PRECIOUS METALS

REPORT ON 1980 RECONNAISSANCE

GEOCHEMICAL SAMPLING

CHELASLIE LAKE, NORTH CENTRAL, B.C.

OMINECA MINING DIVISION

NTS 93F/5E & 6W

LATITUDE 53°28'N

LONGITUDE 125°31'W

DATES OF WORK:

JULY 10 - September 25, 1980

by

Colin Harivel, B.Sc.

K. Wayne Livingstone, M.Sc.,

owner

Gordon G. Richards

Contractor

JMT Services Corp.

October 26, 1981

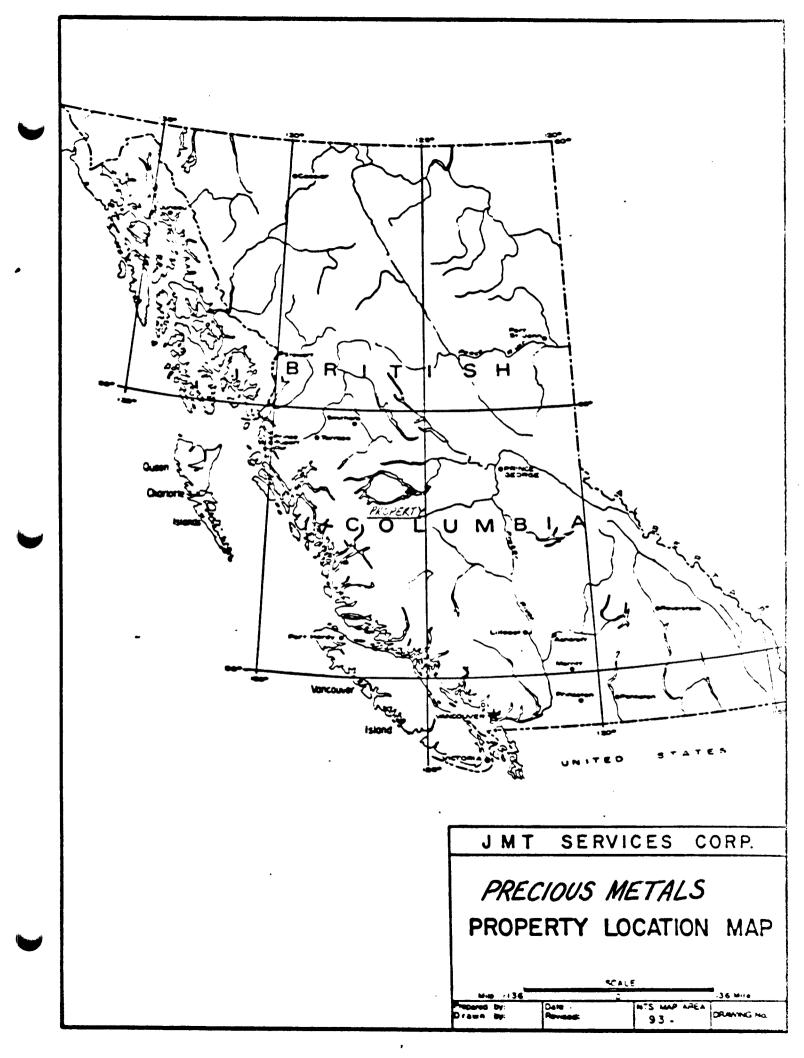


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FIGURE 5	LEAD "	In Pocket
FIGURE 6	COPPER "	In Pocket



INTRODUCTION

Library research for the area by JMT geologists in spring of 1980 developed this area, previously sampled by Canex Placer Ltd. in 1973, as a target for a volcanogenic base metal deposit. In July 1980, the area was staked and subsequently sampled by JMT personnel under an agreement with Prism Resources Ltd.

Rhyolitic rocks with associated interbedded sediments and intercalated andesites(?) are exposed on the claims.

