

ASSESSMENT REPORT  
ON THE  
PHYSICAL WORK PROGRAM  
ON THE  
MILLIE MACK PROPERTY

SLOCAN MINING DIVISION, B.C.

N.T.S. 82K/4

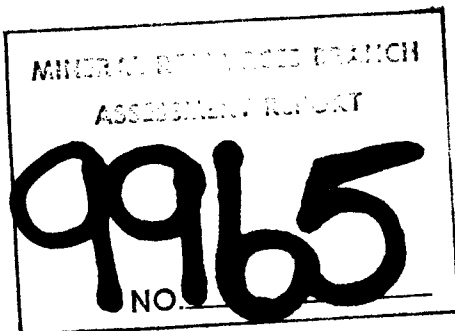
LATITUDE:  $50^{\circ} 05' N$ ; LONGITUDE:  $117^{\circ} 50' W$

FOR  
OWNERS/OPERATORS: DAVID MINERALS LTD.

BY

M.G. MOONEY, P. ENG.

DECEMBER, 1981



Part 3  
of 3

*hsm*

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## Introduction

### 1. Location and Access

The Millie Mack Property is situated on Blue Grouse Mountain approximately 16 kilometers East of Burton, B.C. (Fig. 1) - a town located on Highway 6, 38 kilometers South of Nakusp, B.C.

A gravel road along the North side of Caribou Creek, 24 kilometers long leads to the property. This road traverses nearly all the claim group from West to East. The last six kilometers of road switch back steeply up the South slope of Blue Grouse Mountain to the main workings lying at approximately 2100 meters.

### 2. Property Definition

The Millie Mack Property comprises nine Crown Granted mineral claims and fractions plus 8 staked mineral claims totalling 139 units, encompassing approximately 3425 hectares. (Fig. 2)

<u>Claim Name</u>	<u>Number Units</u>	<u>Record No.</u>
Heidi 1	20	2324 (11)
Heidi 2	10	2325 (11)
Heidi 3	20	2326 (11)
Heidi 4	20	2327 (11)
WDS	20	1186 (5)
SGC	15	1187 (5)
Jade	16	2363 (1)
Ruby	18	2364 (1)

These claims are located in the Slocan Mining Division and are recorded at Kaslo, B.C.

N.T.S. reference maps for the above mineral claims are 82K/4E (M) and 82K/4W (M).

## Introduction

### 2. Property Definition: Continued

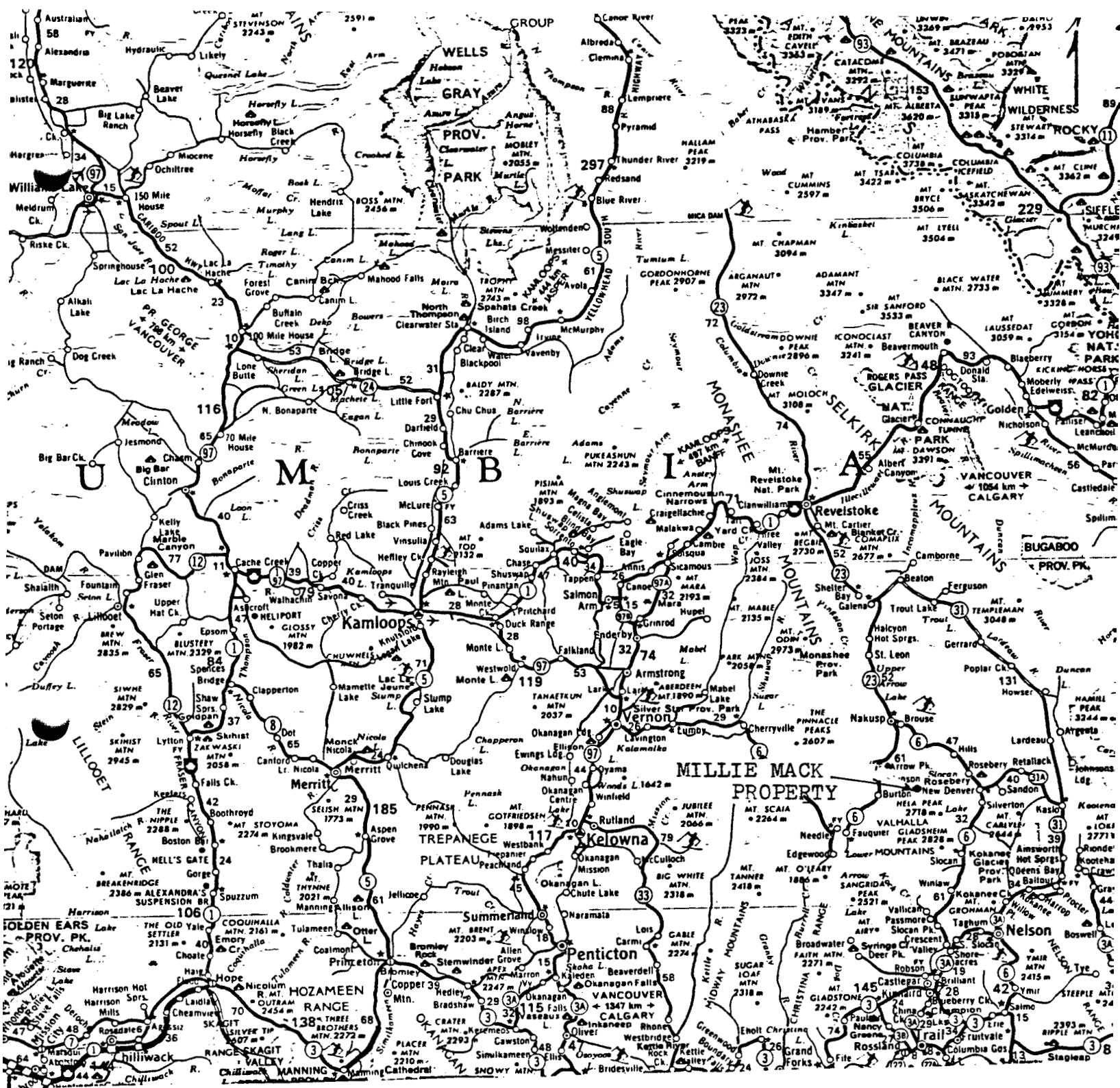
#### Crown Granted Mineral Claims

<u>Claim Name</u>	<u>District Lot Numbers</u>
Triumph Crown Grant	4194
Wolf Crown Grant	1830
Inpregnable Crown Grant	4195
Rainbow Crown Grant	4193
Gold Ring Crown Grant	1828
Millie Mack Crown Grant	1831
Black Bear Fr. Crown Grant	14850
H.E.F. Crown Grant	14849
Great Western Crown Grant	2200

Crown Granted Mineral Claims are registered in the Nelson, B.C. Land Registry.

For assessment purposes, these claims have been grouped as follows:

<u>Claim Name</u>	<u>District Lot Numbers</u>
<u>Millie Mack North</u>	
Millie Mack Crown Grant	1831
Triumph Crown Grant	4194
Black Bear Fr. Crown Grant	14850
Heidi 1	2324 (11)
Heidi 2	2325 (11)
SGC	1187 (5)
Ruby	2364 (1)
<u>Millie Mack South</u>	
Gold Ring Crown Grant	1828
Great Western Crown Grant	2210
Wolf Crown Grant	1830
Rainbow Crown Grant	4193
H.E.F. Crown Grant	14849
Heidi 3	2326 (11)
Heidi 4	2327 (11)
WDS	1186 (5)
Jade	2363 (1)



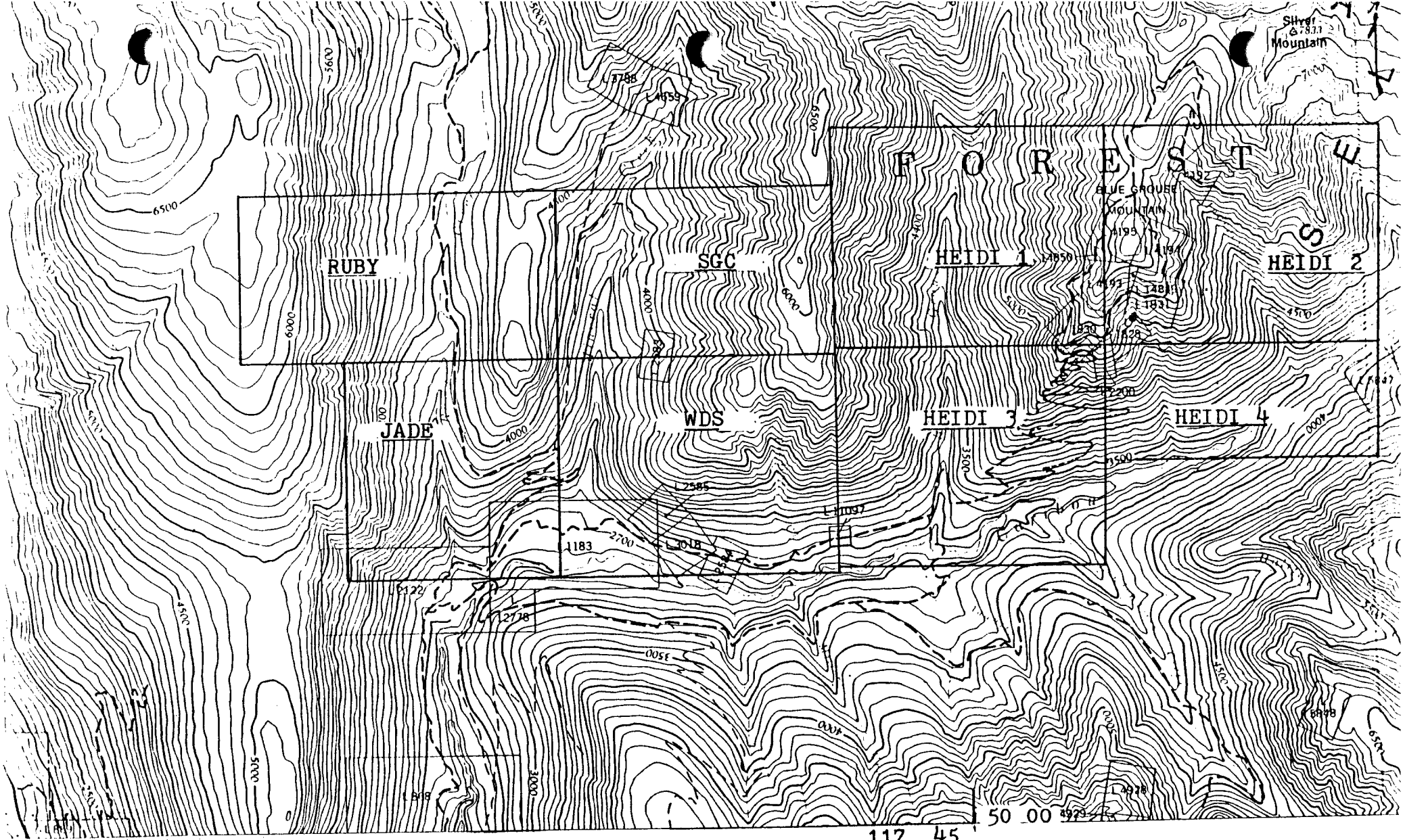
DAVID MINERALS LTD.

