

Geochemical Report

- on the -

DOR CLAIMS

Cariboo Mining Division, British Columbia

N.T.S. 93A/7W

- for -

KERON HOLDINGS LTD.,
837 E. Cordova St.,
Vancouver, B. C.

Prepared by;

Kerr, Dawson and Associates Ltd.,
#206 - 310 Nicola St.,
Kamloops, B. C. V2C 2P5

Gary D. Belik
M. Sc.

December 17, 1981

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SUMMARY

The Dor claims are underlain by a sequence of volcanic and sedimentary rocks of Upper Triassic to Lower Jurassic age. Near the center of the claim group these strata are intruded by a diorite stock. Pyrite and minor chalcopyrite occur adjacent to the stock and within a silicic andesitic tuff horizon south of the stock.

The 1981 program consisted of reconnaissance - style soil geochemistry over most of the claim area. This work partly defined several areas which contain moderately anomalous copper and weak to moderately anomalous gold.

The results of the soil sampling program, in view of the general geological setting of the property, suggest a potential for an alkaline, porphyry - type copper/gold deposit. However, many uncertainties remain; the nature and size of the diorite stock, the significance and extent of the surface mineralization and the relationships between the diorite stock, the mineralization and the soil anomalies are unknown. To resolve these uncertainties and to better appraise the economic potential of the property, a program consisting of detailed prospecting, geological mapping, rock sampling and follow-up soil sampling is recommended. The estimated cost of this program is \$12,000.00.

INTRODUCTION

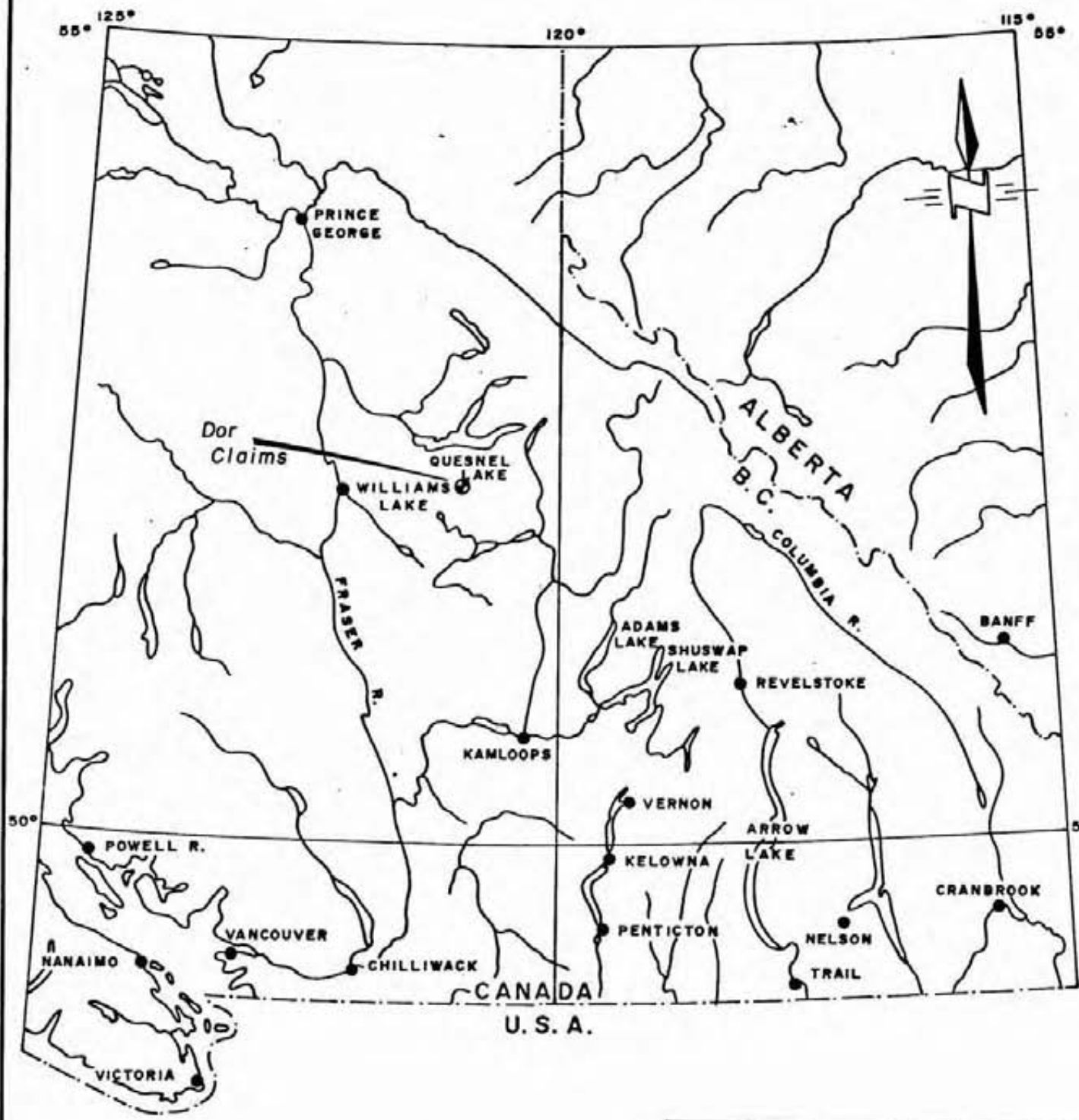
During June 14 - 15, 1981 and September 29 - 30, 1981 a geochemical soil survey was conducted over the Dor 1 and Dor 2 mineral claims situated approximately 85 km. east-northeast of Williams Lake, B. C. This work was supervised by Kerr, Dawson and Associates Ltd., #206 - 310 Nicola Street, Kamloops, B. C.