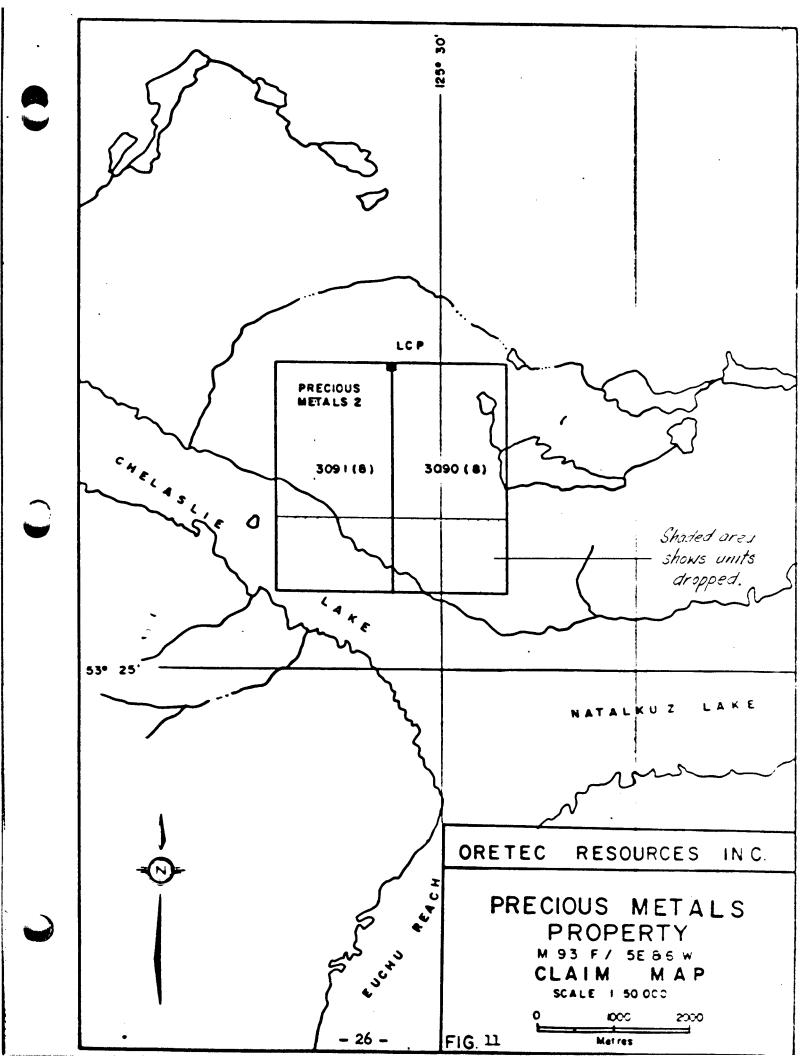
Zinc and Pb co-incident geochemical anomalies in soil have not been adequately explained and further mapping and sampling is recommended.

LOCATION AND ACCESS

The property is composed of 36 claim units in two claims (Precious Metals #1 and #2) and is located on the north side of Chelaslie Arm of Natalkuz Lake. This lake is part of the Nechako River system and is located 90 kilometers south southeast of Burns Lake in the Omineca Mining Division of Central British Columbia. Access is provided by helicopter from Burns Lake or the property can be reached from Burns Lake by car to Ootsa Lake, thence by boat east on Ootsa Lake and Natalkuz Lake to Chelaslie Arm.

CLAIMS

PRECIOUS	METALS	#1	12 units	3090	(8)
PRECTOUS	METALS	#2	12 units	3091	(8)



GEOLOGY AND GEOCHEMISTRY

The area of the claims, as mapped by H. W. Tipper (G.S.C. Map 1131A) is underlain by rocks of Hazelton Group and Ootsa Lake Group Exposures on the west side of the claims include andesitic flows and minor calcarenite whereas to the east of the area surveyed rhyolitic rocks and associated sediments predominate. Plugs or small stocks of quartz feldsper porphyry were noted within the claims.

Samples were taken over a roughly established hip-chain and compass grid with 1:50000 topographic mapping as control. In total, 218 soil, rock chip and stream sediment samples were collected, the great bulk of which were soil samples.

