

GEOLOGICAL AND GEOPHYSICAL REPORT

ON THE

IRON KING GROUP

NELSON MINING DIVISION

NTS 82F/11W

LATITUDE - 49° 30' N

LONGITUDE - 117° 29' W

for

Albury Resources Ltd.

#506, 630 - 8th Avenue S.W.

CALGARY, Alberta

November 22/82

Box 63

Westbridge, B.C.

Roy Kregosky
BSc. Geology

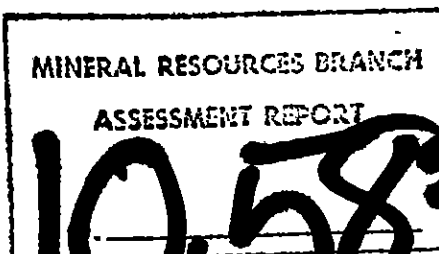


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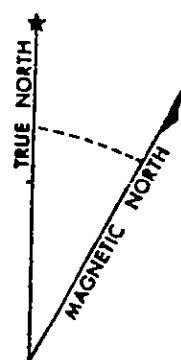
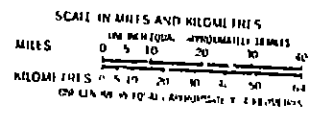
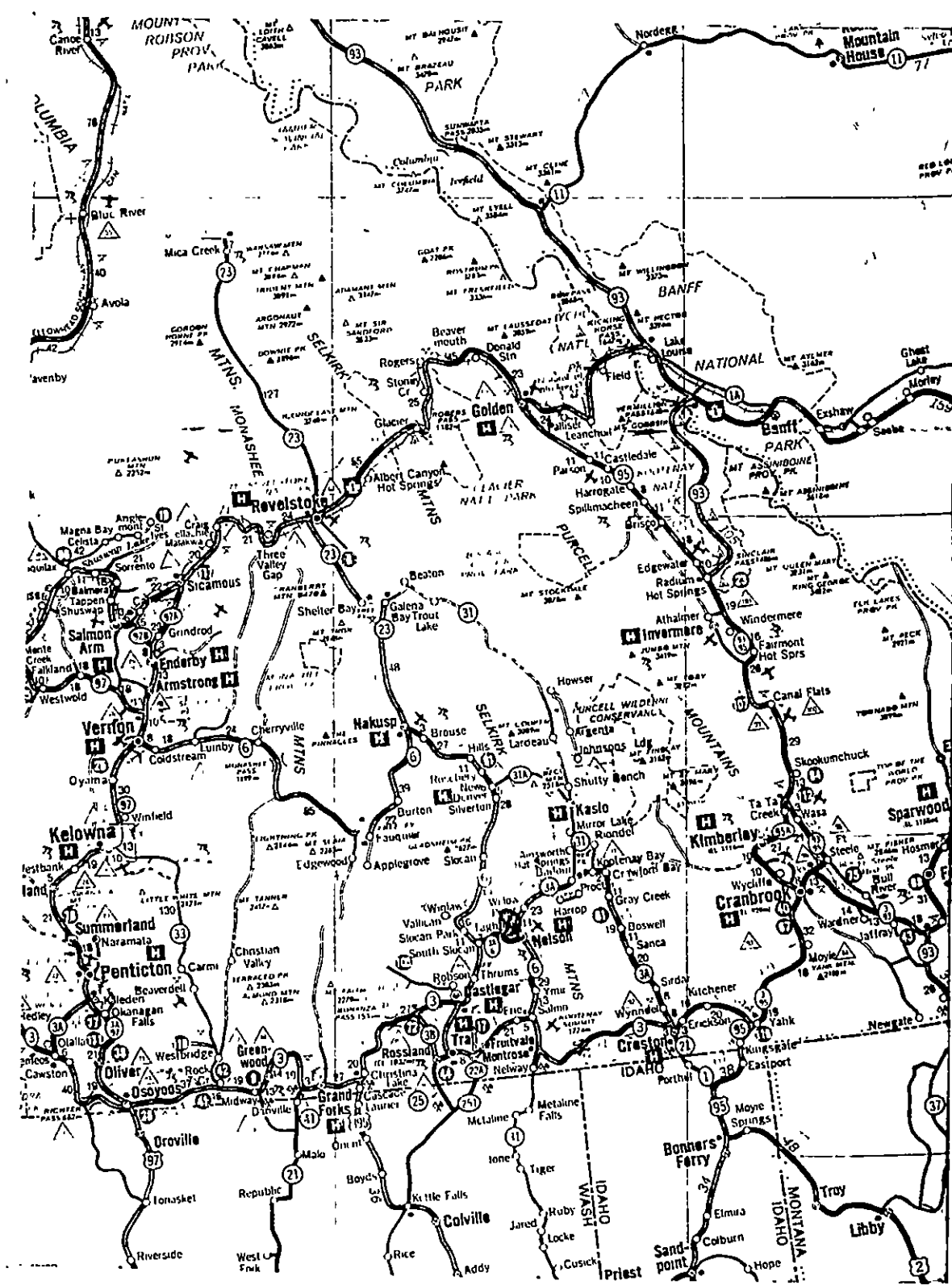
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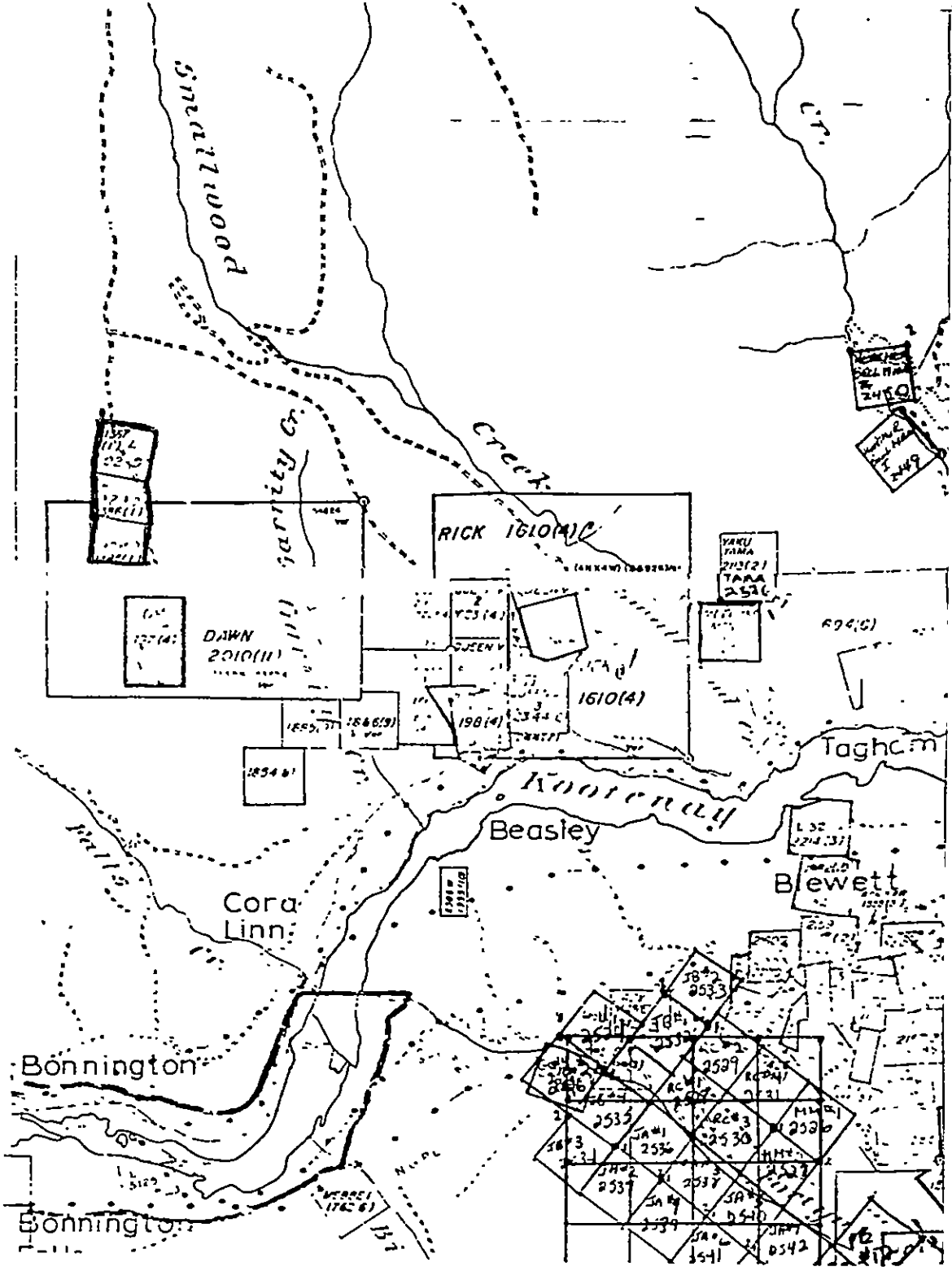
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Geological Survey Back Pocket 1