MILLIE MACK PROPERTY

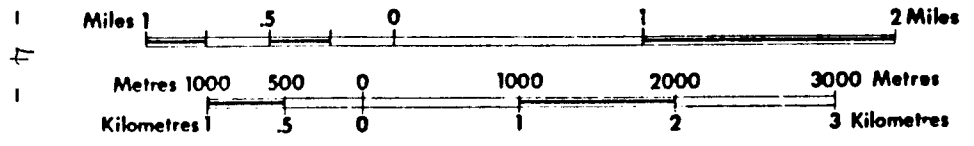
INDEX MAP

DECEMBER 1981

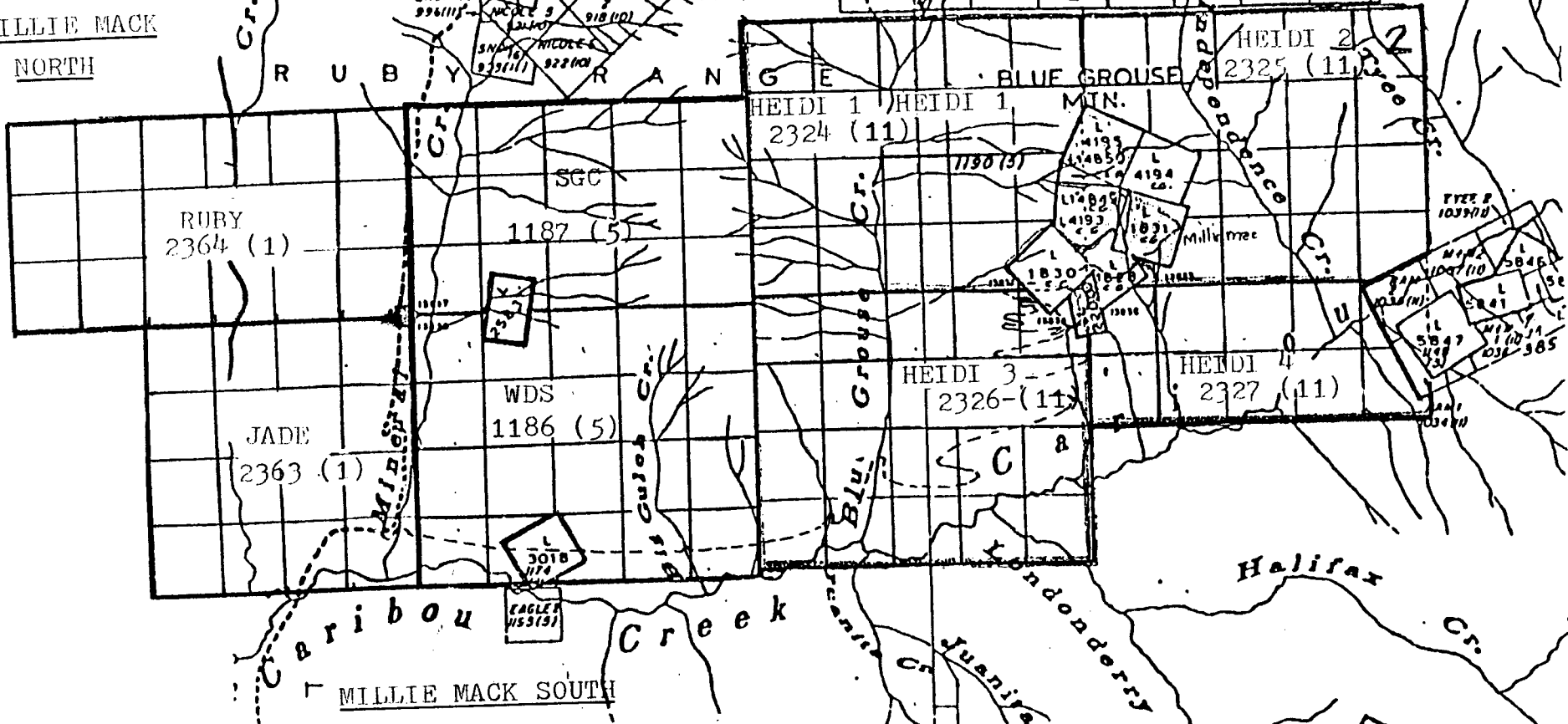
M. G. Mooney,  
P. Eng.



DAVID MINERALS LTD.  
 LOCATION MAP  
 MILLIE MACK PROPERTY  
 N.T.S. 82K/4

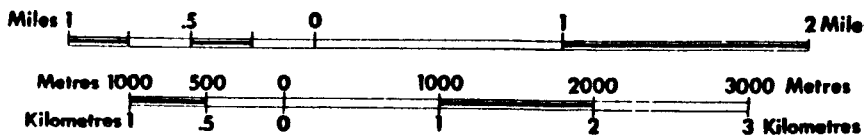


MILLIE MACK  
NORTH



MILLIE MACK SOUTH

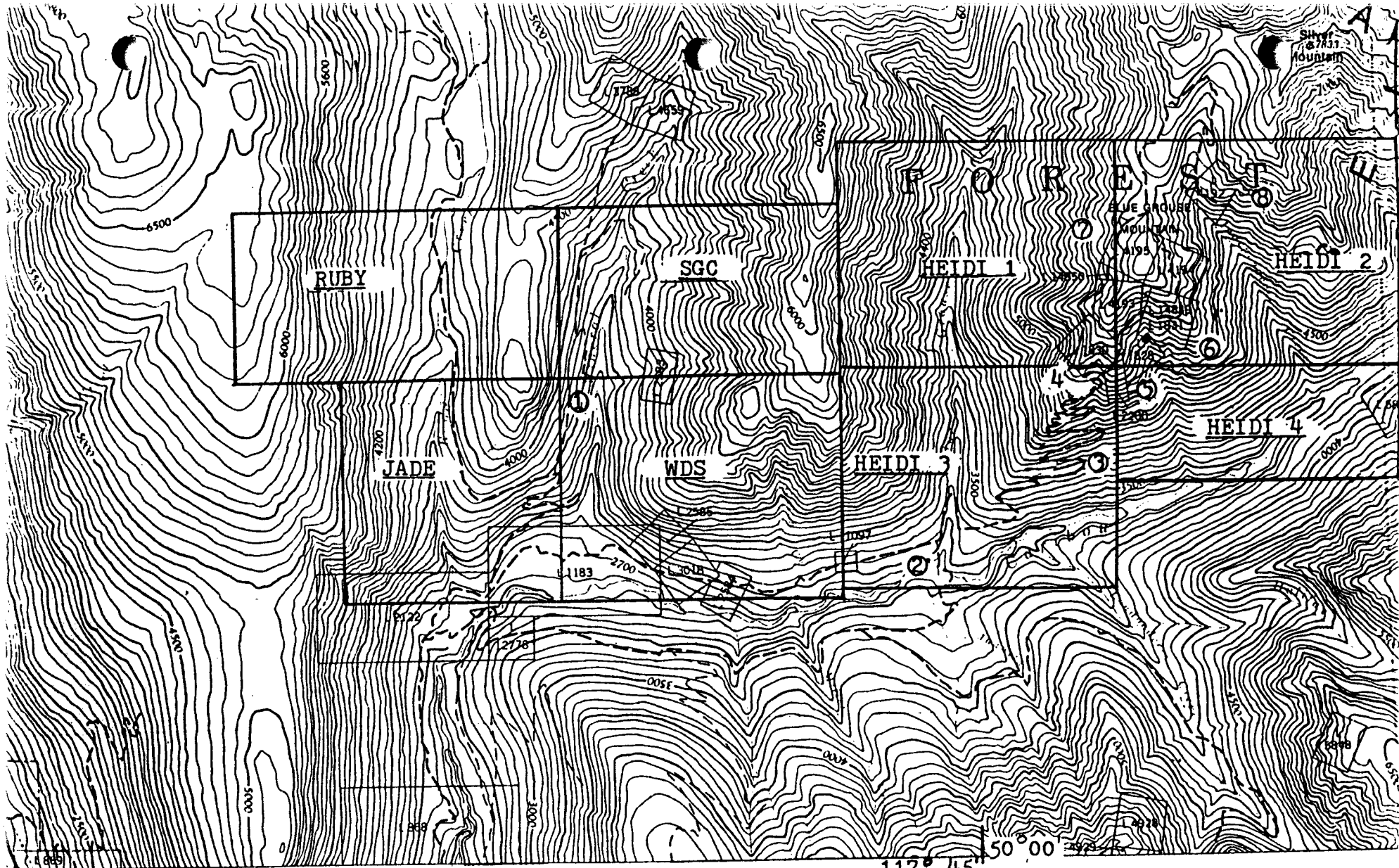
Province of British Columbia  
Ministry of Energy, Mines and Petroleum Resources



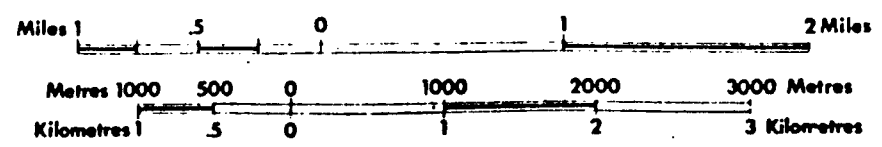
DAVID MINERALS LTD.  
MILLIE MACK PROPERTY  
CLAIM MAP

DEC. 1981 M. G. MOONEY, P. ENG.

50°00'  
117°45'



- . Mineral Creek Road
- . Main Road, Blue Grouse Creek
- . New Road
- . Billie P Trench
- . Great Western Trench
- . Millie Mack Trench
- . Black Bear Trench
- . Independence Creek Road



DAVID MINERALS LTD.  
 INDEX OF PHYSICAL  
 WORK  
 MILLIE MACK PROPERTY  
 N.T.S. 82K/4



## History

Mineral exploration was initiated in the Millie Mack Crown Grant area about 1895, leading to the early location of the above mentioned nine Crown Grants. A brief review of the early history shows:

1. Acquisition by Kamloops Gold Mining and Development Co. with some shipments starting in 1899.
2. Property was purchased by H. Forster who carried out intermittent development over the next 30 years. Approximately 800 meters of drifting and raising was carried out. According to Mr. Forster's report 450 tons were produced grading as follows:

Au 1.02 oz./t.; Ag 100 oz./t.; Pb 8%/t.; Zn 7%/t.

In 1960, there is a recorded production of 13.9 tons grading:

Au 0.44 oz./t.; Ag 9.8 oz./t.; 3.7% combined PbZn/t.

In 1967, Richwood Silver acquired the property and carried an exploration program covering geological mapping, bulldozer trenching, channel sampling of trenches, and dump samples. Richwood Silver shipped 24.4 tons grading:

Au 0.22 oz./t.; Ag 9.0 oz./t.; 3.3 combined PbZn/t.

Geophysical and geochemical surveys were carried over the Crown Grants and a portion of the RWS and WDS claims in 1971 and 1972.

In 1979, Messrs. Craik and Smith of Kelowna, B.C. operated a trommel - jig, and produced approximately 80 tons grading:

Au 0.22 oz./t.; Ag 8.4 oz./t.; Pb 1.24%/t.; Zn 0.86%/t.;  
SiO<sub>2</sub> 61%/t.

During 1980, Semper Resources Inc. carried out a program consisting of gridding and soil sampling the Millie Mack Crown Grant area. 54 Rotary drill and 5 Diamond drill holes were put down for structure and sample purposes. A bulk sample was shipped to Trail, B.C. The access road was upgraded.

## History: Continued

During 1981, reconnaissance soil sampling was carried out over the western portion of the claim group. Stripping on the Billie P, Great Western, Millie Mack, and the Black Bear for additional bulk sampling purposes was carried out. Over seven hundred tons of bulk samples were taken, of this five hundred tons of bulk samples were shipped to David Minerals Ltd. for testing and concentrating. Two hundred tons are stored at Blue Grouse Creek. Additional road reconstruction was carried out. The Ruby and Jade claims totalling 36 units were acquired by staking on the western boundary of the property.

## Geology

The top of Blue Grouse Mountain is composed of an isolated pendant of pelites and argillite of the lower Slocan Group. Faulted and sheared sequences of graphitic argillite and schist at the base of this pendant, overlie a footwall of andesite/dacite have been mapped as part of the Rossland Group Volcanics and are considered to be lower Jurassic and Triassic Age. Mineralization occurs in the graphitic argillite/schist. Repeated movements have reduced the original quartz veins carrying galena and sphalerite to material varying from microscopic grains to boulders several tons in size. Boulders and footwall show slicken sides and rounding from the repeated movements. Distribution of the mineralization throughout the graphitic schist varying three to ten meters in thickness is erratic and presents a difficult sampling problem.

Sufficient exploration work and sampling have not been performed in order to arrive at a grade and tonnage.