The Dor claims were staked in order to cover areas of pyrite and chalcopyrite mineralization noted in the annual Minister of Mines report for 1974 (GEM, 1974, P. 239). This mineralization is associated with a diorite stock which intrudes volcanic and sedimentary strata of Upper Triassic to Lower Jurassic age. Similar geological settings host large - tonnage, low - grade porphyry type copper/gold deposits elsewhere in the Cordillera.

LOCATION AND ACCESSIBILITY

The Dor claims are situated about 85 km. east-northeast of Williams Lake in the Cariboo Mining Division, B. C. (N.T.S. 93A/7W). The Dor 1 claim straddles Doreen Lake, which is situated about 2.5 km. north of McKinley Lake. Dor 2 adjoins Dor 1 to the northeast.

A recent logging road, which extends up Doreen Creek to within 500 meters of Doreen Lake provides access to the property.



KERON HOLDINGS LTD.	
LOCATION MAP	
DOR CLAIMS	
CARIBOO MINING DIVISION, B.C.	
Date: Dec., 1981.	Scale: 1" = 64 Miles
Dwn by: W. G.	Dwg no. 238-1

CLAIMS

The property described in this report is comprised of 2 contiguous claims totalling 40 units as detailed below:

<u>Mining Division</u>	<u>Claim Name</u>	<u>Units</u>	<u>Record No.</u>	<u>Record Date</u>
Cariboo	Dor 1	20	3261	March 27, 1981
Cariboo	Dor 2	20	4091	Oct. 15, 1981

