

GEOLOGICAL AND PHYSICAL WORK REPORT

~~PROGRESS REPORT~~
JUMBO CLAIM
NITINAT RIVER AREA, VANCOUVER ISLAND
ALBERNI M.D.
92C/15E

48°53' 129°40'

for

ADMIRAL ENERGY AND RESOURCES LTD.
1200 - 800 W. Pender Street
Vancouver, B.C.

by

HAROLD M. JONES, P.Eng.

¹⁹⁸²
GEOLOGICAL BRANCH
ASSESSMENT REPORT

11,143

G. A. NOEL & ASSOCIATES INC.
CONSULTING GEOLOGISTS

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SUMMARY

On June 5-6, 1982 the writer examined the Jumbo Claim, located in the Nitinat River Area of Southern Vancouver. The purpose of the examination was to review assessment work conducted on the claim by Admiral Energy and Resources Ltd. An examination in March 1981, by G. A. Noel, P.Eng., noted the presence at three narrow zones of massive sulfides; that by the writer noted three additional mineralized zones. The conclusions from both examinations recommended geological-geochemical-geophysical surveys to delimit the known mineralized zones and search for additional ones.

INTRODUCTION

At the request of Admiral Energy and Resources Ltd. the writer, on June 5-6, 1982, visited the company's Jumbo claim. It is located in the Nitinat River area of Southern Vancouver Island approximately 135 km by road westerly of Duncan. The purpose of the visit was to examine the work conducted on the claim since it was first examined and reported on by G.A. Noel (1981), at which time only a part of the ground was then held as the Ike claims.

Following the report by Noel (1981), Admiral Energy and Resources Ltd. staked the larger Jumbo claim to encompass the showings on the 2-post Ike claims, and then conducted an assessment work program which consisted of rehabilitating 2.8 km of old logging roads (part of which is an old railway grade) and stripping seven mineralized areas.

The areas covered by the above new work were mapped by the writer using Compass and "hip chain" for control. He was assisted by B. Fenwick-Wilson, who is very familiar with the property. A reconnaissance geology map was prepared on a scale of 1:5000 and for convenience, reduced to a scale of 1:10,000. It accompanies this report as Figure 4.

This report is intended to up-date that prepared by Noel (1981). The reader is referred to his report for details not covered in this progress report.



FIGURE 1
 LOCATION MAP
 JUMBO CLAIM
 Nitinat River Area, B.C.
 Scale: 1:1,900,800



