

PROSPECTING REPORT

ON THE

BILL CLAIMS

Greenwood Mining Division

Latitude -  $49^{\circ} 24'$

Longitude -  $119^{\circ} 8'$

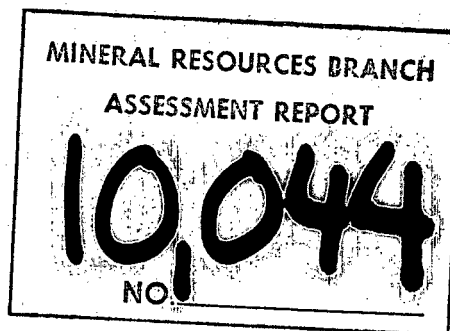
82 E / 6 E

for

Midland Energy Corporation

8121 - Wilshire Blvd.

N. Delta, B.C.



November 25, 1981

Box 63

Westbridge, B.C.

Roy Kregosky

BSc. Geology

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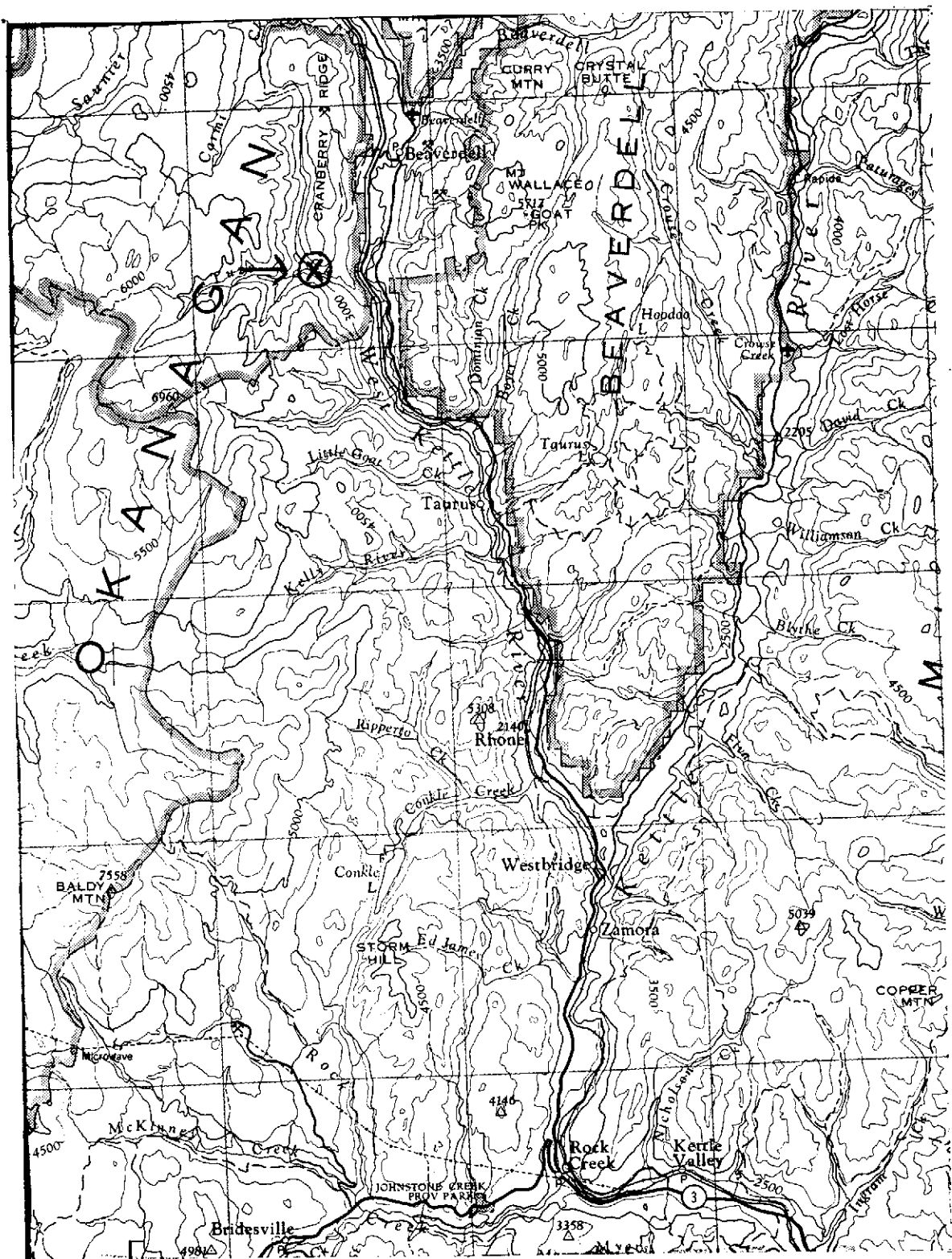
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SCALE: 1:250,000 82E/6