## Physical Work

Physical work done on the Millie Mack North Group and Millie Mack South Group was for the following purposes:

- i) a) Abandoned logging road on the west side of Mineral Creek was re-graded for access purposes.
- b) Main road leading along the north side of Caribou Creek was re-graded from Mineral Creek to the Millie Mack Crown Grant, and to the Black Bear Fr. Crown Grant workings. Culverts were installed. Sections of the road and switch-back corners were widened by drilling and blasting. A Cat 966 loader was used to place road fill, and to transport and load bulk samples. Two pads on the west side of Blue Grouse Creek were made for bulk storage. Fig.
- c) Sections of new road were constructed during October, and November 1980, and also during the 1981 work program. Fig.
- d) The road around Independence Creek was renovated and some rock work was done over a distance of five kilometers. Road has a five meter width. Fig.

Note. Record rainfall in the spring and summer of 1981 gave rise to abnormal amounts of road maintenance - especially in the Blue Grouse Creek section where continued sluffing occurred.

- ii) Trenches were prepared at the following locations for the purposes of bulk sampling.
  - a) Billie P Trench (Fig. )  
Approximately 12,000 cu. meters of rock and soil were moved. Two hundred tons of bulk samples were removed.
  - b) Great Western Trench  
Approximately 3,000 cu. meters of rock and soil were moved. A 100 ton bulk sample was removed.
  - c) Millie Mack Trenches (3) (Fig. )  
#1 Trench - 22,000 cu. meters of rock and soil were moved.

Physical Work: Continued

c) Millie Mack Trenches (3) continued

- #2 Trench - 1,000 cu. meters of rock were moved. A 200 ton bulk sample was removed.
- #3 Trench - 8,000 cu. meters of rock and soil were moved.
- #1 Sample Site - 2,000 cu. meters of rock was moved, and a 100 ton bulk sample removed.

d) Black Bear Trench

4,500 cu. meters of rock and soil were moved. 115 meters of new road was constructed. A 115 ton bulk sample was removed.

During November 1980, a 38 ton sample was shipped directly to the Trail smelter. Wajo Enterprises, of Fauquier, B.C. supplied the loader and trucks.

In August, 1981 a 500 ton sample was shipped to David Minerals, Ainsworth, B.C. for processing. A 966 Cat loader and John Deere 450 track loader were used for loading. Trucks were supplied by Silverton Transport, of Silverton, B.C. to haul the sample to Ainsworth, B.C.

A 200 ton sample was placed in storage at Blue Grouse Creek.

Equipment used for road construction and maintenance, trenching, sample preparation, loading and transportation of bulk samples were as follows:

D-6 bulldozer - H. Command, of Nakusp, B.C.  
J.D. front end loader, 2 dump trucks - Wajo Enterprises, of Fauquier, B.C.  
Cat 966 loader - R. Robbins, of Burton, B.C.  
Compressor, jack hammer, and truck (4 days) - J. Iwanick, of Kaslo, B.C.  
Compressor, jack hammer (1 month's rental) - Hooper's Rental, Kelowna, B.C.  
J.D. 450 track loader, 4X4 5 yd. dump truck, 2 Kenworth dump trucks - Silverton Transport, of Silverton, B.C.

Map showing road is provided in pocket. Fig.

C O S T   S T A T E M E N T

H. C. Command, Nakusp, B.C.	Charge No. 1326	4,090.00
D-6 Cat. Rate 67.00/hr.	" 1429	9,225.00
Swamper 50.00/day	" 1452	7,853.00
	" 1516	13,518.00
	" 1576	<u>4,217.00</u>
	TOTAL	\$ 38,903.50
Wajo Enterprises, Fauquier, B.C.		
John Deere Front End Loader		
2 dump trucks	Charge No. 1562	2,280.00
R. Robbins, Burton, B.C.		
Cat 966 Loader	Charge No. 1556	3,510.00
J. Iwanik, Kaslo, B.C.		
Compressor, Jack Hammer, truck		
(4 days)	Charge No. 1569	2,114.50
Hooper's Rental, Kelowna, B.C.		708.80
Compressor, Jack Hammer (1 month's		
rental)	Charge No.	
Silverton Transport, Silverton, B.C.		
J.D. 450, Track Loader, 4 x 4 - 5 yd.		
dump truck		
2 Kenworth Dump Trucks	Charge No. 1558	15,555.00
Spir-O-Lok Industries, Genelle,		
B. C.		
6 Culverts	Charge No. 1338	792.39
Ensign Lease, Vancouver, B.C.		
Ford F150, 4 x 4 truck	Charge Nos.	
	1410,	
	1475,	
	1539,	
	1594	1,631.84

SUPERVISION:

M. Mooney, Kelowna, B. C.  
5 months @ \$2,500 - May, June, July, August, September \$ 12,500.00

Engineering:

B. Hicks	Charge No. 1275	1,500.00
W. Clarke	" 1267	80.88
M. Hertel	" 1595	2,121.90
G. Noel	" 1456	1,878.88
Bacon, Donaldson	" 1479	9,757.00

Milling Charges

David Minerals @ Kaslo, B. C. for 500 tons 22,522.46

Camp Overhead - Groceries, travel, lodgings

Charge No. 1431	605.07
1515	707.61
1602	115.16
1557	<u>654.00</u>

TOTAL \$ 117,938.99

M. G. Mooney  
M. G. MOONEY

*msm*

C E R T I F I C A T E

I, Malcolm, G. Mooney, with business and residential address at Box 2027, Station "R", Kelowna, B.C., do hereby certify that:

1. I am a graduate of the University of British Columbia (B.A. Geology, 1956).
2. I am a registered Professional Engineer of the Province of British Columbia. Reg. No. 8148
3. I have practiced my profession continuously since graduation.

December 10, 1981

Respectfully submitted,

*M. G. Mooney*

M. G. Mooney, P. Eng.

Kelowna, B.C.

*ms*



LEAD CONCENTRATE COMINCO LTD. SEPTEMBER 18, 1981  
TRAIL, B.C.  
PRELIMINARY SETTLEMENT: DAVID MINERALS- PB CN

IN ACCOUNT WITH: DAVID MINERALS LTD.  
BOX 1285  
AINSWORTH B.C. V0G 1A0

LOT NUMBER: 34 SERIAL NUMBER: 3466  
CAR NUMBERS DATE RECEIVED  
1 TRUCK 08 11 81

NET WET WEIGHT	MOISTURE	NET DRY WEIGHT	SHORT DRY TONS				
9460 LBS	21.1000 %	7464 LBS	3.7320				
ASSAYS: GOLD	SILVER	COPPER	LEAD	ZINC	SULPHUR	SILICA	
0.0950	47.7000	0.1900	4.4000	10.3000	11.7000	31.5000	
OZ/ DRY TON		%	%	%	%	% %	
ALUMINA	IRON	LIME	ANTIMONY	ARSENIC	BISMUTH	MAGNESIA	CADMIUM
9.6000	9.2000	4.4000	0.1000	1.1000	0.0100	0.0000	0.0000
%	%	%	%	%	%	%	%

METAL PRICES: SEPTEMBER 14, 1981

EXCHANGE: \$US TO \$CDN = 1.20340 STERLING TO \$US = 1.79550  
LABOUR RATE = 15.880

COMINCO CDN PRICE 50.500 \* 0.350 = 17.67500

US PRICE 42.000 \* 1.20340 \* 0.300 = 15.16284

LME PRICE 451.000 \* 1.79550 / 2204.6 \* 1.20340 \* 0.350 = 15.47071

CALCULATED LEAD PRICE = 48.30855

PB PRICE 48.30855 - 10.00 - 0.25 ( 48.30855 - 45.00 ) = 37.48141 ¢/LB

ZN PRICE 925.000 / 2204.6 \* 1.20340 - 15.00 = 35.49193 ¢/LB

AG PRICE 11.14000 \* .970 \* 1.20340 - 0.00000 = 13.00370 \$/OZ

AU PRICE 451.25000 \* 1.20340 \* 0.98 - 0.000 = 532.17356 \$/OZ

PAYMENTS PER TON

	CONTENT	DEDUCTIONS	PAID FOR		
PB	88.00 LBS	20.00 LBS	68.00 LBS	=\$	25.49 LEAD
ZN	206.00 LBS	82.40 LBS	123.60 LBS	=\$	43.87 ZINC
AG	47.7000 OZ	3.3743 OZ	44.3257 OZ	=\$	576.40 SILVER
AU	0.0950 OZ	0.0300 OZ	0.0650 OZ	=\$	34.59 GOLD
			TOTAL PAYMENT	=\$	680.35

DEDUCTIONS

BASIC TREATMENT CHARGE	=\$	-160.77
ARSENIC + ANTIMONY	=\$	-1.22
ALUMINA	=\$	-8.19
LABOUR: LABOUR RATE = 15.880	=\$	-1.68
TRUCKING CHARGE	=\$	-6.00
MOISTURE	=\$	-11.90
CREDITS:		

SIO2	=\$	267.91
NET DEDUCTIONS	=\$	78.15
VALUE/S.D.T. -- F.O.B. TADANAC	=\$	758.50
VALUE/S.D.T. * 3.7320 S.D.T.	=\$	2830.72
ADVANCE PAYMENT	=\$	2120.00





SEMPER LOT #5  
Black Bear

LEAD CONCENTRATE COMINCO LTD. SEPTEMBER 18, 1981  
TRAIL, B.C.  
PRELIMINARY SETTLEMENT: DAVID MINERALS- PB CN

IN ACCOUNT WITH: DAVID MINERALS LTD.  
BOX 1285  
AINSWORTH B.C. V0G 1A0

LOT NUMBER: 35 SERIAL NUMBER: 3467

CAR NUMBERS DATE RECEIVED  
1 TRUCK 08 12 81

NET WET WEIGHT	MOISTURE	NET DRY WEIGHT	SHORT DRY TONS				
10460 LBS	21.9000 %	8169 LBS	4.0845				
ASSAYS: GOLD	SILVER	COPPER	LEAD	ZINC	SULPHUR	SILICA	
0.1950	38.7000	0.1700	3.3000	7.2000	11.3000	34.0000	
OZ/ DRY TON		%	%	%	%	%	
ALUMINA	IRON	LIME	ANTIMONY	ARSENIC	BISMUTH	MAGNESIA	CADMIUM
9.6000	11.3000	3.3000	0.0400	3.3000	0.0100	0.0000	0.0000
%	%	%	%	%	%	%	%

METAL PRICES: SEPTEMBER 14, 1981

EXCHANGE: \$US TO \$CDN = 1.20340 STERLING TO \$US = 1.79550

LABOUR RATE = 15.880

COMINCO CDN PRICE 50.500 \* 0.350 = 17.67500

US PRICE 42.000 \* 1.20340 \* 0.300 = 15.16284

LME PRICE 451.000 \* 1.79550 / 2204.6 \* 1.20340 \* 0.350 = 15.47071

CALCULATED LEAD PRICE = 48.30855

PB PRICE 48.30855 - 10.00 - 0.25 ( 48.30855 - 45.00 ) = 37.48141 €/LB

ZN PRICE 925.000 / 2204.6 \* 1.20340 - 15.00 = 35.49193 €/LB

AG PRICE 11.14000 \* .970 \* 1.20340 - 0.00000 = 13.00370 \$/OZ

AU PRICE 451.25000 \* 1.20340 \* 0.98 - 0.000 = 532.17356 \$/OZ

PAYMENTS PER TON

CONTENT	DEDUCTIONS	PAID FOR		
PB 66.00 LBS	20.00 LBS	46.00 LBS	=\$	17.24 LEAD
ZN 144.00 LBS	65.43 LBS	78.57 LBS	=\$	27.89 ZINC
AG 38.7000 OZ	2.7406 OZ	35.9594 OZ	=\$	467.60 SILVER
AU 0.1950 OZ	0.0300 OZ	0.1650 OZ	=\$	87.81 GOLD
		TOTAL PAYMENT	=\$	600.54

DEDUCTIONS

BASIC TREATMENT CHARGE = \$ -146.90

ARSENIC + ANTIMONY = \$ -4.97

ALUMINA = \$ -8.19

LABOUR: LABOUR RATE = 15.880 = \$ -1.68

TRUCKING CHARGE = \$ -6.00

MOISTURE = \$ -12.70

CREDITS:

SI02 = \$ 312.12

NET DEDUCTIONS = \$ 131.68

VALUE/S.D.T. -- F.O.B. TADANAC = \$ 732.22

VALUE/S.D.T. \* 4.0845 S.D.T. = \$ 2990.75

ADVANCE PAYMENT = \$ 2240.00

RECEIVED SEP 24 1981



LEAD CONCENTRATE COMINCO LTD. SEPTEMBER 18, 1981  
 TRAIL, B.C.  
 PRELIMINARY SETTLEMENT: DAVID MINERALS- PB CN

IN ACCOUNT WITH: DAVID MINERALS LTD.  
 BOX 1285  
 AINSWORTH B.C. VOG 1A0

LOT NUMBER: 36 SERIAL NUMBER: 3468  
 CAR NUMBERS DATE RECEIVED  
 1 TRUCK 08 13 81

NET WET WEIGHT	MOISTURE	NET DRY WEIGHT	SHORT DRY TONS				
5780 LBS	21.3000 %	4549 LBS	2.2745				
ASSAYS: GOLD	SILVER	COPPER	LEAD	ZINC	SULPHUR	SILICA	
0.2180	18.6500	0.2100	2.4000	4.5000	14.6000	32.4000	
OZ/ DRY TON		%	%	%	%	% %	
ALUMINA	IRON	LIME	ANTIMONY	ARSENIC	BISMUTH	MAGNESIA	CADMIUM
9.1000	15.8000	1.1000	0.0100	5.1000	0.0150	0.0000	0.0000
%	%	%	%	%	%	%	%

METAL PRICES: SEPTEMBER 14, 1981  
 EXCHANGE: \$US TO \$CDN = 1.20340 STERLING TO \$US = 1.79550  
 LABOUR RATE = 15.880  
 COMINCO CDN PRICE 50.500 \* 0.350 = 17.67500  
 US PRICE 42.000 \* 1.20340 \* 0.300 = 15.16284  
 LME PRICE 451.000 \* 1.79550 / 2204.6 \* 1.20340 \* 0.350 = 15.47071  
 CALCULATED LEAD PRICE = 48.30855  
 PB PRICE 48.30855 - 10.00 - 0.25 ( 48.30855 - 45.00 ) = 37.48141 \$/LB  
 AG PRICE 11.14000 \* .970 \* 1.20340 - 0.00000 = 13.00370 \$/OZ  
 AU PRICE 451.25000 \* 1.20340 \* 0.98 - 0.000 = 532.17356 \$/OZ

PAYMENTS PER TON	CONTENT	DEDUCTIONS	PAID FOR	
PB	48.00 LBS	20.00 LBS	28.00 LBS	=\$ 10.49 LEAD
AG	18.6500 OZ	1.3446 OZ	17.3054 OZ	=\$ 225.03 SILVER
AU	0.2180 OZ	0.0300 OZ	0.1880 OZ	=\$ 100.05 GOLD
			TOTAL PAYMENT	=\$ 335.57

DEDUCTIONS

BASIC TREATMENT CHARGE	=\$ -263.79
ARSENIC + ANTIMONY	=\$ -8.07
ALUMINA	=\$ -7.74
LABOUR: LABOUR RATE = 15.880	=\$ -1.68
TRUCKING CHARGE	=\$ -6.00
MOISTURE	=\$ -12.10
CREDITS:	
SIO2	=\$ 283.44
NET DEDUCTIONS	=\$ -15.94
VALUE/S.D.T. -- F.O.B. TADANAC	=\$ 319.63
VALUE/S.D.T. * 2.2745 S.D.T.	=\$ 727.00
ADVANCE PAYMENT	=\$ 550.00

RECEIVED SEP 24 1981



LEAD CONCENTRATE COMINCO LTD. SEPTEMBER 18, 1981  
 TRAIL, B.C.  
 PRELIMINARY SETTLEMENT: DAVID MINERALS- PB CN

IN ACCOUNT WITH: DAVID MINERALS LTD.  
 BOX 1285  
 AINSWORTH B.C. V0G 1A0

LOT NUMBER: 37 SERIAL NUMBER: 3471  
 CAR NUMBERS DATE RECEIVED  
 1 TRUCK 08 14 81

NET WET WEIGHT	MOISTURE	NET DRY WEIGHT	SHORT DRY TONS				
4980 LBS	21.7000 %	3899 LBS	1.9495				
ASSAYS: GOLD	SILVER	COPPER	LEAD	ZINC	SULPHUR	SILICA	
0.2030	18.5500	0.1800	2.5000	4.5000	13.5000	36.5000	
	OZ/ DRY TON	%	%	%	%	%	
ALUMINA	IRON	LIME	ANTIMONY	ARSENIC	BISMUTH	MAGNESIA	CADMIUM
8.8000	14.5000	1.0000	0.0100	4.7000	0.0150	0.0000	0.0000
%	%	%	%	%	%	%	%

METAL PRICES: SEPTEMBER 14, 1981  
 EXCHANGE: \$US TO \$CDN = 1.20340 STERLING TO \$US = 1.79550  
 LABOUR RATE = 15.880  
 COMINCO CDN PRICE 50.500 \* 0.350 = 17.67500  
 US PRICE 42.000 \* 1.20340 \* 0.300 = 15.16284  
 LME PRICE 451.000 \* 1.79550 / 2204.6 \* 1.20340 \* 0.350 = 15.47071  
 CALCULATED LEAD PRICE = 48.30855  
 PB PRICE 48.30855 - 10.00 - 0.25 ( 48.30855 - 45.00 ) = 37.48141 ¢/LB  
 AG PRICE 11.14000 \* .970 \* 1.20340 - 0.00000 = 13.00370 \$/OZ  
 AU PRICE 451.25000 \* 1.20340 \* 0.98 - 0.000 = 532.17356 \$/OZ

PAYMENTS PER TON	CONTENT	DEDUCTIONS	PAID FOR		
PB	50.00 LBS	20.00 LBS	30.00 LBS	=\$	11.24 LEAD
AG	18.5500 OZ	1.3320 OZ	17.2180 OZ	=\$	223.90 SILVER
AU	0.2030 OZ	0.0300 OZ	0.1730 OZ	=\$	92.07 GOLD
			TOTAL PAYMENT	=\$	327.21

DEDUCTIONS

BASIC TREATMENT CHARGE	=\$	-307.77
ARSENIC + ANTIMONY	=\$	-7.37
ALUMINA	=\$	-7.47
LABOUR: LABOUR RATE = 15.880	=\$	-1.68
TRUCKING CHARGE	=\$	-6.00
MOISTURE	=\$	-12.50
CREDITS:		
SIO2	=\$	359.71
NET DEDUCTIONS	=\$	16.92
VALUE/S.D.T. -- F.O.B. TADANAC	=\$	344.13
VALUE/S.D.T. * 1.9495 S.D.T.	=\$	670.88
ADVANCE PAYMENT	=\$	500.00

RECEIVED SEP 24 1981



LEAD CONCENTRATE COMINCO LTD. SEPTEMBER 22, 1981  
 TRAIL, B.C.  
 PRELIMINARY SETTLEMENT: DAVID MINERALS-PB CN

IN ACCOUNT WITH: DAVID MINERALS LTD.  
 BOX 1285  
 AINSWORTH B.C. V0G 1A0

LOT NUMBER: 38 SERIAL NUMBER: 3477  
 CAR NUMBERS DATE RECEIVED  
 1 TRUCK 08 18 81

NET WET WEIGHT		MOISTURE	NET DRY WEIGHT			SHORT DRY TONS	
7580 LBS		17.6000 %	6246 LBS			3.1230	
ASSAYS:	GOLD	SILVER	COPPER	LEAD	ZINC	SULPHUR	SILICA
	0.3740	22.4000	0.1600	2.5000	3.0000	22.5000	27.5000
	OZ/ DRY TON	%	%	%	%	%	%
ALUMINA	IRON	LIME	ANTIMONY	ARSENIC	BISMUTH	MAGNESIA	CADMIUM
7.2000	21.4000	1.2000	0.0100	3.9000	0.0100	0.0000	0.0000
%	%	%	%	%	%	%	%

METAL PRICES: SEPTEMBER 18, 1981

EXCHANGE: \$US TO \$CDN = 1.19980 STERLING TO \$US = 1.77900

LABOUR RATE = 15.880

COMINCO CDN PRICE 50.500 \* 0.350 = 17.67500

US PRICE 42.000 \* 1.19980 \* 0.300 = 15.11748

LME PRICE 451.000 \* 1.77900 / 2204.6 \* 1.19980 \* 0.350 = 15.28268

CALCULATED LEAD PRICE = 48.07516

PB PRICE 48.07516 - 10.00 - 0.25 ( 48.07516 - 45.00 )

= 37.30637 ¢/LB

AG PRICE 10.65000 \* .970 \* 1.19980 - 0.00000

= 12.39453 \$/OZ

AU PRICE 463.50000 \* 1.19980 \* 0.98 - 0.000

= 544.98515 \$/OZ

PAYMENTS PER TON

CONTENT	DEDUCTIONS	PAID FOR	
PB 50.00 LBS	20.00 LBS	30.00 LBS	=\$ 11.19 LEAD
AG 22.4000 OZ	1.5978 OZ	20.8022 OZ	=\$ 257.83 SILVER
AU 0.3740 OZ	0.0300 OZ	0.3440 OZ	=\$ 187.47 GOLD
		TOTAL PAYMENT	=\$ 456.49

DEDUCTIONS

BASIC TREATMENT CHARGE = \$ -192.12

ARSENIC + ANTIMONY = \$ -5.97

ALUMINA = \$ -6.03

LABOUR: LABOUR RATE = 15.880 = \$ -1.68

TRUCKING CHARGE = \$ -6.00

MOISTURE = \$ -8.40

CREDITS:

SiO2 = \$ 204.19

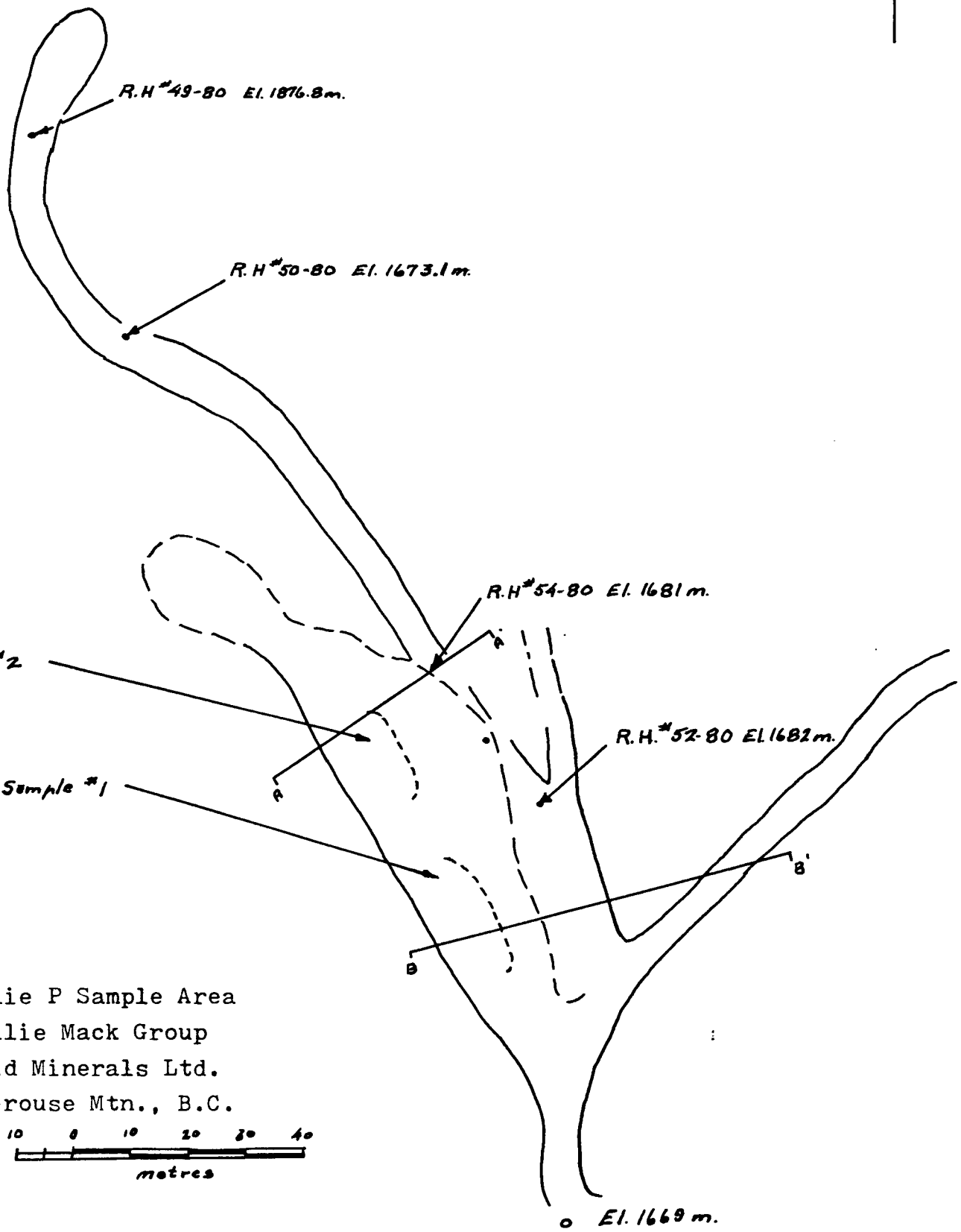
NET DEDUCTIONS = \$ -16.01

VALUE/S.D.T. -- F.O.B. TADANAC = \$ 440.48

VALUE/S.D.T. \* 3.1230 S.D.T. = \$ 1375.62

ADVANCE PAYMENT = \$ 1030.00

RECEIVED SEP 24 1981



R.H.#49-80 El. 1876.8m.

