by H.M. Jones, P. Eng. April 10/81 .....	900.00	
Expenses: Secretarial	<u>32.72</u>	<u>932.72</u>
		<u>\$7,499.42</u>

A P P E N D I X    I I

Assay Certificates



To: Stanley Resources Management Group  
303 - 2077 Nelson St.,  
Vancouver, B.C.  
V6G 2Y2

File No. 80-1071A

Type of Samples Rock

Disposition \_\_\_\_\_

# ASSAY CERTIFICATE

No.	Sample	Au oz/ton						No.
1	P1 1-10	.031						1
2	10-15	.008						2
3	15-20	.002						3
4	20-25	.003						4
5	P1 25-26	.018						5
6								6
7	P3 1-10	.002						7
8	10-15	.004						8
9	15-20	.012						9
10	20-25	.003						10
11	25-30	.003						11
12	30-35	.004						12
13	35-40	.003						13
14	40-45	.003						14
15	45-50	.002						15
16	50-55	.003						16
17	P3 55-60	.002						17
18								18
19	P4 1-10	.004						19
20	P4 10-15	.005						20

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DATE SAMPLES RECEIVED Sept. 15, 1980

DATE REPORTS MAILED Sept. 23, 1980

ASSAYER

DEAN TOYE, B.Sc.  
CHIEF CHEMIST  
CERTIFIED B.C. ASSAYER



To: Stanley Resources Management Group

ACME ANALYTICAL LABORATORIES LTD.

Assaying & Trace Analysis

852 E. Hastings St., Vancouver, B.C. V6A 1R6

Telephone: 253 - 3158

File No. 80-1071A

Type of Samples Rock

Disposition \_\_\_\_\_

# ASSAY CERTIFICATE

No.	Sample	Au oz/ton							No.
	P4 15-20	.002							1
2	20-25	.003							2
	25-30	.002							3
4	30-35	.002							4
	P4 35-40	.003							5
									6
7	P5 1-10	.011							7
	10-15	.004							8
9	15-20	.020							9
	20-25	.012							10
	25-30	.022							11
12	30-35	.005							12
	<del>35-40</del> N.S.								13
14	P5 40-45	.006							14
									15
16	P6 1-10	.007							16
17	10-15	.014							17
	15-20	.003							18
19	20-25	.002							19
	P6 25-30	.003							20

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DATE REPORTS MAILED Sept. 23, 1980

ASSAYER

DEAN TOYE, B.Sc.  
CHIEF CHEMIST  
CERTIFIED B.C. ASSAYER



To: Stanley Resources Management Group  
303 - 2077 Nelson St.,  
Vancouver, B.C.  
V6G 2Y2

File No. 80-1092Type of Samples Rock

Disposition \_\_\_\_\_

# ASSAY CERTIFICATE

No.	Sample	Au oz/ton						No.
1	P7 1-10	.020						1
2	10-15	.046						2
3	P7 15-20	.072						3
4								4
5	P9 40-45	.022						5
6	45-50	.003						6
7	50-55	.014						7
8	55-60	.001						8
9	60-65	.001						9
10	65-70	.001						10
11	P9 70-72	.001						11
12								12
13								13
14								14
15								15
16								16
17								17
18								18
19								19
20								20

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DATE SAMPLES RECEIVED Sept. 17, 1980DATE REPORTS MAILED Sept. 25, 1980

ASSAYER

*DEAN TOYE*  
=====

DEAN TOYE, B.Sc.  
CHIEF CHEMIST  
CERTIFIED B.C. ASSAYER





To: Stanley Resources Ltd.

ACME ANALYTICAL LABORATORIES LTD.

Assaying & Trace Analysis

852 E. Hastings St., Vancouver, B. C. V6A 1R6

Telephone: 253 - 3158

File No. 80-1129

Type of Samples Rocks

Disposition \_\_\_\_\_

# ASSAY CERTIFICATE

l.v.	Sample	Au oz/ton						No.
	P 4 65-70	.001						1
2	70-75	.001						2
	P 4 70-75A	.013	?					3
4								4
5	P 5 35-40	.005						5
	P 5 45-50	.001						6
7								7
	P 6 40-45	.002						8
9	45-50	.019						9
10	50-55	.009						10
11	55-60	.012						11
12	60-65	.020						12
13	65-70	.020						13
14	70-75	.001						14
15	75-80	.001						15
16	80-85	.001						16
17	85-90	.001						17
18	P 6 90-95	.001						18
19	P 7 20-25	.033						19
20	P 7 25-30	.016						20

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DATE SAMPLES RECEIVED Sept. 23, 1980

DATE REPORTS MAILED Oct. 6, 1980

ASSAYER

DEAN TOYE, B.Sc.  
CHIEF CHEMIST  
CERTIFIED B.C. ASSAYER



To: Stanley Resources Management Group,  
303 - 2077 Nelson St.,  
Vancouver, B.C.  
V6G 2Y2

File No. 80-1129Type of Samples Rocks

Disposition \_\_\_\_\_

# ASSAY CERTIFICATE

No.	Sample	Au oz/ton						No.
1	P 2 1-10	.065						1
2	10-15	.014						2
3	15-20	.003						3
4	20-25	.012						4
5	25-30	.011						5
6	30-35	.027						6
7	35-40	.040						7
8	40-45	.001						8
9	45-50	.010						9
10	50-55	.004						10
11	55-60	.001						11
12	60-65	.001						12
13	P 2 65-70	.003						13
14								14
15	P 4 40-45	.003						15
16	45-50	.001						16
17	50-55	.001						17
18	55-60	.001						18
19	P 4 60-65	.007						19
20								20

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DATE SAMPLES RECEIVED Sept. 23, 1980DATE REPORTS MAILED Oct. 6, 1980ASSAYER DEAN TOYE

DEAN TOYE, B.Sc.  
CHIEF CHEMIST  
CERTIFIED B.C. ASSAYER



To: Stanley Resources Management Group,  
303 - 2077 Nelson St.,  
Vancouver, B.C.  
V6G 2Y2

852 E. Hastings St., Vancouver, B. C. V6A 1R6  
phone: 253 - 3158

File No. 80-656

Type of Samples Rocks

Disposition \_\_\_\_\_

### GEOCHEMICAL ASSAY CERTIFICATE

SAMPLE No.	Cu	Zn	Ag	Au																	
1983	145	280	.5	.370																	1
1984	110	60	.6	.070																	2
1985	360	40	.4	.780																	3
1986	130	38	.3	.005																	4
1987	120	60	.1	.070																	5
1988	2500	160	1.9	.210																	6
1989	860	110	1.0	.120																	7
1990	500	90	.5	.110																	8
1991	830	85	.3	.180																	9
1992	1700	75	1.1	.740																	10
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*Rock Samples Collected  
by G. D. Noel, French 1*

All reports are the confidential property of clients  
All results are in PPM.  
DIGESTION:.....  
DETERMINATION:.....

DATE SAMPLES RECEIVED July 23, 1980  
DATE REPORTS MAILED July 28, 1980  
ASSAYER SKS

DEAN TOYE, B.Sc.  
CHIEF CHEMIST  
CERTIFIED B.C. ASSAYER