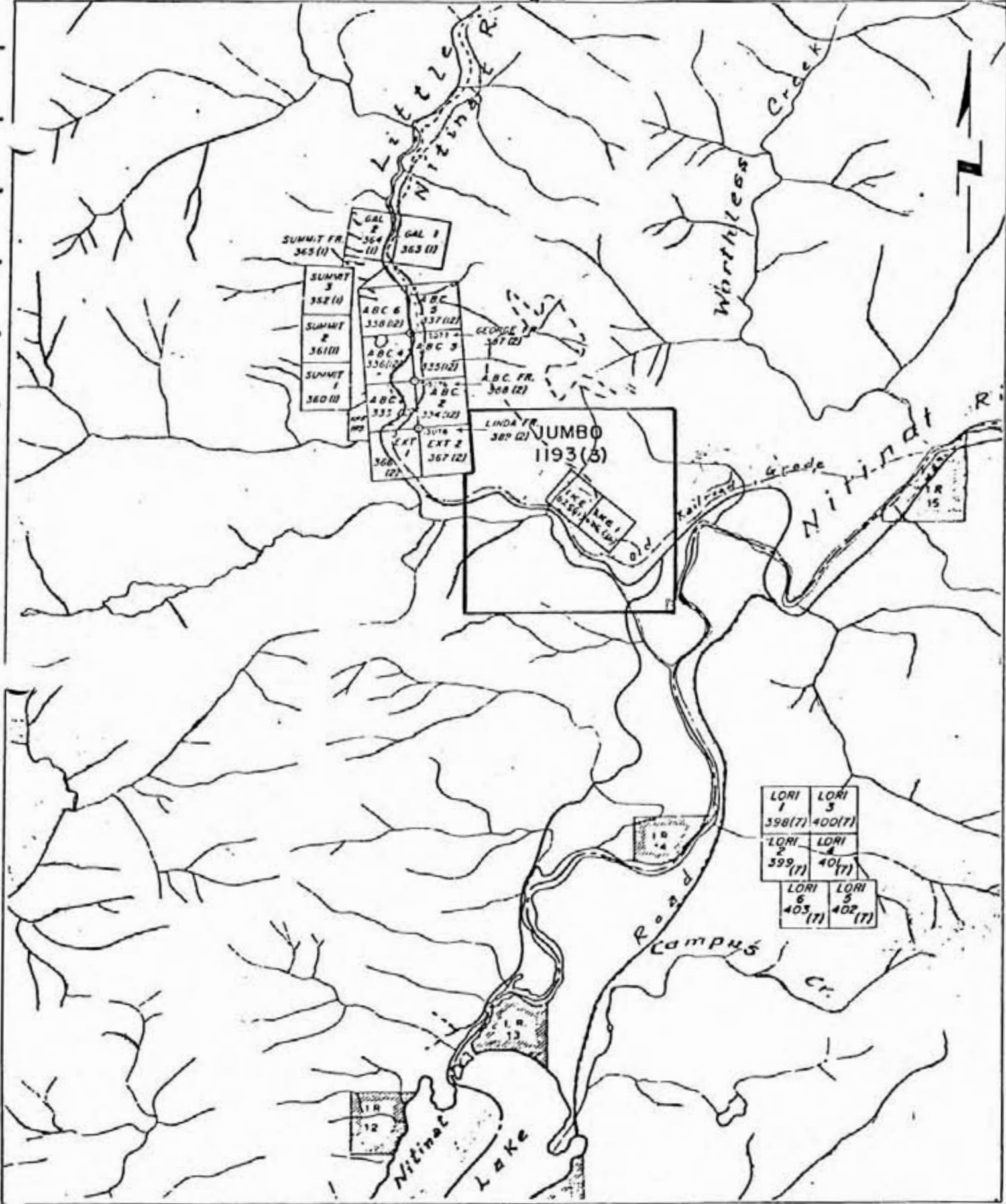


FIGURE 2
 CLAIM MAP
 JUMBO CLAIM
 Nitinat River Area, B.C.

SCALE: 1:160,000
 0.5 0 1 Km.

PROPERTY

The Jumbo claim , consisting of 16 units, was staked to encompass the two-most Ike and Ike I claims, these were allowed to lapse on their expiry date. The Jumbo claim may be described as follows:

| <u>Claim Name</u> | <u>no. of Units</u> | <u>Record #</u> | <u>Date of Record</u> |
|-------------------|---------------------|-----------------|-----------------------|
| Jumbo | 16 | 1193(3) | March 26, 1981 |

The claim , is owned by Admiral Energy and Resources Ltd., 1200 - 800 West Pender Street, Vancouver, B.C.

GEOLOGY

General Geology:

Parts of the claim was logged many years ago while other parts were logged in more recent times. As a result, the claim is covered by a thick growth of vegetation which varies from dense second growth to fairly mature open forest. Due to the forest cover and locally thick overburden, obvious outcrop is restricted to cut banks along old logging roads and to debris-strewn creek gulleys. The latter are plugged with old logging slash.

Noel (1981) described the geological setting so it will not be repeated. It is suffice to say that the property is underlain by Bonanza Group volcanic rocks which include dacitic and rhyodacitic tuffs, tuff breccias and porphyries, and lesser andesitic porphyries. Bedding, which is not obvious over most of the property, indicates the Bonanza section strikes northeasterly and dips moderately to the northwest.