Geophysical Survey. Back Pocket 2

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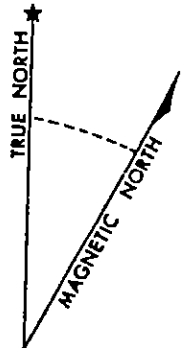
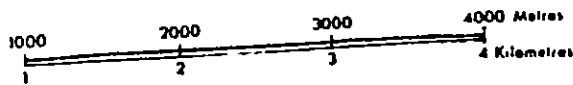




M82F/11W
 M82F/6W

NELSON MINING DIVISION

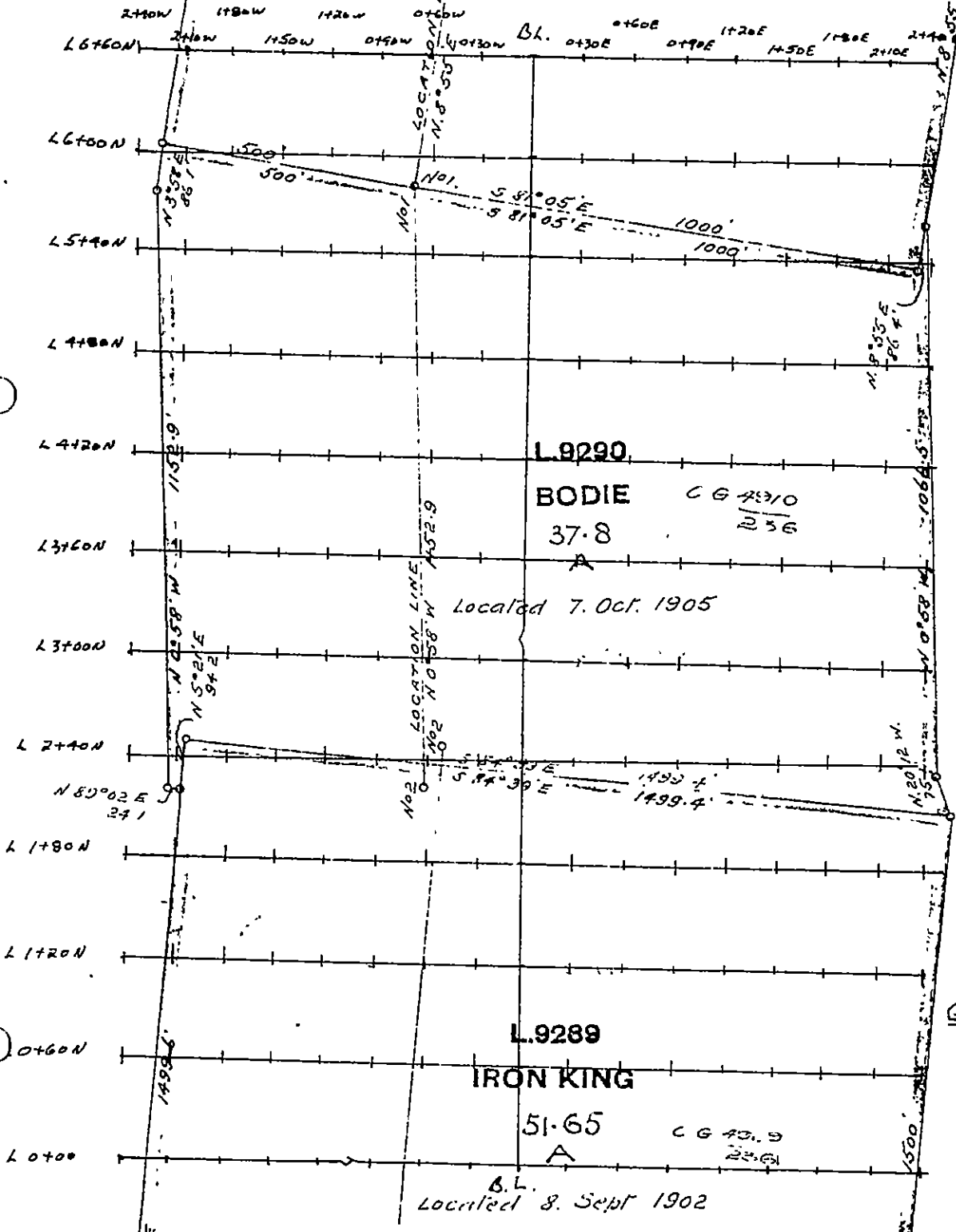
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L.9291
BOSTON
51.65
A

Located 27 Oct. 1903.