PLATE 1

AMENDMENT TO PROSPECTING REPORT

on the

BILL CLAIMS

for

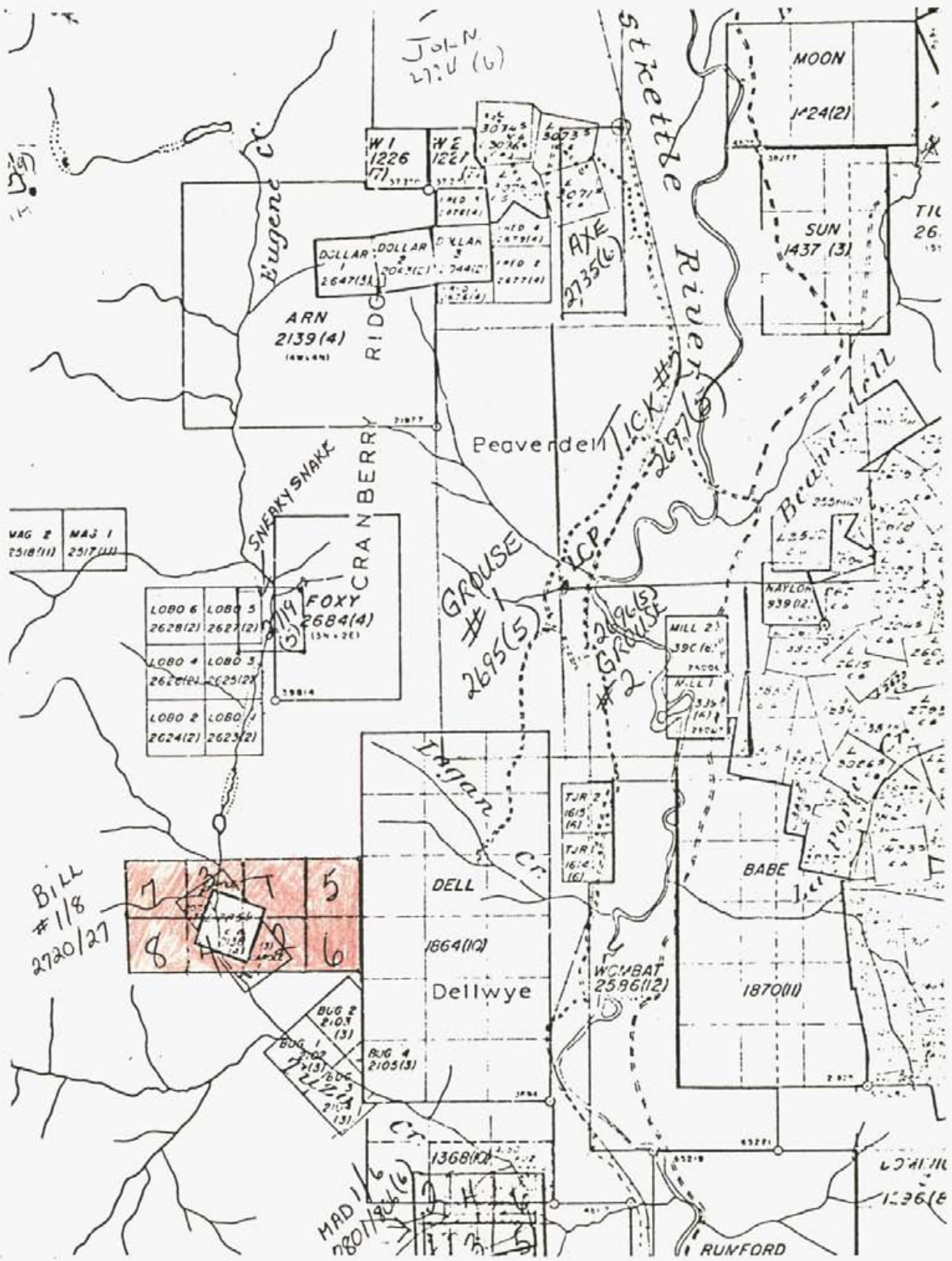
MIDLAND ENERGY CORPORATION

1. The reason why the S.W. corner of L.2854 appears on Bill 7 claim (Plate 3) as compared to Bill 4 claim (Plate 2) is due to an error of placement of the Bill 1-8 mineral claim on the original claims location map. The Bill claims should be shifted approximately 1 unit to the South and  $\frac{1}{2}$  unit to the East.
2. Field observations appear to support the fact that Bug 2 overlaps the I.P. of Bill 1 and 2 and the F.P. of Bill 5 and 6.