Rock chip samples were made from 2 - 5 rock chips small enough to fit inot standard kraft sample bags. Soil samples were collected from the B horizon where possible from a depth of 1 - 10 cm. Stream sediment samples were collected with a spoon from active silt in creek.s

Cu, Pb, Zn, Ag geochemical analyses were done at the minus 80 mesh fraction by Vangeochem Lab Ltd., 1521 Pemberton AVenue, North Vancouver, B.C. V7P 2S3, using the following standard procedures:

Cu Nitric-perchloric acid digestion of -80 mesh fraction and atomic absorption determination

PB " "

Zn "

Aq " (background corrected)

Results for zinc outline a broad anomaly about 700 m by 600 m in largest dimensions and centred just west of the common claim boundary. Values range from 34 ppm to 2760 ppm. with an estimated average of 250 ppm and estimated background of 150 ppm.

Lead values outline an anomalous area which more or less mimics the zinc anomaly. Values range from a low of 5 ppm to 1950 ppm with an estimated background of 30 ppm.

Within the anomalous area (above) values for silver are sporadically anomalous but no defined zone is apparent. Values over the property range from less than the limit of detection to a high of

10.5 ppm. Background values are 0.2 ppm

Copper values are low and show no clear pattern. Values range from 4 ppm to 87 ppm.

CONCLUSIONS

This work represents the first phase of exploration on the property and sufficient encouragement has been generated by the results that further work is warranted.

The area to the east of the limit of sampling should be investigated and a more detailed sampling programme with careful outcrop and float mapping should be carried out over the zinc-lead anomalies. This work would probably take four days to complete using a geologist and one assistant.

Respectfully submitted,

K. Wayne Livingstone

Nin Harive

APPENDIX I

STATEMENT OF COSTS

PRECIOUS METALS

*Prism Resources Costs	\$1,497.40					
Roy Phendler (Consultant Geologists)	139.08					
JMT Geologists						
K. Wayne Livingstone - July 10-12 3 days @ \$175	525.00					
Colin Harivel - July 10-12 3 days @ \$175	525.00					
Truck Rental	250.00					
Radio telephone	10.00					
Helicopter	2,000.00					
Geochem	484.20					
Freight	125.00					
Motel (Portion)	28.73					
Airfare (Portion) Vancouver - Prince George						
Supplies expended (Portion)						
Meals *	203.33					
Report	1,500.00					
	\$7,462.47					
*						
Wages September 20(1/2) - 22						
George Cavey 2½ days @ \$93.79	\$ 234.48					
Diane Howe 2½ days @ \$80.87	202.18					
Helicopter - September 20	604.00					
Geochem (total \$453.00 + 4 properties)	113.25					
Truck Rental (\$50/day x 8½ - \$425.00 + 4 properties)	106.25					
Gas - (\$60 ÷ 4 properties)	15.00					
Food, materials, expenses (\$452.25 : 4 properties)	113.07					
Driving time - Vancouver - Fort St. John - Vancouver						
(2½ days + 4 properties) DH =	.50.55					
GC	58.62					

\$1497.40

APPENDIX II

STATEMENT OF QUALIFICATIONS

- I, K. WAYNE LIVINGSTONE of Vancouver, British Columbia do hereby certify that,
- 1. I am a Professional Geologist, working in British Columbia and residing at 6775 West Blvd. Vancouver, B.C.
- 2. I am a graduate of CARLETON UNIVERSITY, Ottawa, Ontario with BSc honours geology 1966.
- I am a graduate of the UNIVERSITY OF BRITISH COLUMBIA with MSc geology 1968.
- 4. I have practiced my profession as a mining exploration geologist since 1965.
- 5. I am a Member of the Geological Association of Canada.
- 6. I am a Member of the CIMM.
- 7. This report is based on personal knowledge of the geology and mineral potential of the claim area.

K. WAYNE LIVINGSTONE, MSc.

STATEMENT OF QUALIFICATIONS

I, Colin Harivel, of VAncouver, British Columbia, do hereby certify that:

- 1. I am a geologist residing at 3996 West 10th Avenue Vancouver, British Columbia
- 2. I am a graduate of the University of British Columbia; B.Sc. Honours Geology, 1972
- 3. I have practised my profession as a mining exploration geologist continuously since 1972
- 4. I am a Fellow of the Geological Association of Canada.

Colin Harivel, B.Sc.