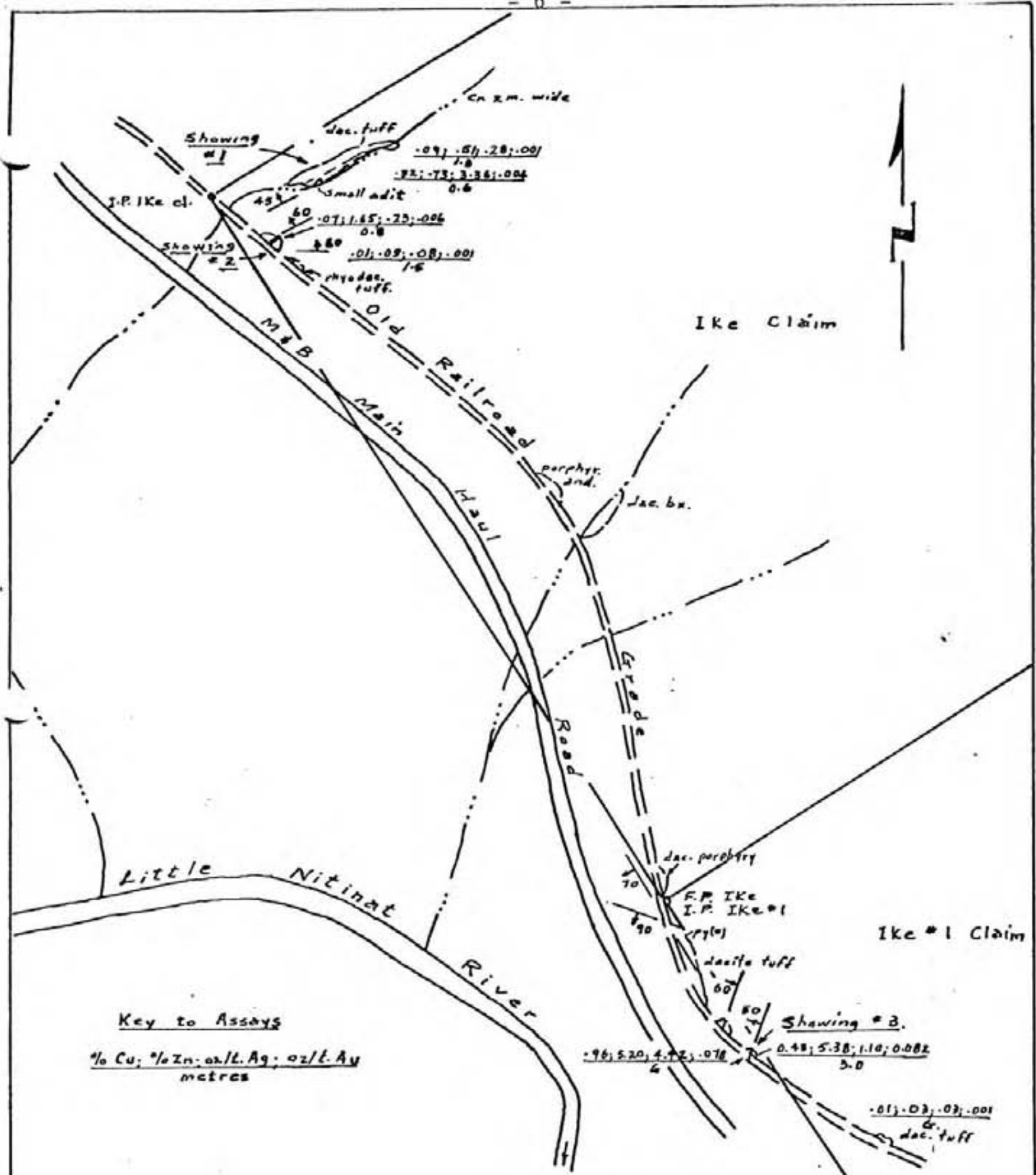


FIGURE 3
 GEOLOGY MAP
 IKE CLAIMS

Nitinat River Area, B.C.

Scale: 1:2500

G.A.Noel, P.Eng.
 Mar. 1981'