*Roy Kregosky*

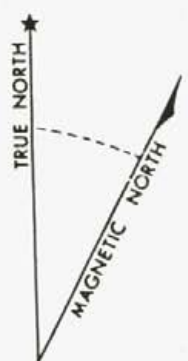
Roy Kregosky

Geologist



WOOD MINING DIVISION

82E/6



1:50 000



PLATE 2

BILL 7+B

Boston (L. 2854)  
Showing  
S-75°D 75°N  
From L 2100E  
76 mt @ 355°  
Then 265 mt @ 335°  
along the rd.

EUGENE CK.

Tuzo CK.

APPROXIMATE  
CLAIM LINE  
of  
L. 2854

Area heavily  
forested +  
overburdened

Grd.  
pyritic.

EL. 980 MT.  
F.P. Bill 5+4  
I.P. Bill 7+B

EL. 1090 MT.

contact  
sharp,  
light  
ALTERATION  
pyritic  
50° + 0°

porph.  
Gr.

7cm gtz vein  
- shear  
- melchite  
SAMPLE - P.Y.  
#017405

Grd.  
gossoned  
qtz. stringers

1 MT. gtz vein  
SAMPLE #017406

EL. 1230 MT.

Fresh  
Grd.

Tuzo-EUGENE CK.  
Road

8100E

7100E

dioritic  
- Fig.

I.P. Bug 1+d

I.P. Bill 7+B  
F.P. Bill 1+B  
EL. 1030 MT.

ALTERED dioritic  
- schistose  
- pyritic  
- gtz stringers  
- APLITIC

156 MT  
54-50W

MOD. altered  
Grd

SCALE 1 cm. = 50 MT.

N

0 50 M

- granodiorite
- Porphyritic Granite
- Syenite
- outcrop/scattered
- CONTACT STRIKE-SLIP
- shear-s/D
- Traverse

11500E

12000E

1300E  
altered  
Grd.  
P.Y. gtz.

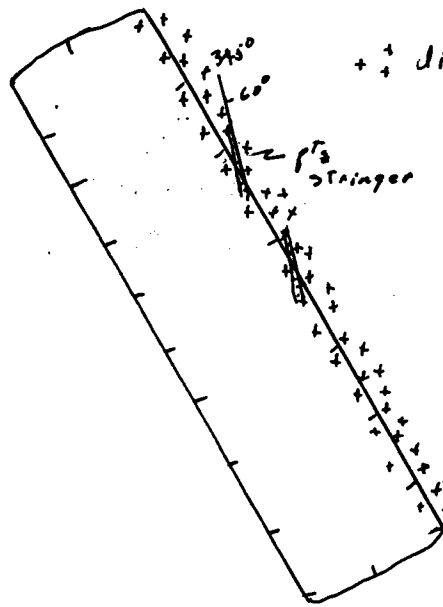
I.P. Bill 1+B  
F.P. Bill 5+6  
EL. 990 MT.

N. Tranch  
SAMPLE #017404  
heavily altered +  
iron capped Diorite  
- P.Y.

MOD. to heavy propylitization  
- gtz stringers  
- aplitic

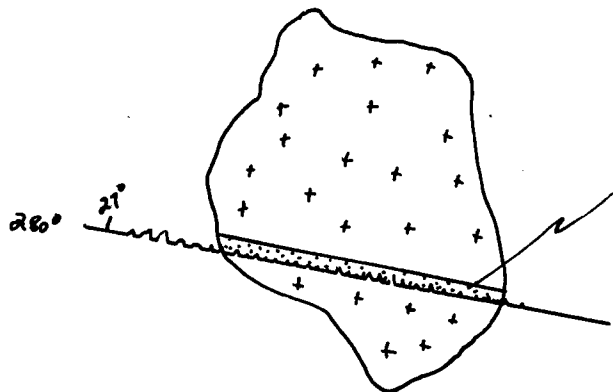
PLATE 3

L 12+50 E  
3+50 N



- ++ dioritic rocks - heavily altered + gossoned + capped
- some pyrite visible but mainly has been leached
- minor quartz as stringers + lens
- Trench mainly slumped
- sample # 017404
- located in an area of altered rx that are cut by numerous qtz stringers + aplitic dikes