L G 4911
236



N
1" - 300'
1 cm. - 36 m

GRID LOCATION



CALGARY 2021 - 41 AVE. N.E. CALGARY, CANADA T2E 6P2
 TELEPHONE (403) 276-9627 TELEX 038-25541
 EDMONTON 8764 - 50TH AVE. EDMONTON, CANADA T6E 5K8
 TELEPHONE (403) 465-9877

CERTIFICATE OF ANALYSIS

• MINERAL • GAS • WATER • OIL • SOILS • VEGETATION • ENVIRONMENTAL ANALYSIS

ALBURY RESOURCES LTD.

DATE OCT. 28 1982

IRON KING

PROJECT NO. 82-785-1-0249

LOCATION	AU OZ/TON	AG OZ/TON	CU %	PB %	ZN %	FE %
4776 (Trench 8 - across 1 M.)	0.016	0.076	-	-	-	-
4777 (Trench 9 - across 2 M.)	<0.003	<0.01	-	-	-	-
4778 (SHAFT 1 - across 1 M.)	0.004	0.008	0.015	<0.01	0.010	32.5
4779 (Trench 10 - across 2 M.)	<0.003	<0.01	0.022	<0.01	<0.01	-
4780 (Trench 11 - across 1 M.)	<0.003	<0.01	-	-	-	-
4894 (Trench 2 - across 1 M.)	<0.003	<0.01	0.071	<0.01	0.012	-
4895 (Trench 3 - across 1 M.)	<0.003	<0.01	-	-	-	29.0
4896 (Trench 4 - across 2 M.)	<0.003	<0.01	0.065	-	-	-
4897 (Trench 5 - across 2 M.)	<0.003	<0.01	0.033	-	-	-
4898 (Trench 6 - across 1 M.)	<0.003	<0.01	-	-	-	-
4899 (Trench 7 - across 1 M.)	<0.003	<0.01	0.032	<0.01	0.015	43.7
4900 (Trench 7 - across 1 M.)	<0.003	<0.01	-	-	-	53.6



CERTIFIED BY

[Handwritten Signature]

PL. AT. 3.

INTRODUCTION

The Iron King Group consists of three reverted crown granted claims which are located in the Nelson Mining Division. This group includes the Iron King (L9289), Bodie (L9290) and the Boston (L9291) claims. This prospect is situated approximately 12 kilometers west of Nelson, near Beasley, on Highway 6/3A. Access is 12 kilometers west of Nelson to the Beasley Road turnoff. At this point, access is along the Smallwood Creek Forestry Road for an additional 7 kilometers. Unfortunately, at this point there is no further vehicular access to the claims. From this position on the Smallwood Creek Forestry Road, an old logged off area, it is necessary to hike for $1\frac{1}{2}$ kilometers to the claim/showing area.

The property is part of the Kokanee Range of the Selkirk Mountains and has elevations ranging from 1350 meters in the southwestern portion of the claims to 1550 meters in the northern portions. The claims occupy the height of land between Falls and Carity Creeks and have a southerly exposure on gentle to moderate slopes. The claims are, for the most part, overburdened and forested with cedar, hemlock, pine and fir. The central and northern portion of the claims/grid occupies a burn area which is covered in a dense growth of young cedar and hemlock saplings. This growth is so thick as to hamper movement and to limit visibility to five meters. The terrain is fairly open in areas of bedrock which occurs and scattered ridges along the western and eastern portion of the claims/grid. There is ample timber for development purposes with water being available from a small creek which runs north-south along the western portion of the grid.

The Iron King Group is currently owned by Albury Resources Ltd. of Calgary, Alberta. The claims are documented in the B.C. Minister of Mines Annual Reports for the years: 1909 and 1933. The claims were crown granted in 1909 with exploration work consisting of trenches and shafts over a length of 2,000 feet. In 1933, a trenching and diamond drilling program was carried out under the direction of C.C. Star. The 1933 B.C.M.M. report states: "Sampling showed interesting but erratic gold values....." The Geological Survey of Canada Map 1090A shows the claims to be in a contact area between the Nelson Plutonic Rocks and a remnant of a sedimentary series consisting of limestone, argillite, quartzite and schists. Some volcanic rocks of the Rossland Formation were also found to outcrop on the property.