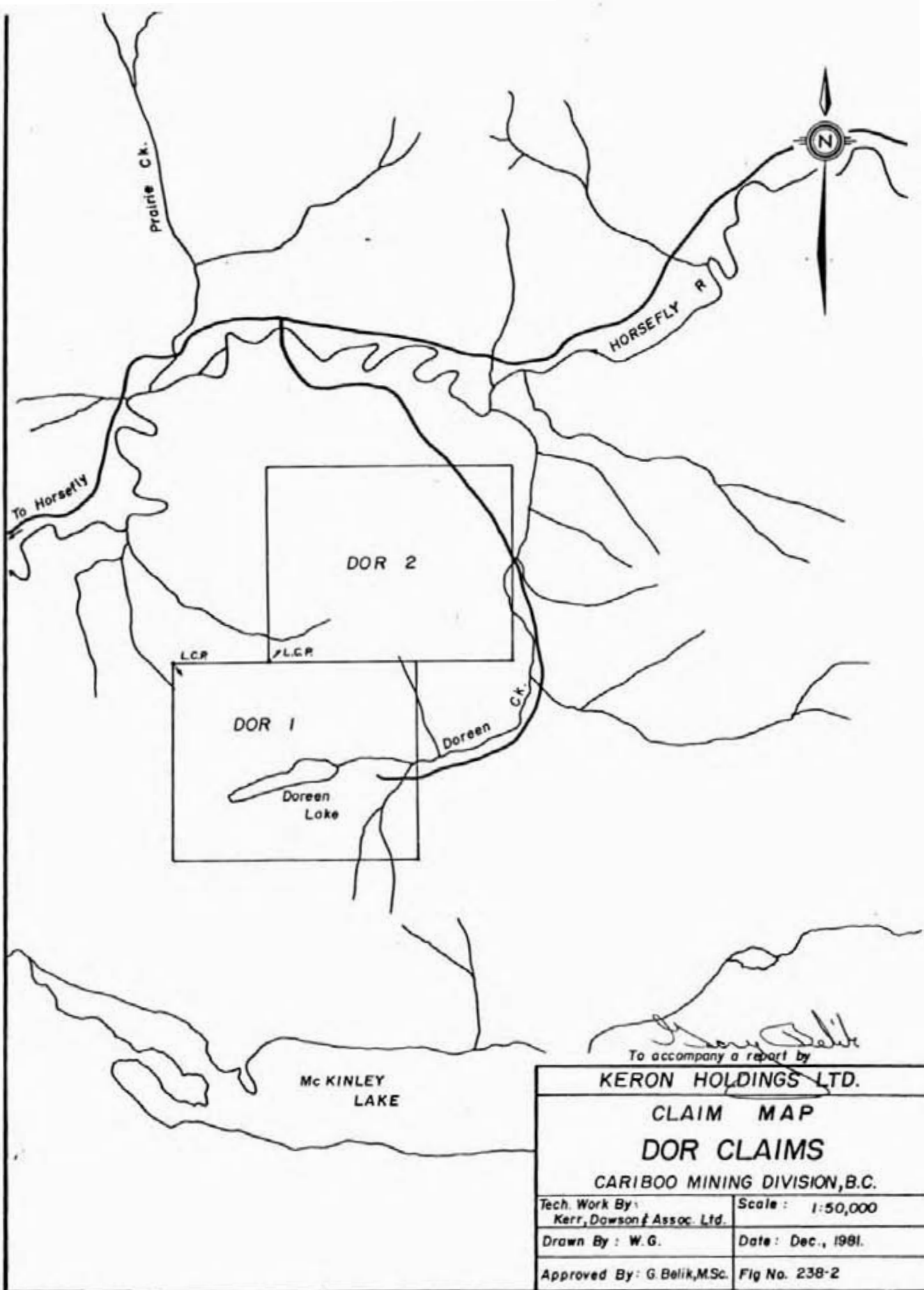
The registered owner of these claims is Keron Holdings Ltd., 837 E. Cordova St., Vancouver, B. C.

PHYSIOGRAPHY AND VEGETATION

The Dor claims occur within the transition from rolling upland terrain of the Interior Plateau, to the southwest and the rugged Cariboo Mountains to the northeast. In general, the area is characterized by numerous lakes and streams and by mountains of moderate relief.

Elevation of the claim area ranges from about 950 meters a.s.l. to about 1550 meters a.s.l. Doreen Lake is situated near the center of the Dor 1 claim and is drained by Doreen Creek, a northerly flowing tributary of the Horsefly River. Small, unnamed mountains occur immediately south and near the central part of the claim area.

Vegetation over most of the property consists of good commercial stands of cedar, spruce and balsam. The northeast corner of the Dor 2 claim has been logged and logging activity is currently proceeding along the Doreen Creek Valley to within about 500 meters of Doreen Lake.