R.H.#50-80 El. 1673.1m.

R.H.#54-80 El. 1681m.


R.H.#52-80 El. 1682m.

Sample #2

Sample #1

o El. 1669 m.

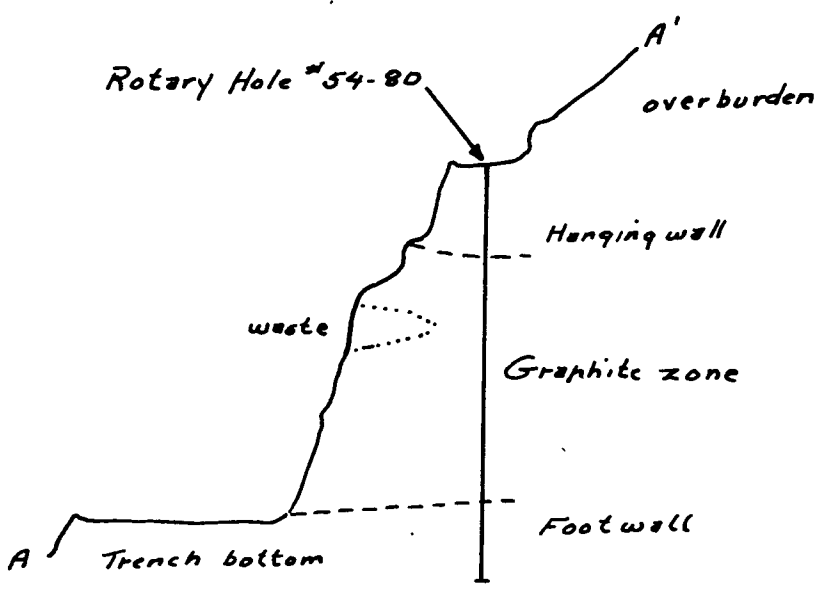
Billie P Sample Area  
Millie Mack Group  
David Minerals Ltd.  
Blue Grouse Mtn., B.C.

Scale:  metres

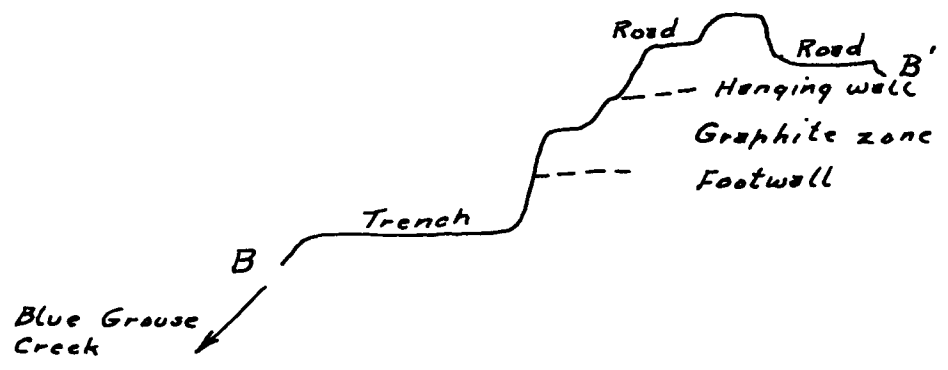
82/K4



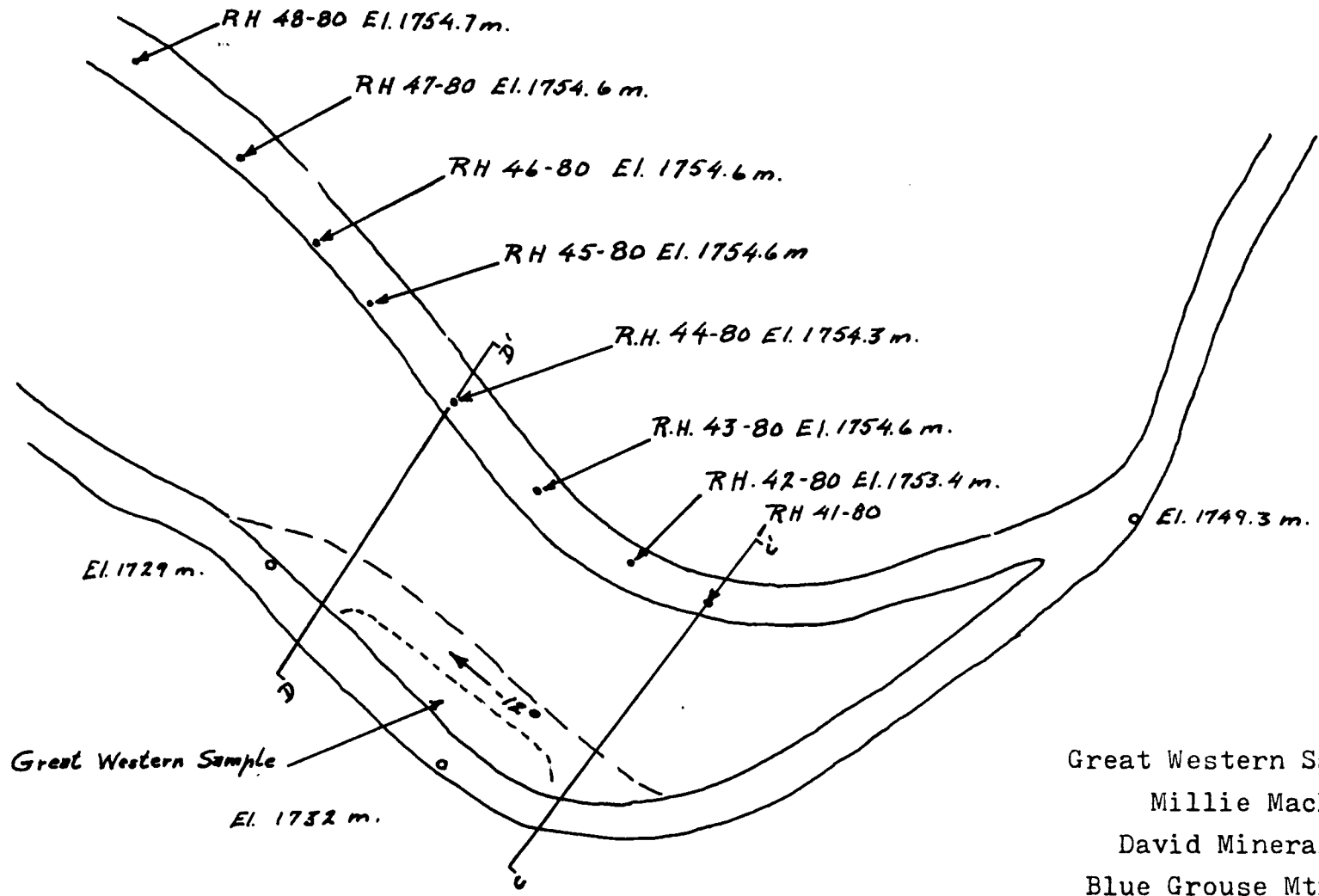
Section A-A'



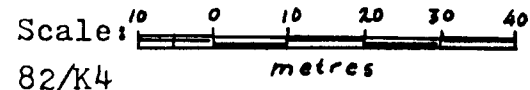
Section B-B'



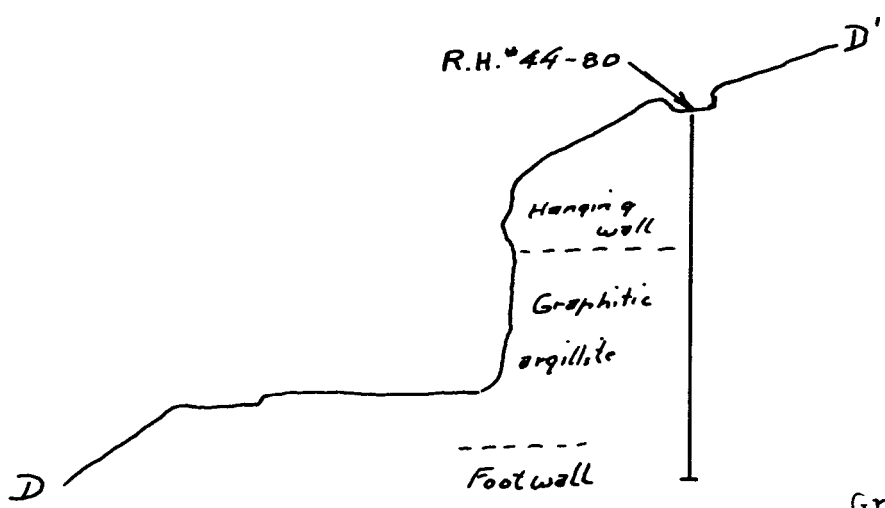
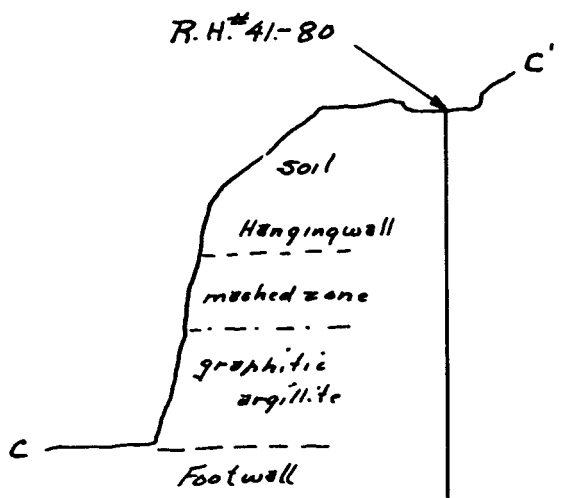
Billie P Trench  
Sections A-A', B-B'  
Millie Mack Property, Burton, B.C.  
Scale 1:500  
Dec. '81 M.G. Mooney



Great Western Sample Area  
Millie Mack Group  
David Minerals Ltd.  
Blue Grouse Mtn., B.C.