The field work this summer consisted of a geological and a geophysical survey conducted from September 29 to October 7, 1982. The surveys were carried out on a grid that was centred along the north-south trending contact between the plutonic and sedimentary rocks and covered an area that included parts of the Iron King and the Bodie Claims. This grid had a north-south baseline, 660 meters long with 240 meters long east-west lines located at 60 meter intervals. Stations were placed at 30 meter intervals on these lines. The grid lines came to a total of 6.42 kilometers. The geophysical work consisted of a magnetometer survey conducted over the grid area. A VLF-EM16 survey (thanks to Mr. George Addy, District Geologist, in this regard) was attempted at this time, but the VLF signal was inadequate and spurious. It is believed that the transmitted signal from the station (Seattle, Washington and Cutler, Maine were tried) was greater than the 45° (direction relative to the strike of the

of the suspected structure) allowable for the best results. The geological survey consisted of mapping, on a scale of 1 centimeter to 15 meters, bedrock exposures as well as the trenches and mineralized showings. A total of twelve chip samples were collected for assay.

TECHNICAL DATA AND INTERPRETATION

The purpose of this years survey was to locate the showings and mineralization as reported by the B.C.M.M. reports, map and sample the area in an attempt to ascertain the economic potential of the claims. Two surveys were conducted, a geological and geophysical survey.

GEOLOGICAL SURVEY

The Iron King property occupies a contact metamorphic (skarn) zone between plutonic rocks of the Nelson Batholith and a remanant sedementary series. The plutonic rocks consists of a medium grained granitic to granodiorite rocks. The north western sector of the grid (back pocket I) is occupied by a granodiorite that exhibits a layering or laminar feature. This gives the rock a pseudo-schistosity which, in the field, strikes 35° and dips 65° to the west. One outcrop (L1+80N 1+50E) exhibited volcanic rocks (microdiorite/andsite) of the Rossland Formation.

The sedimentary series consists mainly of green quartzites that are usually schistose (mica development) and argillaceous. This schistosity trends to the northeast with moderate 45° dips to the southeast. Frequently, a white, pure quartzite which exhibits no schistosity is found as thin lenzoid beds in the argillaceous quartzite. This bedding has a similar attitude to the schistosity - a northeasterly strike with moderate dips

to the southeast.

The contact between the intensely metamorphosed sedimentary rocks and the plutonic rocks was observed at only one location (L3+50N 0+60W) on the grid. This contact strikes northeast, similar to the bedding and schistosity of the quartzite but with moderate dips (48°) to the west. Though no skarn development was observed at this point, favourable locations in the sedimentary series are distinguished by intense garnetization of the original rocks. Epidote is normally associated with this metamorphism. The skarn development often extends a considerable distance in favourable beds depending upon the lime content of the original rocks. No apparent mineralization is observable at these locations even though alteration in the form of garnet and epidote is considerable. Silicification which is frequently associated with the skarn development is exhibited at the majority of the mineralized showings as well as having local occurrences in the quartzites close to the contact.

Mineralization consists mainly of magnetite with accessory pyrrhotite, pyrite, marcasite and minor chalcopyrite. The B.C.M.M. report states: "...interesting but erratic gold values.", though as can be seen from the assay results (Plate 3), the gold and silver values are consistently low. The mineralization occurs at varying distances from the contact but appears to be the most extensive (trenches 7-11) in favourable beds next to the plutonic-sedimentary contact. The magnetite occurs in masses and segregations varying from 1 meter to 20 meters (trench 8) in width as well as disseminations through the rock. As can be seen from the assay results (Plate 3) the iron content of the rock can be up to 50%. Pyrite and

pyrrhotite occur as disseminations but often as small, irregular stratiform seams associated with the magnetite. The masses of magnetite parallel the contact zone, bedding and schistosity with a northeasterly trend.

Geophysical Survey

The magnetometer survey over the Iron King grid was conducted by the author using a Sharpe ES-180 Personal Magnetometer. This instrument measures the vertical component of the magnetic field through the use of two nullifying magnets. A precision micrometer sleeve is used as the adjusting mechanism that aligns an indicator needle to a vertical zero position. The reading for that station is then obtained from the micrometer barrel and sleeve. The sleeve divisions are then converted to gammas through the use of a calibration chart. Proper field procedure requires the instrument housing to be aligned in a north-south orientation.