G. Belik
To accompany a report by

KERON HOLDINGS LTD.	
CLAIM MAP	
DOR CLAIMS	
CARIBOO MINING DIVISION, B.C.	
Tech. Work By: Kerr, Dawson & Assoc. Ltd.	Scale: 1:50,000
Drawn By: W.G.	Date: Dec., 1981.
Approved By: G. Belik, M.Sc.	Fig No. 238-2

EXPLORATION HISTORY

The only record of exploration work having been previously carried out within the area of the Dor claims is in the annual Minister of Mines report for 1974 (GEM, 1974). This work, which was performed by Newmont Mining Corp. of Canada and Dome explorations (Canada) Ltd., consisted of geochemical soil surveys (total of 6.6 line-kms) and geological mapping in the general vicinity of Doreen Lake. Although a brief description of the general geological setting is given in GEM, 1974, the specific results of this work or subsequent work, if any, are unknown.

GENERAL GEOLOGICAL SETTING

According to G.S.C. Open File 574 (Campbell, R.B., 1978) the general area of the Dor claims is underlain by volcanic and sedimentary rocks of Upper Triassic to Lower Jurassic age.

Rock exposures examined by the writer along the eastern half of the Dor 2 claim and near the eastern edge of the Dor 1 claim consist of medium to dark green, tuffaceous argillite, dark green, volcanic wacke and minor andesite. North of Doreen Lake, within the northern part of the Dor 1 claim this sequence is apparently intruded by a diorite stock.¹ Pyrite and minor chalcopyrite, as disseminations and fracture fillings peripheral to the stock and minor chalcopyrite within a silicic pyritized andesitic tuff horizon south of the stock reportedly occur (GEM, 1974).

¹ the diorite stock, which was not viewed by the writer, is referred to in 'Geology, Exploration and Mining in British Columbia' (GEM), 1974, p. 239.

SOIL GEOCHEMISTRY

In total 330 soil samples were taken during the 1981 program. Samples were taken at 50 - meter intervals along 7 east-west lines, 500 meters apart.

All samples were analysed for copper and gold by Acme Analytical Laboratories Ltd., located at 852 E. Hastings St., Vancouver, B. C.

Sampling Method

Samples were obtained by digging holes with a maddock to a depth of 10 cm. to 20 cm. The "B" horizon was sampled or in some cases the "B - C" horizon depending on soil development at each sample location. The samples were placed in waterproof kraft envelopes and the grid station was marked on the envelopes with an indelible-ink felt pen.

Laboratory Determination Method

All samples were first dried and then sieved to obtain a -80 mesh fraction. The determination procedure was as follows:

	<u>Digestion:</u>	<u>Determination:</u>
Copper	- 0.5 gm sample is digested in hot aqua regia.	- Atomic Absorption
Gold	- 10.0 gm sample is heated overnight to 600°C and then digested hot in aqua regia.	- Atomic Absorption

All results are reported from Acme Labs in parts per million.

Presentation of Results

Results of the soil analyses are shown in plan maps 238-3 and 238-4 at a scale of 1:5000. Results are given in parts per million for copper and in parts per billion for gold.

Discussion of Results

A statistical analyses of gold and copper in soil was carried out with the following results:

	<u>Cu</u>	<u>Au</u>
Population	330	330
Mean (\bar{x})	74 ppm	9 ppb
Standard Deviation (S)	46	17
Background ($< \bar{x}$)	< 74 ppm	< 9 ppb
Possibly Anomalous (1 S - 2 S)	120 - 166	26 - 43
Definitely Anomalous (2 S - 3 S)	167 - 212	44 - 60
Highly Anomalous ($> 3 S$)	> 212 ppm	> 60 ppb

The background for copper within the area surveyed is less than 74 ppm with anomalous values ranging from 120 ppm to 235 ppm. Anomalous copper values occur scattered over most of the Dor 1 claim and the southwest part of the Dor 2 claim. Clusters of anomalous values occur along line 5+00S, the central and eastern parts of line 0 and near the west end of line 5+00N.

Background values for gold are very low (less than 9 ppb) with anomalous values ranging from 26 ppb to 186 ppb. Anomalous gold values are not abundant and relatively low in magnitude, however, there is a general spacial relationship between areas of anomalous gold and areas of anomalous copper in soils.