82/K4



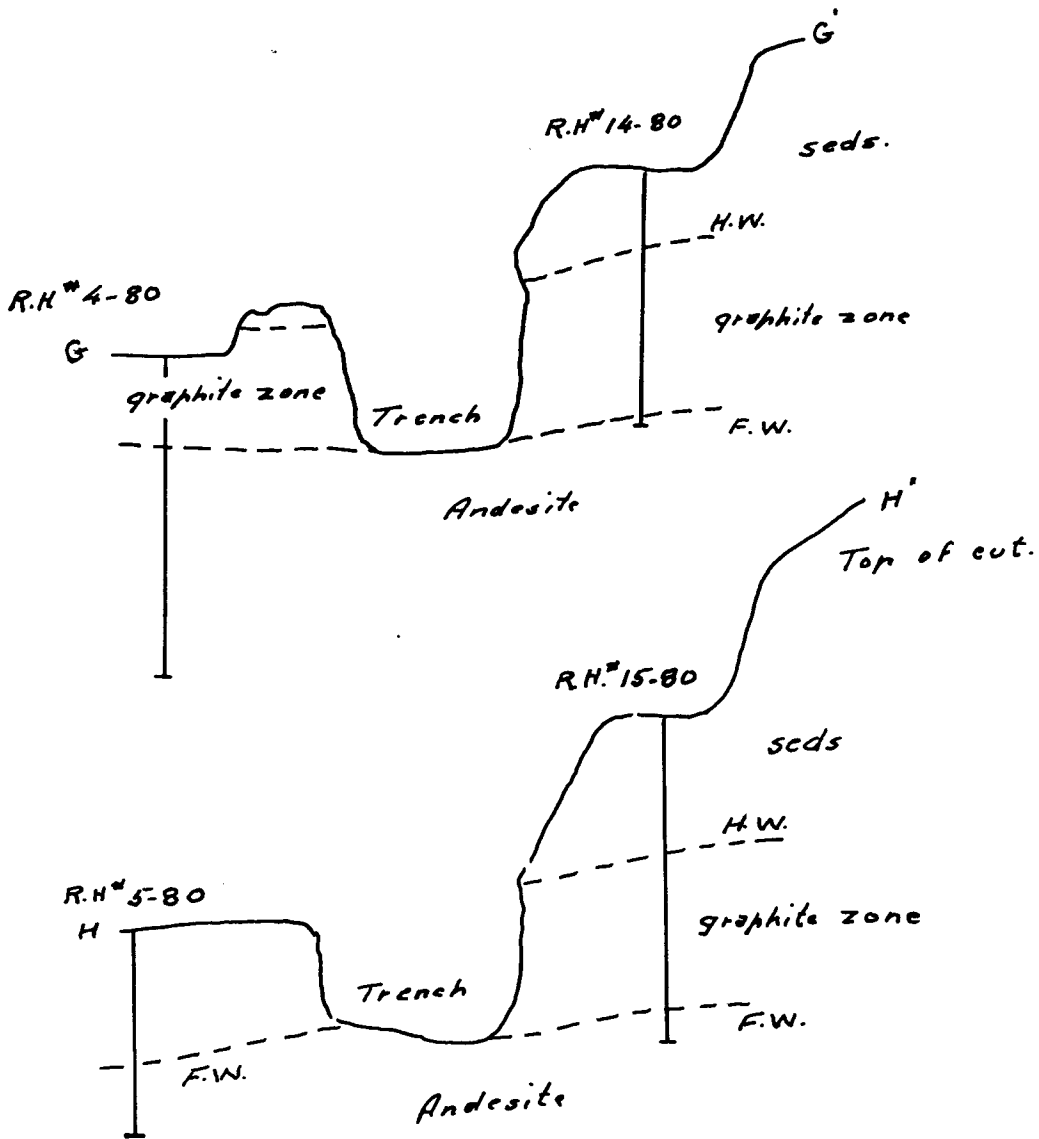
Great Western Trench  
Sections C-C', D-D'  
Millie Mack Group, Burton, B.C.

Scale: 1:500

Dec.'81

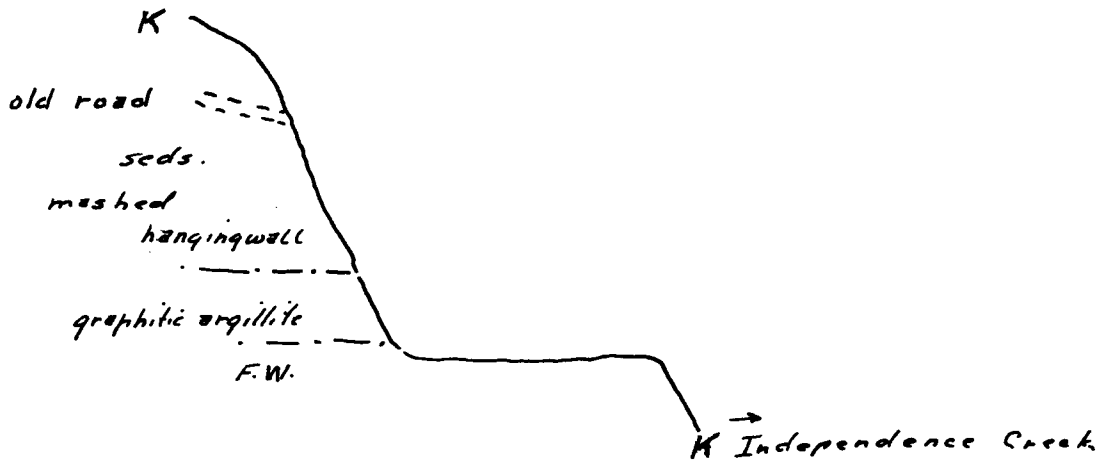
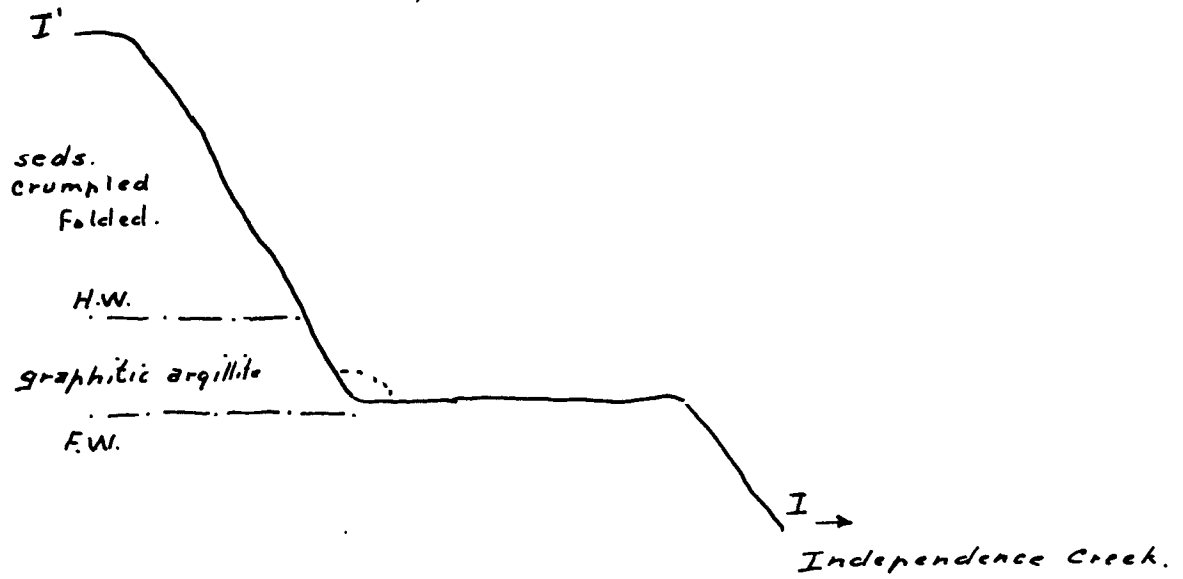
M.G. Mooney





Qtz, PbS, Zns, pyrite in silicified Footwall.

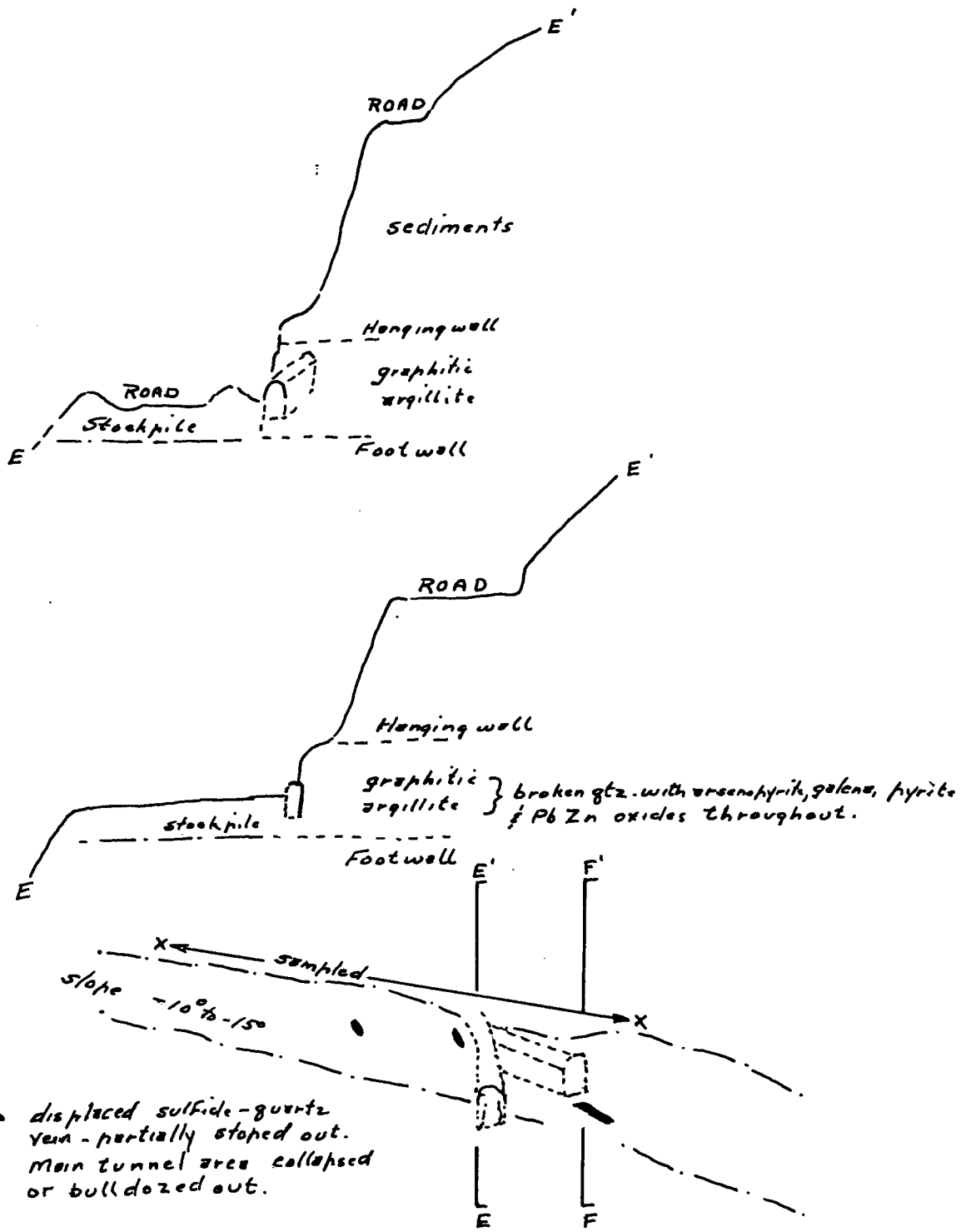
David Minerals Ltd.  
 Millie Mack Property  
 Sections: RH #4-80,  
 RH #14-80, RH #5-80,  
 RH #15-80.  
 Scale: 1:500  
 Dec. 1981  
 M. G. Mooney, P. Eng.



Sections through  
No. 2 Cut

David Minerals Ltd.  
Millie Mack Property  
Blue Grouse Mtn. N.T.S. 82K/4  
Dec. 1981  
M. G. Mooney, P. Eng.

Not to scale



Black Bear Sample Area  
 Millie Mack Group  
 David Minerals Ltd.  
 Blue Grouse Mtn.  
 Scale: 1:500  
 Dec. 81  
 M.G. Mooney, P. Eng.



**Province of British Columbia**  
 Ministry of Energy, Mines and Petroleum Resources  
 MINERAL RESOURCES BRANCH-TITLES DIVISION

**MINERAL ACT**

FORM 1

# NOTICE TO GROUP

Mining Division SLOCAN Location 20 km ENE of Burton, B.C.