L. 7+50 E  
2+30 S

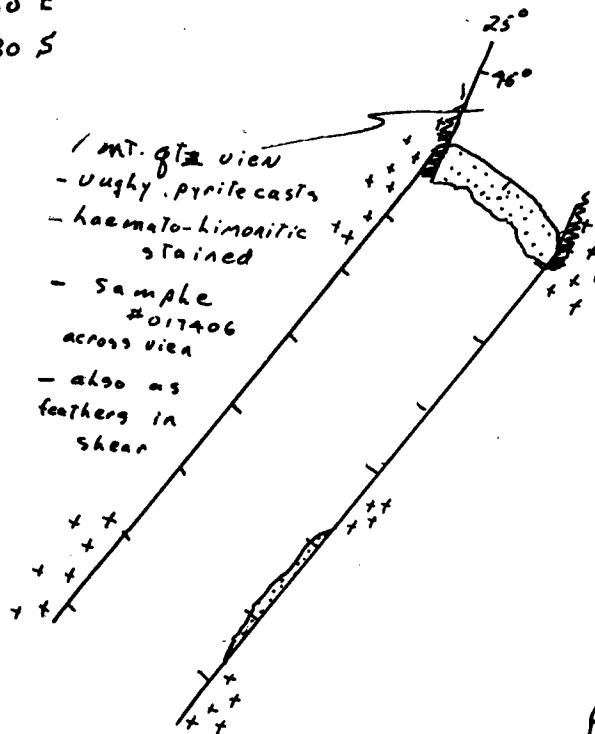


- Small (7cm.) qtz vein in shear
- malachite
- chalcopryite
- pyrite
- appears to enlarge down dip
- sample # 017405
- associate with main vein 50m. south.

++ - Grd. shows light alteration  
+ - mainly at the sharp contact

L 7+50 E  
2+80 S

N  
↑  
1 cm. - 50 cm.



- 1 mt. qtz vein
- ugly pyrite casts
- haematite-limonitic stained
- sample # 017406 across vein
- also as feathers in shear
- ++ - Granodiorite
- fractured/shear
- propylitized
- heavy jarosite staining

INTRODUCTION

The Bill Claim group is located near Beaverdell on the Southwestern flank of Cranberry Ridge, which is part of the Beaverdell Range in the Monashee Mountains. From Beaverdell one drives South along Highway 33 for eight kilometers. At the junction of Tuzo Creek Road one turns to the west and continues for an additional five kilometers to the confluence to Tuzo Creek and Eugene Creek. The claims straddle this confluence with the Eastern portion being located on the South to Southwesterly exposed flank of Cranberry ridge. At this point the terrain is moderately steep with a steep drop off to Tuzo Creek. The area is covered by grassland and sparse mature growths of Douglas fir, Ponderosa pine and Tamarack. Outcrop exposure is surprisingly low. The Western portion of the claims are located on the Northeasterly exposed slopes above Tuzo and Eugene Creeks. These slopes are steep and covered with a mixture of dense growths of coniferous and deciduous trees. Elevations range from 900 meters at Tuzo Creek to 1300 meters at the Eastern Claim boundary. There is ample timber for mining purposes with water available at either Tuzo or Eugene Creeks.

The Bill Claim group is currently registered to Midland Energy Resources Ltd., 8121 Wilshire Blvd., N. Delta, B.C. The claim units are in a relatively unstaked area with exploration being conducted on a first time basis, though the claims partially overtake an old Crown granted claim, Boston L2854, to the North. The prospecting survey did manage to locate



some old trenches, one of a more recent development, but one of considerable age judging from the condition of the workings. From field observations it is known that the property is underlain by a granodiorite of the Nelson Plutonic rocks with small local outcroppings of a syenite and porphyritic granite which cut and intrude the granodiorite. This corresponds with the G.S.C. regional geology Map 15 - 1961, Kettle River (West half) that is based on H.W. Little's field data.

The claims are situated on a favorable geological setting for economic mineralization. The Beaverdell Mine's silver, lead, zinc occurrence is hosted by granodiorite type rock, mainly as mineralized shear zones, which are identical to those of the Bill property. From personal observation it was noted that the propylitization product chlorite was associated with the mineralized quartz veins in the Highland Bill mine. This fact was used as a guide for field reconnaissance on the Bill Property. At two locations (Plate 3 and 4) a shear associated mineralized quartz vein was observed. Chip samples were taken at these locations and the assays indicate gold and silver mineralization.