CONCLUSIONS AND RECOMMENDATIONS

The 1981 program defined several areas which contain anomalous copper and/or gold in soils. Although these anomalies are not outstanding, they are significant in view of the general geological setting of the property and suggest a potential for porphyry-type copper/gold mineralization. However many uncertainties remain concerning the significance and extent of the surface mineralization, the size and nature of the diorite stock and the relationship between the diorite stock, the mineralization and the soil anomalies.

In order to resolve these uncertainties and to further evaluate the economic potential of the property a program consisting of detailed prospecting, geological mapping and rock sampling and follow-up soil geochemistry is recommended. This work should be concentrated between lines 5+00N and 10+00S.

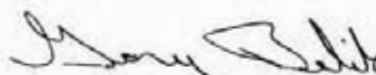
In order to complete the above work, additional grid lines should be placed every 100 meters across the width of the Dor 1 claim between Line 0 and Line 10+00S, (8 lines 2.5 km long for a total of 20 line-kms). Likewise additional lines should be placed every 100 meters between line 0 and line 5+00N from the western end of the Dor 2 claim to the projected eastern end of the Dor 1 claim (4 lines 1.5 km long for a total of 6 line kms).

Cost of recommended Program

Detailed Prospecting, geological mapping, rock sampling and soil sampling.

a).	grid preparation and soil sampling,	\$4,500.00
b).	geological mapping, rock sampling and prospecting,	2,500.00
c).	geochemical analyses,	3,000.00
d).	report preparation,	<u>2,000.00</u>
	TOTAL	<u><u>\$12,000.00</u></u>

Respectfully Submitted:



Gary D. Belik, M. Sc.

Kamloops, B. C.
December 17, 1981

REFERENCES

Minister of Mines:
Annual Report

GEM, 1974 - p. 239

Campbell, R. B.,

1978:

Geology of the Quesnel Lake Map-Area, B. C.;
Geol. Survey of Canada, Open File 574.

1963:

Quesnel Map Sheet, 1" = 4 mi.;
Geol. Survey of Canada

APPENDIX I

Statement of Expenditures

Statement of Expenditures

A. PERSONNEL:

G. Belik, M. Sc., Nov. 1, 1981; December 16, 1981 (2 days @ \$250.00/day)	\$500.00	
R. Henderson, Sept. 29, 30, 1981 (2 days @ \$130.00/day)	260.00	
R. Robinson, Sept. 29, 30, 1981 (2 days @ \$115.00/day)	230.00	
B. Jardine, June 14, 15, 1981 (2 days @ \$130.00/day)	260.00	
B. Baker, June 14, 15, 1981 (2 days @ \$130.00/day)	260.00	
J. Dalin, June 14, 15, 1981 (2 days @ \$130.00/day)	260.00	
R. Smith, June 14, 15, 1981 (2 days @ \$115.00/day)	<u>230.00</u>	\$2,000.00

continued

Statement of Expenditures (continued)

Brought Forward: \$2,000.00

B. EXPENSES AND DISBURSEMENTS:

(a).	Room and Board, 12 days @ \$35.00/man/day	420.00	
(b).	Geochemical analyses	1,836.00	
(c).	Truck Rental;		
	6 days @ \$35.00/day	\$210.00	
	1060 mi. @ .35/mi.	<u>371.00</u>	
		581.00	
(d).	Drafting & base map preparation	272.50	
(e).	Field Equipment & Supplies	87.40	
(f).	Telephone, xerox, freight, secretarial, blueprints, binding, etc.	<u>237.44</u>	
			<u>\$3,434.34</u>
	TOTAL		<u><u>\$5,434.34</u></u>

APPENDIX II

Statement of Qualifications

G. D. Belik, M. Sc.

GARY D. BELIK, M.Sc.