The survey was started following the location of the Main Base Station (M.B.S.) situated outside of the grid area. Readings were then obtained at each crossline on the baseline. Upon returning to the M.B.S., another reading was obtained, thereby allowing the readings to be corrected for diurnal variation and thereby obtaining Base Station readings for each cross line. From this point the grid was surveyed as a series of individual loops each with its own set of Base Station readings. The two Base Station readings gave a base shift and a drift correction, which was evenly distributed over the time required to complete a loop, thereby allowing correction for diurnal variation. These final readings were then plotted on a grid map and contoured on 1000 gamma intervals.

The magnetometer results (back pocket 2) typifies a skarn deposit,

that is, being of a sporadic nature with high localized magnetic readings with adjacent magnetic lows. This also conforms to what is observed in the field, an erratic, both in placement and extent, mineralization. The attitude of the anomalies trend in a northerly direction along the known contact of the plutonic and sedimentary rock. The survey indicates a near surface which has vertical dips to the west. The single station reading at 13+00N 0+90W was obtained over the granitic rocks though occupies a position which conforms with the westerly dipping contact. The anomalies also conform to known geological structures and mineralization as is outlined on the geological map. An exception to this is the three line anomaly at 2+10E on lines 1+20N, 1+80N and 2+40N. The values obtained are double that of the local gradient and as such represent an area of interest. The geology in that area only partially hints at or explains this anomaly, ie. the skarn development, though not intense, the pyritic nature of the rocks and the occurrence of a microdiorite dike rock. A strong anomaly (10+00 0+30E) is open to the south which is known to continue due to test readings done along a southern extension of the base line. The magnetometer survey located the highly metamorphosed contact zone and demonstrated the similar magnetic susceptibilities of the granitic and sedimentary rocks. Due to the very specific and localized magnetic characteristics it is felt that intermediate stations as well as intermediate lines would greatly enhance and expand the magnetic character of the area.

CONCLUSION

The geological field data from the Iron King property indicates a skarn deposit with magnetite as the main mineral present. There is minor

copper and zinc present but no where is this observed to reach any proportions. Likewise, gold and silver values are correspondingly low even though iron sulphides, locally, reach considerable proportions. The geology of the deposit is of the contact metamorphic variety occurring as erratic masses of mineralization in a highly garnetiferous rock that is normally accompanied by epidote and silicification. The magnetometer survey confirmed the spurious nature of skarn deposits with high localized magnetic readings, high changabilities over very short distances (as much as 66,000 gammas over 15 meters), coupled with adjacent magnetic lows. This survey indicates a continuation of the anomaly trend to the south of the grid and located an additional unexpected, unaccounted for anomaly in the southeastern portion of the grid.

The mineralization consists of, almost exclusively, magnetite with poor gold and silver values. It is possible though that a sufficient quantity of magnetite could have a commercial value as a flux. To this end a detailing of the anomalies would be necessary as well as an extension of the grid in a southerly direction. A proton magnetometer would be the most suitable instrument for this phase of development.