The prospecting survey was conducted from September 24 to the 28 of September, 1981. This survey consisted of geological traverses conducted with compass and metric topographic field. The first traverse was run along the 2 - Post location. This control line was flagged and marked at 50 meter intervals. Secondary traverses were run perpendicular to this line in such a manner as to cover as much territory as possible of the property.

These lines were also run on compass bearings with topofield so as to maintain a high degree of control. At interesting locations, rock alteration, old showings, etc., additional prospecting reconnaissance was carried out. The C.G. Boston, L.2854, was examined to ascertain the mode of mineralization and its attitude. It was found that the showing was also a quartz vein in a shear zone that strikes  $75^{\circ}$  and dips  $75^{\circ}$  N.W. A traverse was run on the Bill claims in an attempt to locate further Easterly extensions of this vein but none was found. To the West of the main traverse (L14+00E, I.P. Bill 1 and 2) an area was found that was extensively explored and trenched. This area turned out to be on another property but the showings were examined as a possible guide to mineralized extensions on the Bill property.

TECHNICAL DATA AND INTERPRETATION:

The purpose of the filed work was to try and ascertain the economic potential of the Bill claims. Three showings were located on the Bill property. The North trench, located at 350 meters due North from L12+50E, was found in a heavily altered and iron capped dioritic rock. Som pyrite was visible but the leaching was extremely heavy and no further mineralization was observed. Primary mineralization with secondary enrichment would probably be encountered with depth. A chip sample was obtained for assay, #017404 (Plate 3 and 4). The other showings were located at 2+80 meters due South from L 7+50E.

The main showing was a quartz vein with a width of one meter and traceable for five meters. This is located in a sheared and altered granodiorite that is haemato-limonitic and jarocitic stained. Chip sample #017406 (Plat 3 and 4). Another smaller showing that is probably a small stringer of the above main vein was located and sampled (#017405, Plat 3 and 4). This showing also had some malachite staining. It appeared to pinch along its strike but expands down dip. Other traverses (Plate 3) located areas of moderate to heavily propitilization of the granodiorite.

CONCLUSION:

As a result of the showings located on the Bill claims and its close proximity to other known and observed mineralized areas, the property is considered to be of good potential. The degree of alteration and the strong surface showing of the main quartz vein is encouraging enough to warrant additional exploration. A large portion of the property is overburdened and a geochemical survey would be a good exploration technique. To complement this approach, a VLF - EM 16 survey to delineate further extensions of mineralized shear zones would be an added advantage.

ITEMIZED COST STATEMENT:

5 days geological services @ \$200.00/day....	\$1,000.00
3 assays	
3 for AU, AG @ \$9.50... ..	\$ 28.50
1 for CU @ \$5.75.....	5.75
350 km @ 20¢/km. ....	\$ 70.00

1 day report preparation @ \$200.00.....	\$ 200.00
TOTAL	\$1,304.25

AUTHOR'S QUALIFICATIONS:

I declare that I, Roy Dregosky, am a practising geologist having graduated from the University of Calgary with a degree of Bachelor of Science in Geology, in 1971.

*Roy Dregosky*

# General Testing Laboratories

A Division of SGS Supervision Services Inc.

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## CERTIFICATE OF ASSAY



TO:  
 MR. JOHN KUCHERAN  
 197 Granby Ave.,  
 Penticton, B.C.

No.: 8110-0958      DATE: Oct. 22/81

We hereby certify that the following are the results of assays on:

Ore

MARKED	GOLD	SILVER	Copper	Zinc	Silica	Lead	XXX	XXXX
	oz/st	oz/st	Cu (%)	Zn (%)	SiO <sub>2</sub> (%)	Pb (%)		
[REDACTED]						-		
017404	trace	0.04	-	-	-	-		
017405	0.008	1.89	0.11	-	-	-		
017406	0.018	0.01	-	-	-	-		
[REDACTED]								
[REDACTED]								
[REDACTED]								
[REDACTED]								
[REDACTED]								

NOTE: REJECTS RETAINED ONE MONTH PULPS RETAINED THREE MONTHS ON REQUEST PULPS AND REJECTS WILL BE STORE FOR A MAXIMUM OF ONE YEAR

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*P. Buschlen*  
 P. Buschlen, Chemist  
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