Consulting Geologist
Mineral Exploration

#6 NICOLA PLACE, 310 NICOLA STREET • KAMLOOPS, B.C. V2C 2P5 • PHONE (604) 374-4247

CERTIFICATE

I, GARY D. BELIK, OF THE CITY OF KAMLOOPS, BRITISH COLUMBIA, DO HEREBY CERTIFY THAT:

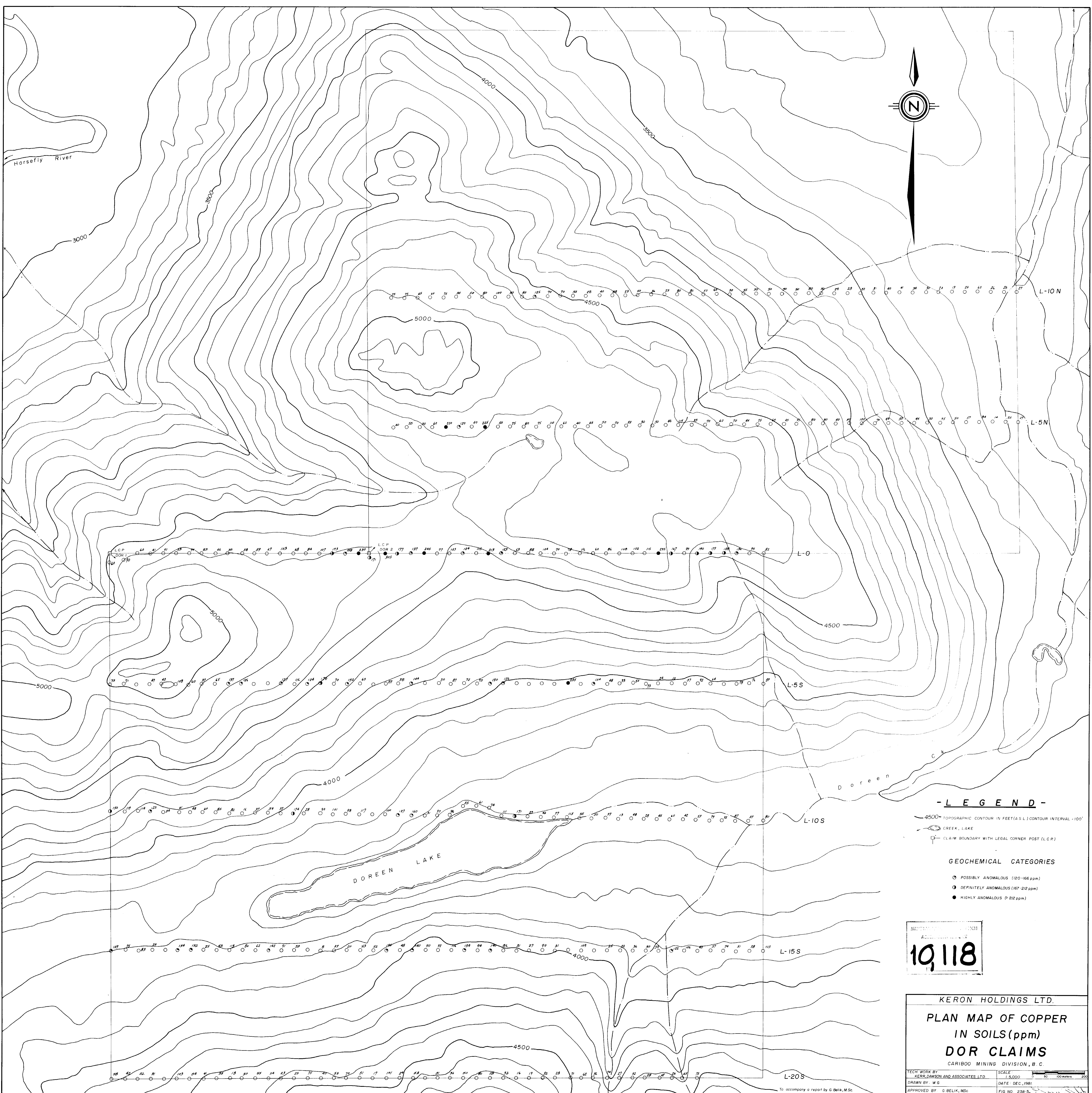
- (1). I am a member of the Canadian Institute of Mining and Metallurgy, and a fellow of the Geological Association of Canada.
- (2). I am employed by G. Belik and Associates Ltd., with my office at #206 - 310 Nicola Street, Kamloops, B. C.
- (3). I am a graduate of the University of British Columbia with a B. Sc. in Honors Geology and a M. Sc. in Geology.
- (4). I have practised continuously as a geologist since May, 1970.
- (5). This report is based on an exhaustive study of all available data, published and unpublished reports, and my examination of the property on November 1, 1981.
- (6). Permission is hereby granted to Keron Holdings Ltd. to use this report for financing purposes, and to satisfy requirements of the Securities Commission, the Stock Exchange, and the B. C. Ministry of Mines.