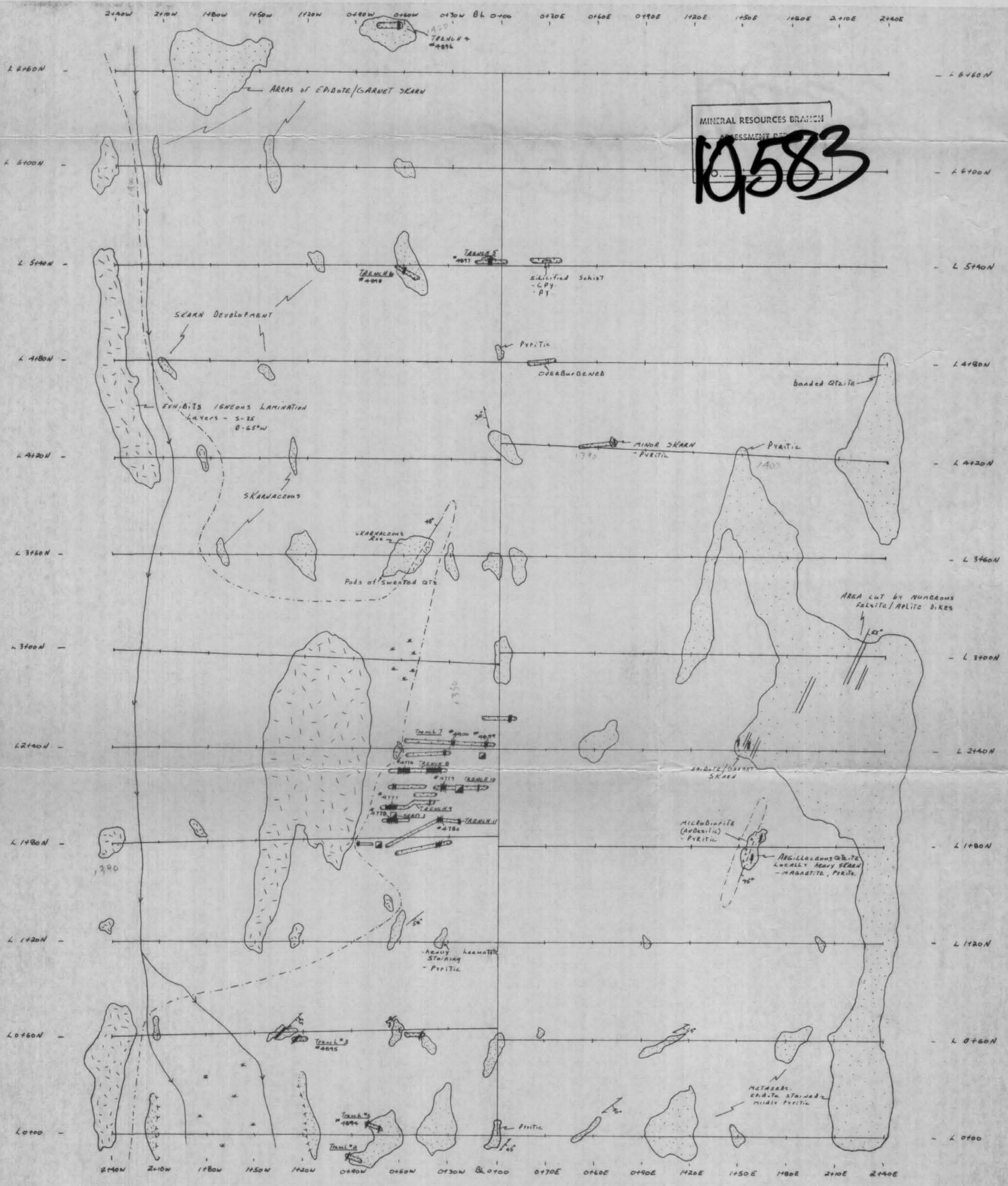
ITEMIZED COST STATEMENT

1. Geological Services: R. Kregosky, Sept. 29 to October 7, 1982, 9 days @ \$200.00/day	\$1,800.00
2. Food 9 days @ \$20.00/day	180.00
3. Accommodation: 9 nights @ \$25.00/night.	225.00
4. Mileage: 1,000 km. @ 20¢/Km.	200.00
5. Assays: 12 samples total.	286.30
6. Sample shipment: Greyhound, Chemex-Calgary, Alta.	14.05
7. Report preparation: 2 days @ \$200.00/day.	<u>400.00</u>
	TOTAL \$3,105.35

AUTHOR'S QUALIFICATIONS

I, Roy D. Kregosky, state that I am a practising Geologist having obtained a Bachelor of Science degree in geology from the University of Calgary in 1971.