Name of group MILLIE MACK NORTH Map No. 82K/4 E & W

We, the undersigned owners\* of the following adjoining claims, desire to group them according to the provisions of the *Mineral Act*:-

NAME OF CLAIM	No. of Units	Record No. or Lot No.	Month of Record	SIGNATURE OF OWNER*	Free Miner Certificate No.
RUBY	18	2364	1	Semper Resources Inc. <i>P. W. Richardson</i>	208115
HEIDI 1	20	2324	11	Wayne D. Smith <i>P. W. Richardson</i>	208893 agent 193463
HEIDI 2	20	2325	11	Wayne D. Smith <i>P. W. Richardson</i>	208893 agent 193463
S. G. C.	15	1187	5	Stanley G. Craik R. Raul Beckmann <i>[Signature]</i>	(deceased) Solicitor to estate
(Crown Grants)		Lot No.			
TRIUMPH		4194	-		
IMPREGNABLE		4195	-		
MILLIE MACK		1831	-		

\* May be signed by agent on behalf of owner.



Province of British Columbia  
 Ministry of Energy, Mines and Petroleum Resources  
 MINERAL RESOURCES BRANCH—TITLES DIVISION

MINERAL ACT

FORM 1

# NOTICE TO GROUP

Mining Division SLOCAN Location 20 km ENE of Burton, B.C.

Name of group MILLIE MACK SOUTH Map No. 82 K/4 E & W

We, the undersigned owners\* of the following adjoining claims, desire to group them according to the provisions of the *Mineral Act*:-

NAME OF CLAIM	No. of Units	Record No. or Lot No.	Month of Record	SIGNATURE OF OWNER*	Free Miner Certificate No.
JADE	16	Record No. 2363	1	Semper Resources Inc. <i>D. W. Richardson</i>	208115 208893 agent
JUANITA FRACTION	1	2192	9	Semper Resources Inc. <i>D. W. Richardson</i>	208115 208893 agent
HEIDI 3	20	2326	11	Wayne D. Smith <i>D. W. Richardson</i>	193463 208893 agent
HEIDI 4	10	2327	11	Wayne D. Smith <i>D. W. Richardson</i>	193463 208893 agent
W D S	20	1186	5	Stanley G. Craik R. Paul Beckmann <i>D. W. Richardson</i>	(deceased) Solicitor to Estate
(Crown Grants)		Lot No.			
RAINBOW QUARTZ		4193	-		
GOLD RING		1828	-		
WOLF		1830	-		
HEP FRACTION		14849	-		
BLACK BEAR FRACTION		14850	-		
GREAT WESTERN		2200	-		

\* May be signed by agent on behalf of owner.

## APPENDIX

### REFERENCES

1. Dawson, K. M. (1968) Mineralogical Study of Ore from Millie Mack Prospect.
2. E. L. C. Geophysics Ltd. Report EM-M-71-124, 1971, 72-211 Geophysics, Geochemistry Millie Mack, Black Bear claims RMW and RSM claim groups.
3. Forman, H. D. (28 Sept. 1967) Report on the Millie Mack claim Group for Richwood Silver Mines Ltd. (N.P.L.)
4. Forman, H. D. (15 Jan. 1969) Evaluation of the 1968 Season's Exploration Work at the Millie Mack Claim Group, Burton, B.C.
5. Forster, H. E. (18 April, 1937; 1938) Reports on Mille Mack Group.
6. Fowler, S. S. (11-15 Oct. 1911) Report of an examination of Millie Mack Mine, Burton, B. C. for the owner.
7. Furneaux, B. T. (12 Dec. 1966) Report on Millie Mack Claims for Rayrich Mine Services Ltd.
8. Hyndman, D. W. (1961, 1962) Geological Survey of Canada Map 1234A, Geology, Nakusp, Kootenay District, B. C.
9. Mackenzie, Angus G., Mining Consultants Ltd. (July 1969) Detailed Geologic Study of the Structure & Genetics, Richwood Silver Mines Ltd. (N.P.L.) Grouse Mountain Property.
10. Mitchell, J. A. (10 Nov. 1966) Preliminary Report of the Millie Mack Group of Claims, Slocan Mining District, B. C. for Coin Exploration Ltd., Osoyoos, B. C.
11. Mitchel, J. A. (Dec. 1968) Report on Millie Mack Option, Richwood Silver Mines Ltd. (N.P.L.)
12. Read, P. B. (1967) Geology Survey of Canada, Open File 432, Map. Geology Lardeau West-Half.
13. Scott, Walter (22 Sept. 1966) Mining Recorder. Summary of Minister of Mines Reports 31 Dec. 1904 to March 1966 including 1923 Report of A. G. Langley.
14. Wilmont, A. D. (Oct. 1978) Sample Report on the Millie Mack Property.
15. Santos, P. J. (June, 1980) Report on the Property Investigation of the Millie Mack Property. Slocan M.D., B.C. Cominco Engineering Report. Report No.: CCO.000.R.)29

**BRITISH COLUMBIA MINING RECEIPT**

Mining Division..... *Aldon*

Issued at..... *Vancouver* No 172066E

Date *Nov 19* 19 *87*

RECEIVED from..... *David Minerals, Ltd.*

the sum of *twenty six hundred & fifty - <sup>xx</sup>* Dollars,

in payment of *Recording Article & Group*  
*plus work \$52,900<sup>00</sup> to apply*

*3 up to SGC, RUBY*  
*5 up to HEIDI 1, 2.*

*\$2650<sup>00</sup>*

Signature..... *G. Phillips*

**SUB-RECORDER**

Office.....

2645-  
2650-  
Cm



Province of British Columbia  
Ministry of Energy, Mines and Petroleum Resources  
MINERAL RESOURCES BRANCH-TITLES DIVISION

Semper Resources Inc.  
1020 - 475 Howe St. Van., B.C.  
F M C No. 208115

Wayne D. Smith  
1123 Mountain Ave. Kelowna  
F M C No. 193463

Stanley G. Craik (deceased)  
C/O R. Paul Beckmann, Solicitor  
999 W. Hastings, Van., B.C.

MINERAL ACT

STATEMENT OF EXPLORATION AND DEVELOPMENT

I, PAUL W. RICHARDSON Agent for  
(Name) (Name)  
1016 - 475 Howe Street  
(Address) (Address)  
Vancouver, B.C. V6C 2B3  
Valid subsisting F.M.C. No. 208893 Valid subsisting F.M.C. No.

STATE THAT

1. I have done, or caused to be done, work on the MILLIE MACK NORTH GROUP (RUBY, HEIDI 1, HEIDI 2, SGC, TRIUMPH CROWN GRANT, IMPREGNABLE CROWN GRANT, MILLIE MACK CROWN GRANT) (Claim(s))  
Record No.(s) 2364(1) 2324(11) 2325(11) 1187(5)  
Situate at Blue Grouse Mountain in the Slocan Mining Division,  
to the value of at least \$62,763 dollars. Work was done from the 12th day  
of November 19 80, to the 30th day of September 19 81

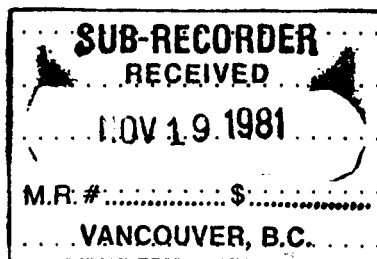
2. The following work was done in the 12 months in which such work is required to be done:

(COMPLETE APPROPRIATE SECTION(S) A, B, C, D, FOLLOWING)

A. PHYSICAL (Trenches, open cuts, adits, pits, shafts, reclamation, and construction of roads and trails)

(Give details as required by section 13 of regulations.)

	COST
Road construction and maintenance	\$ 19,377
Transportation - Trucking about 500 tons of samples to Plant	18,220
Wages	2,250
<b>TOTAL PHYSICAL</b>	<b>\$39,847</b>



I wish to apply \$ 39,847 of physical work to the claims listed below. Note: see over for additional credit.

(State number of years to be applied to each claim, its month of record, and identify each claim by name and record no.)

3 years - 05 - SGC Record No. 1187 7500  
3 years - 01 - RUBY Record No. 2364 5400  
5 years - 11 - HEIDI 1 Record No. 2324 20,000  
5 years - 11 - HEIDI 2 Record No. 2325 20,000

B. PROSPECTING (Details in report submitted as per section 9 of regulations.)  
(The itemized cost statement must be part of the report.)

COST

I wish to apply \$ of this prospecting work to the claims listed below.

(State number of years to be applied to each claim, its month of record, and identify each claim by name and record no.)



**C. DRILLING**

(Details in report submitted as per section 8 of regulations.)  
(The itemized cost statement must be part of the report.)

COST

**D. GEOLOGICAL, GEOPHYSICAL, GEOCHEMICAL**

(Details in report submitted as per section 5, 6, or 7 of regulations.)  
(The itemized cost statement must be part of the report.)  
(State type of work in space below.)

Assaying	\$ 6,528
Soil Sampling	8,128
Metallurgical Testing	4,390
Milling	495
Wages	3,375

TOTAL OF C AND D ..... \$22,916

Who was the operator (provided the financing)?

Name ..... SEMPER RESOURCES INC. (now DAVID MINERALS LTD.)  
Address ..... 1016 - 475 Howe Street  
..... Vancouver, B.C. V6C 2B3

**Portable Assessment Credits (PAC) Withdrawal Request**

AMOUNT

Amount to be withdrawn from owner(s) account(s):

Name of Owner

(May be no more than 30 per cent of value of the approved work submitted as assessment work in C and (or) D.)

1. ....
2. ....
3. ....
4. ....

TOTAL WITHDRAWAL

TOTAL OF C AND (OR) D PLUS PAC WITHDRAWAL

I wish to apply \$ 13,053 ..... of this work to the claims listed below.

(State number of years to be applied to each claim, its month of record, and identify each claim by name and record no.)

See previous page.

Value of work to be credited to portable assessment credit (PAC) account(s).

(May only be credited from the approved value of C and (or) D not applied to claims.)

Name

AMOUNT

In owner(s) name.

1. ....
2. ....
3. ....

In operator(s) name (party providing the financing).

1. DAVID MINERALS LTD.
2. ....
3. ....

\$ 9,863

(Signature of Applicant)

**BRITISH COLUMBIA MINING RECEIPT**

Mining Division Alcan

Issued at Vancouver

No 172065 E

Date Nov 19 1981

RECEIVED from David Minerals Ltd.

the sum of Twenty-three hundred & five - ~~xx~~ Dollars,

in payment of retention notice to Group

plus work \$146,000<sup>00</sup> to apply

3 yrs work to JADE, WDS,

5 yrs work to HEIDI 3, 4

6 yrs work to JUANITA FR.

Signature G. Cheukin

\$ 2305<sup>00</sup>

Office **SUB-RECORDER**

2300.00  
 55.00  
 03.00  
 ← Group



Province of British Columbia  
 Ministry of Energy, Mines and Petroleum Resources  
 MINERAL RESOURCES BRANCH-TITLES DIVISION

Semper Resources Inc.  
 1020 - 475 Howe St. Van., B  
 F M C No. 208115

Wayne D. Smith  
 1123 Mountain Ave. Kelowna  
 F M C No. 193463

Stanley G. Craik (deceased)  
 C/O R. Paul Beckmann, Solicitor  
 999 W. Hastings, Van., BC

MINERAL ACT

STATEMENT OF EXPLORATION AND DEVELOPMENT

I, PAUL W. RICHARDSON Agent for  
 (Name) (Name)  
1016 - 475 Howe Street  
 (Address) (Address)  
Vancouver, B.C. V6C 2B3  
 Valid subsisting F.M.C. No. 208893

STATE THAT

1. I have done, or caused to be done, work on the MILLIE MACK SOUTH GROUP (WDS, Juanita Fraction, HEIDI 3, HEIDI 4, JADE, RAINBOW QUARTZ C.G., GOLD RING C.G., WOLF C.G., HEP FRACTION C.G., BLACK BEAR FRACTION C.G., GREAT WESTERN C.G.) Claims)  
 Record No.(s) 1186(5), 2192(9), 2326(11), 2327(11), 2363(1)  
 Situate at Blue Grouse Mountain in the Slocan Mining Division  
 to the value of at least \$76,713 dollars. Work was done from the 12th day  
 of November 19 80, to the 30th day of September 19 81

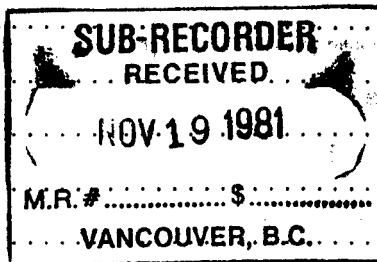
2. The following work was done in the 12 months in which such work is required to be done:

(COMPLETE APPROPRIATE SECTION(S) A, B, C, D, FOLLOWING)

A. PHYSICAL (Trenches, open cuts, adits, pits, shafts, reclamation, and construction of roads and trails)

(Give details as required by section 13 of regulations.)