Gary D. Belik, M. Sc.
GEOLOGIST

KAMLOOPS, B. C.
December 17, 1981

G. BELIK AND ASSOCIATES LTD.
Consulting Geologist



- LEGEND -

- 4500— TOPOGRAPHIC CONTOUR IN FEET (AS L) CONTOUR INTERVAL = 100'
- CREEK, LAKE
- CLAIM BOUNDARY WITH LEGAL CORNER POST (L.C.P.)

GEOCHEMICAL CATEGORIES

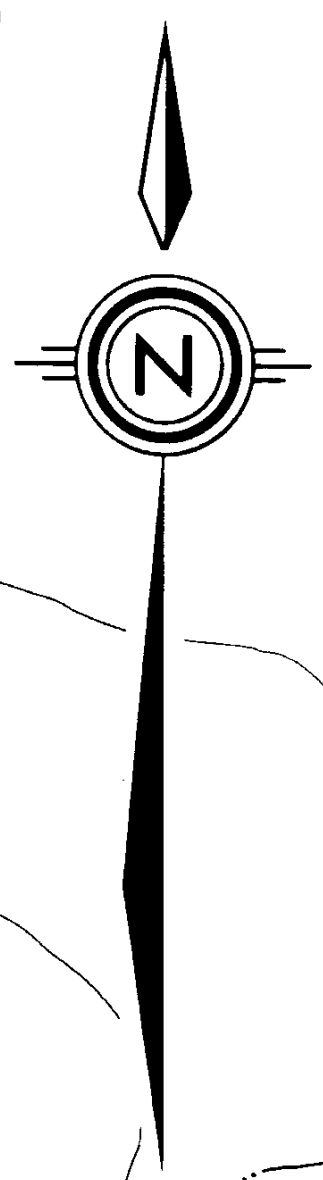
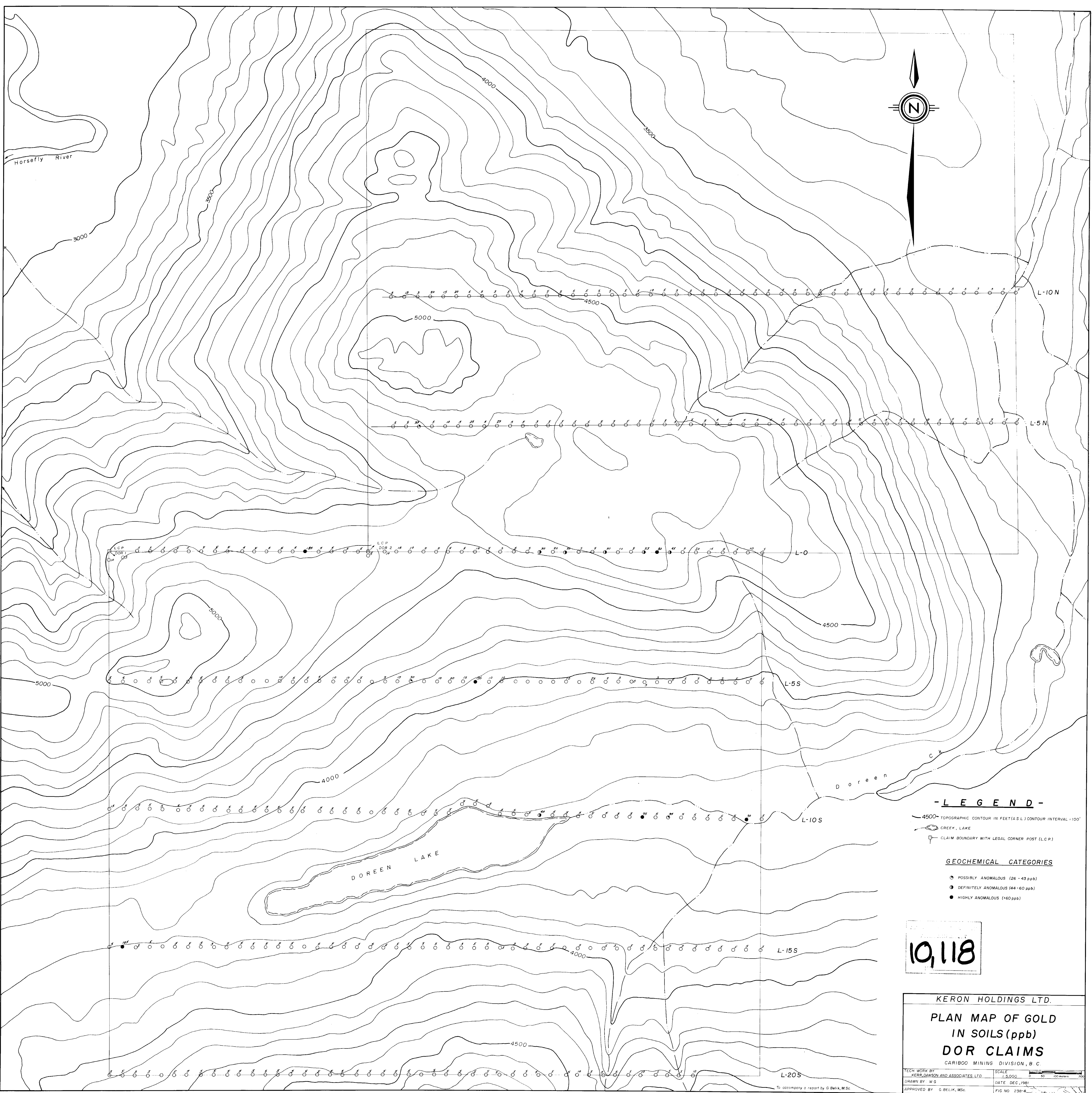
- POSSIBLY ANOMALOUS (120-166 ppm)
- DEFINITELY ANOMALOUS (167-212 ppm)
- HIGHLY ANOMALOUS (212 ppm)