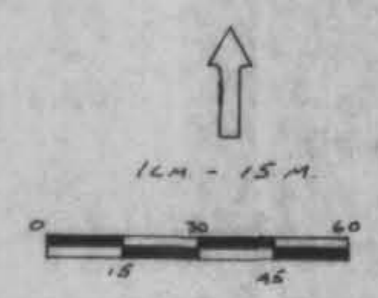
Roy Kregosky

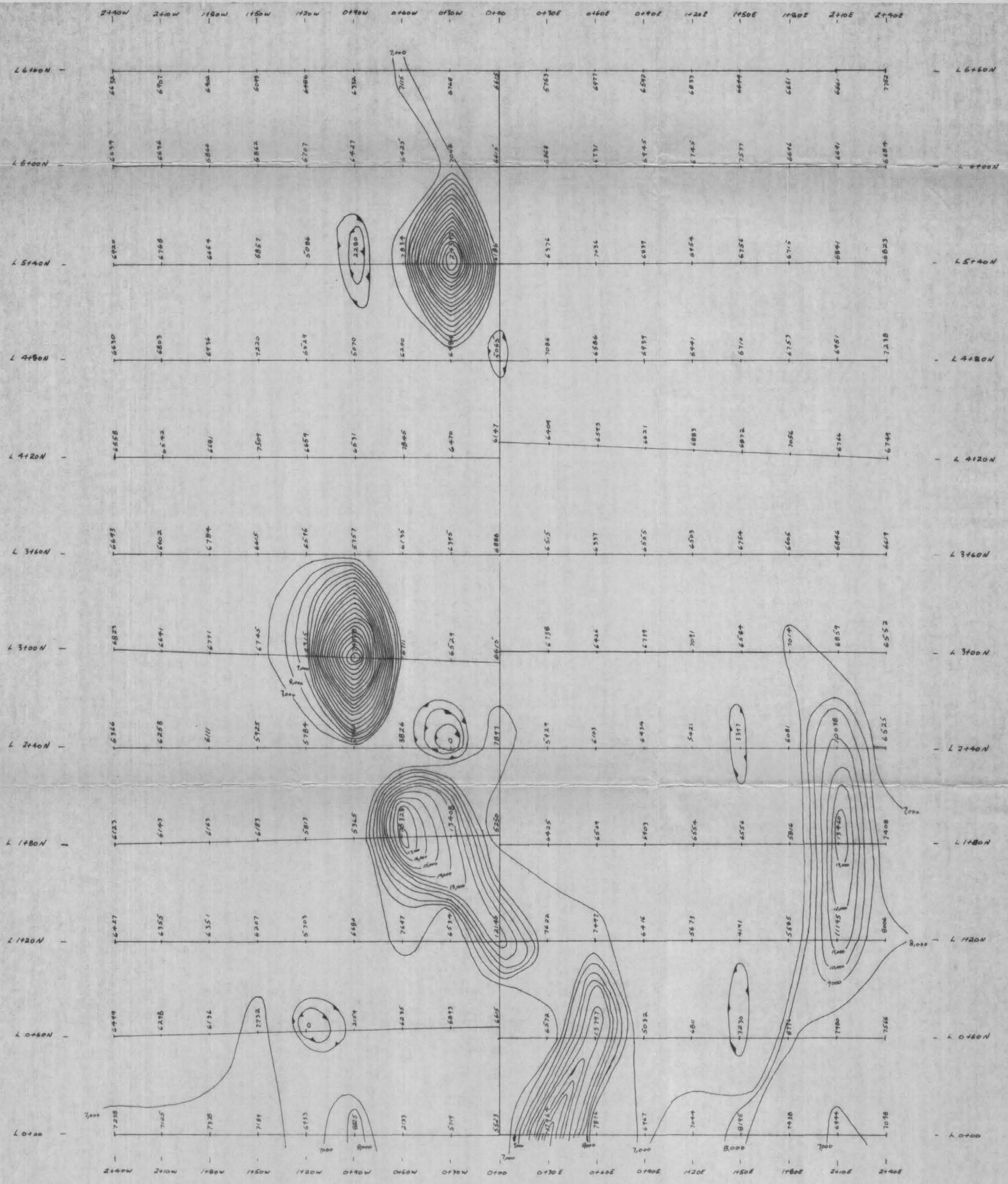


MINERAL RESOURCES DRAWING
ASSESSMENT REPORT
10583

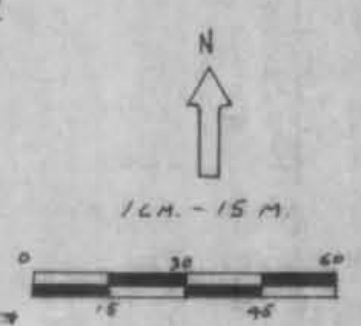
GEOLOGICAL SURVEY
iron king property nelson, bc.

- == DIKE ROCKS
- +++ CLIFFS
- TRENCH
- SHAFT
- ~ CREEK
- SKARN ROCKS
- OUTCROP
- - - CONTACT - observed, assumed
- - - BEDDING
- SCHISTOSITY
- NELSON PLUTONIC ROCKS
- GRANITE, GRANDIORITE
- ROSSLAND FORMATION
- ANDESITE (MICRODIORITE)
- QUARTZITE - argillaceous, schistose - ARGILLITE





MAGNETOMETER SURVEY
 Iron King property nelson, bc
 contour interval - 1,000 gammas



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