	COST
Road construction and maintenance	23,683
Transportation - Trucking about 500 tons of samples to Plant	22,269
Wages	2,750
<b>TOTAL PHYSICAL</b>	<b>\$48,702</b>



I wish to apply \$ 46,000 of physical work to the claims listed below. Note: see over for additional credit.  
 (State number of years to be applied to each claim, its month of record, and identify each claim by name and record no.)

3 years - 01 - JADE Record No. 2363  
3 years - 05 - WDS Record No. 1186  
5 years - 11 - HEIDI 3 Record No. 2326  
5 years - 11 - HEIDI 4 Record No. 2327  
6 years - 09 - Juanita Fraction Record No. 2192

B. PROSPECTING (Details in report submitted as per section 9 of regulations.)  
 (The itemized cost statement must be part of the report.)

COST

I wish to apply \$ \_\_\_\_\_ of this prospecting work to the claims listed below.  
 (State number of years to be applied to each claim, its month of record, and identify each claim by name and record no.)

**C. DRILLING**

(Details in report submitted as per section 8 of regulations.)  
 (The itemized cost statement must be part of the report.)

**COST**

**D. GEOLOGICAL, GEOPHYSICAL, GEOCHEMICAL**

(Details in report submitted as per section 5, 6, or 7 of regulations.)  
 (The itemized cost statement must be part of the report.)  
 (State type of work in space below.)

Assaying .....	\$ 7,980
Soil Sampling .....	9,935
Metallurgical Testing .....	5,367
Milling .....	604
Wages .....	4,125
<b>TOTAL OF C AND D</b>	<b>\$28,011</b>

Who was the operator (provided the financing)?

Name **SEMPER RESOURCES INC. (now DAVID MINERALS LTD.)**  
 Address **1016 - 475 Howe Street**  
**Vancouver, B.C. V6C 2B3**

**Portable Assessment Credits (PAC) Withdrawal Request**

Amount to be withdrawn from owner(s) account(s):

Name of Owner		AMOUNT
(May be no more than 30 per cent of value of the approved work submitted as assessment work in C and (or) D.)	1. ....	.....
	2. ....	.....
	3. ....	.....
	4. ....	.....
<b>TOTAL WITHDRAWAL</b>		.....
<b>TOTAL OF C AND (OR) D PLUS PAC WITHDRAWAL</b>		.....

I wish to apply \$ ..... of this work to the claims listed below.

(State number of years to be applied to each claim, its month of record, and identify each claim by name and record no.)

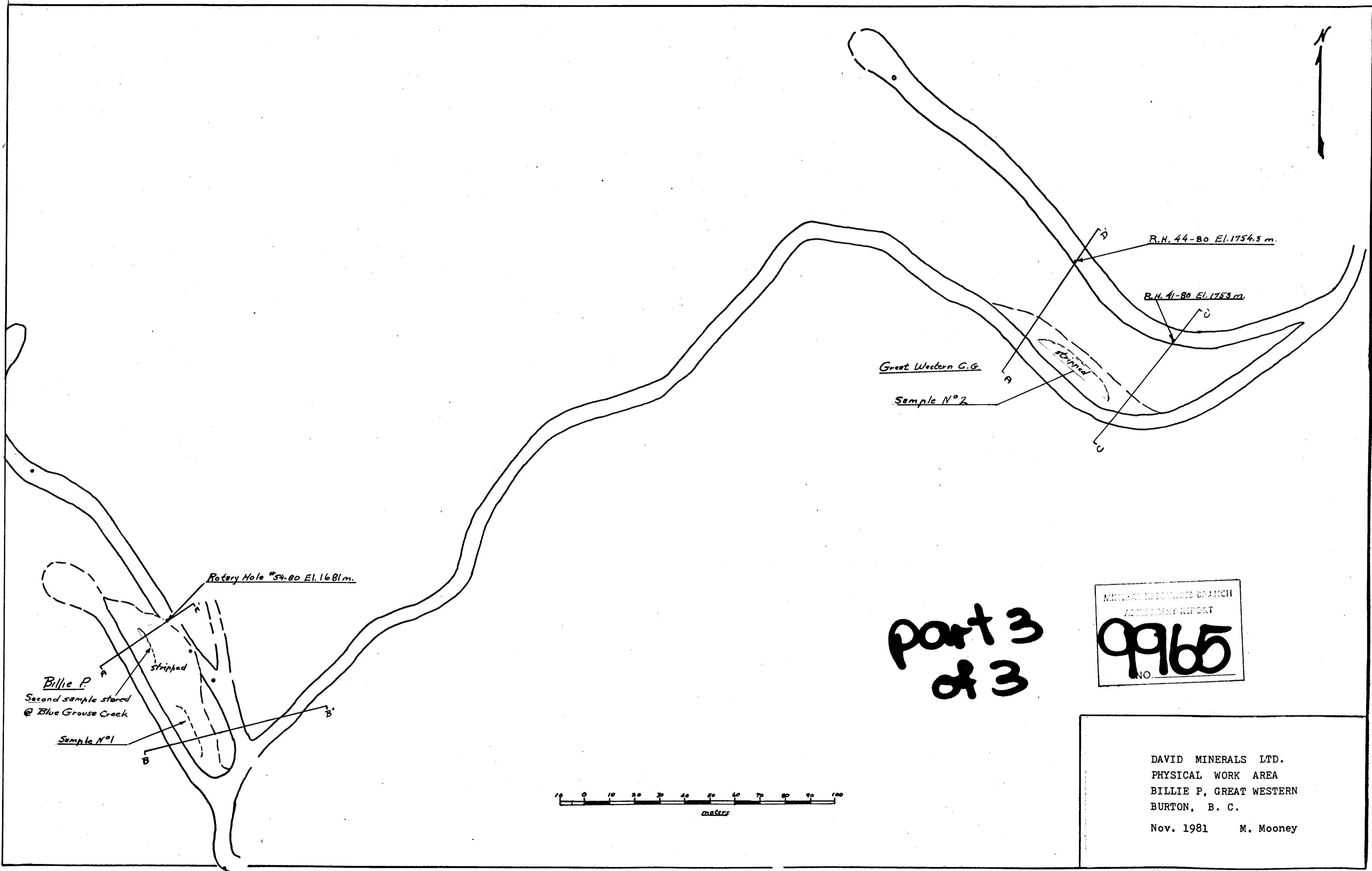
.....  
 .....  
 .....  
 .....  
 .....

**Value of work to be credited to portable assessment credit (PAC) account(s).**

(May only be credited from the approved value of C and (or) D not applied to claims.)

Name	AMOUNT
In owner(s) name.	
1. ....	.....
2. ....	.....
3. ....	.....
In operator(s) name (party providing the financing).	
1. <b>DAVID MINERALS LTD.</b>	<b>\$28,011</b>
2. ....	.....
3. ....	.....

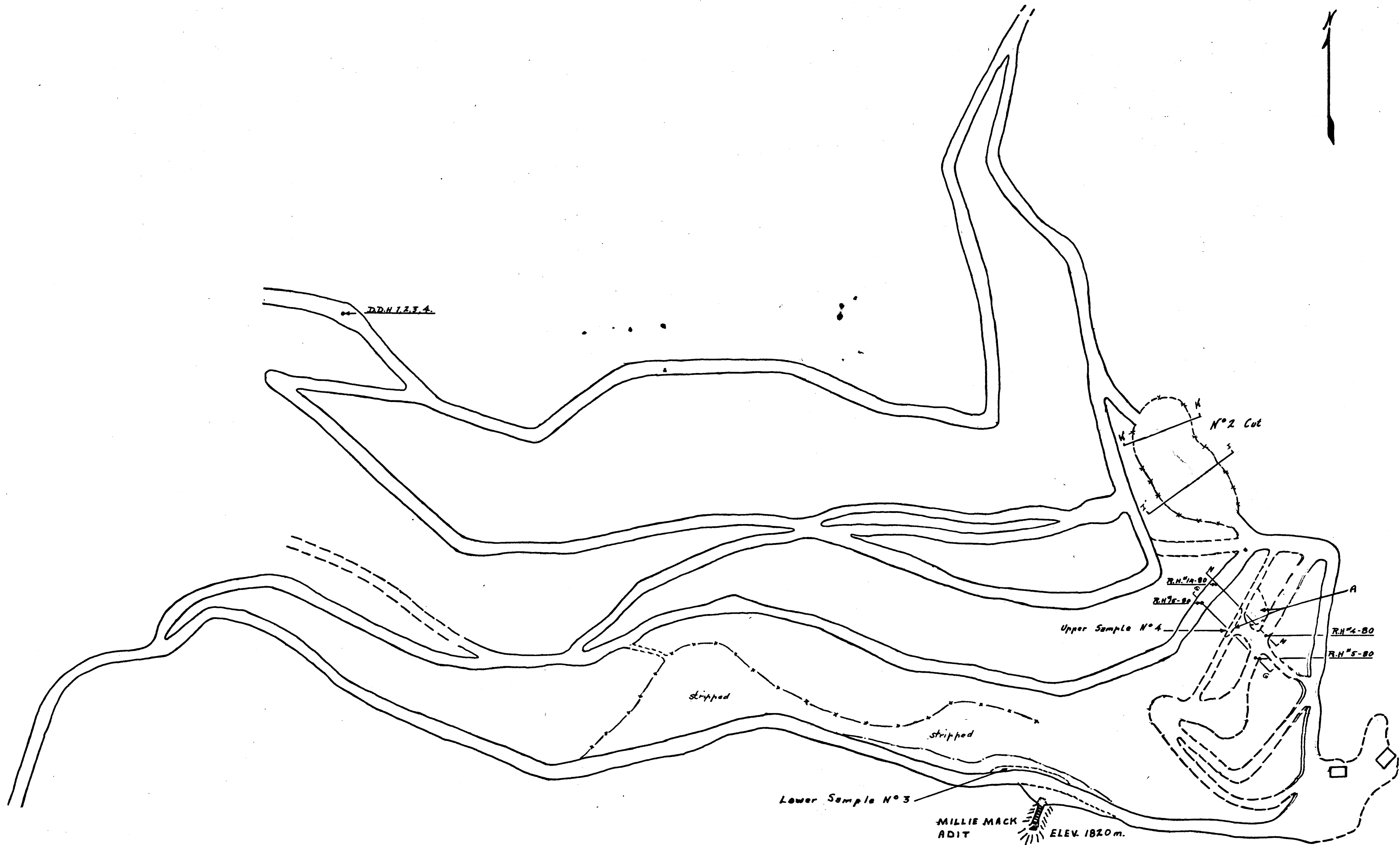
(Signature of Applicant)



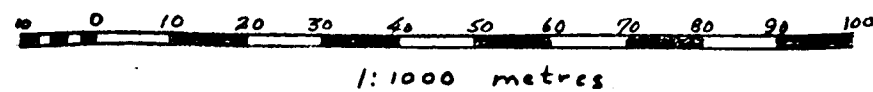
part 3  
of 3

MINERAL RESEARCH BRANCH  
ASSESSMENT REPORT  
NO. 9965

DAVID MINERALS LTD.  
PHYSICAL WORK AREA  
BILLIE P, GREAT WESTERN  
BURTON, B. C.  
Nov. 1981 M. Mooney



x-x Recent stripping  
 A Second sample - stored @ Blue Grouse Creek.



MINERAL RESOURCES BRANCH  
 ASSESSMENT REPORT  
**9965**  
 NO.

**part 3 of 3**

DAVID MINERALS LTD  
 PHYSICAL WORK AREA  
 MILLIE MACK PROPERTY  
 BURTON, B.C.  
 DEC, 1981.

M. Mooney, P. Eng.