MINING DIVISION
 10118

KERON HOLDINGS LTD.
**PLAN MAP OF COPPER
 IN SOILS (ppm)
 DOR CLAIMS**
 CARIBOO MINING DIVISION, B. C.

TECH. WORK BY KERON, DAWSON AND ASSOCIATES LTD.	SCALE 1:5,000
DRAWN BY: W.G.	DATE: DEC. 1981
APPROVED BY: G. BELIK, M.Sc.	FIG. NO. 238-5.

To accompany a report by G. Belik, M.Sc.



- LEGEND -

- 4500 TOPOGRAPHIC CONTOUR IN FEET (A.S.L.) CONTOUR INTERVAL 100'
- CREEK, LAKE
- CLAIM BOUNDARY WITH LEGAL CORNER POST (L.C.P.)

GEOCHEMICAL CATEGORIES

- POSSIBLY ANOMALOUS (26 - 43 ppb)
- DEFINITELY ANOMALOUS (44 - 60 ppb)
- HIGHLY ANOMALOUS (>60 ppb)

10,118

KERON HOLDINGS LTD.

**PLAN MAP OF GOLD
IN SOILS (ppb)
DOR CLAIMS**

CARIBOO MINING DIVISION, B. C.

TECH WORK BY KERN, GIBSON AND ASSOCIATES LTD	SCALE 1:5,000
DRAWN BY W.G.	DATE DEC, 1981
APPROVED BY G. BELIN, M.Sc.	FIG NO 238-4

To accompany a report by G. Belin, M.Sc.