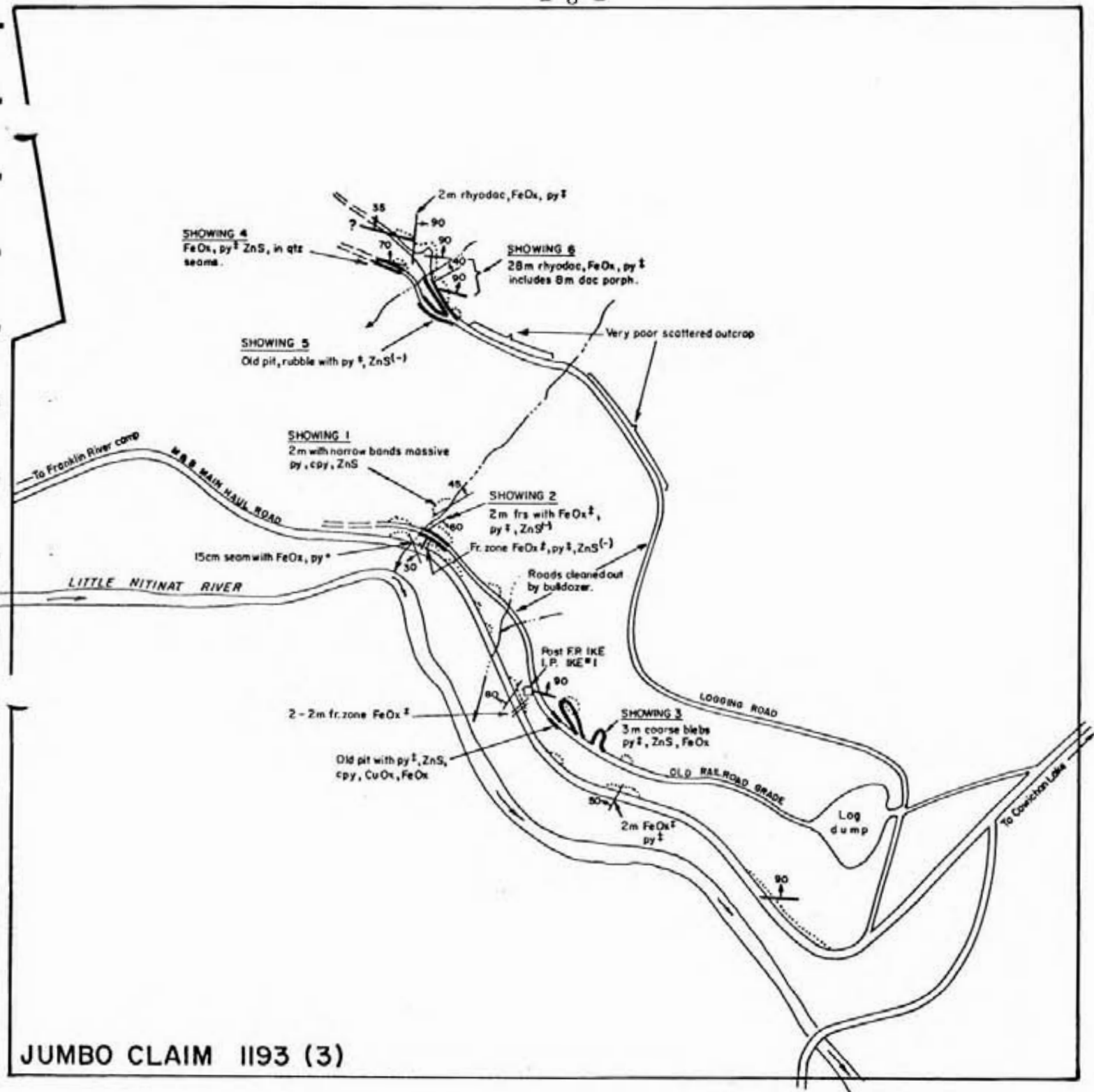


Local Geology:

The writer conducted reconnaissance geological mapping along the McMillan Bloedel main haul road, the old logging railway grade and the upper (northernmost) logging road. The latter two, shown on Figure 4 as passible roads, were cleaned out and upgraded during the assessment work program in September, 1981.

Four significant mineralized zones were observed along the old logging railway grade. These were described and sampled by Noel (1981) and include showings 1, 2 and 3 plus an old pit. Each zone occurs within the more siliceous volcanics, namely dacitic to rhyolitic tuffs(?), and are characterized by a prominent limonite gossan. The zones, which vary from one to three metres thick, contain abundant pyrite as disseminations and fracture coatings. They also contain narrow stringers and bands of massive sulfides, which include in the order of abundance pyrite, black sphalerite, chalcopyrite and very minor galena in a siliceous gangue. Lesser marcasite, pyrrhotite and magnetite are also present. The massive sulfide bands vary from 0.1 to 1.0m thick. (Figure 3)

Interesting mineralization was also observed on the upper (northernmost) logging road. This road was rehabilitated to approximately 200 metres beyond a main junction (see Figure 4). At the junction and west from it on the lower branch road are two rubbly exposures of limonitic rhyodacite. Each represent a zone from one to two metres wide containing fine seams of massive pyrite, chalcopyrite and black sphalerite. Very minor fine galena is also suspected.



JUMBO CLAIM 1193 (3)

LEGEND

-  Outcrop - all Bonanza Group Volcanics
-  Road - possible
-  Road - overgrown
-  Creek
-  Fractures
-  Fault
-  Trenching, stripping - Sept. 1981.



FIGURE 4

SKETCH OF JUMBO CLAIM SHOWING ALL KNOWN MINERAL OCCURRENCES
JUMBO CLAIM - NITINAT RIVER AREA, B.C.

SCALE 1:10,000



A few grains of a black, sooty mineral were also observed which may be a secondary silver mineral(?). These zones are shown on Figure 4 as showings of 4 and 5.

Showing no.6 consists of two wide bands of heavily iron stained and pyritized dacite to rhyodacite separated by an irregular band 6-8m thick of massive, unmineralized dacite porphyry. This entire zone is at least 20 metres in width. While no massive sulfides were observed at this site it does not preclude their presence within the siliceous volcanics. The mineralized volcanics at this location are very similar to those seen at all other showings but are considerably wider.

All of the mineralized zones except showing 4 appear to strike to the northeast. However, showing 4 appears to strike westerly. Also, faulting and fracturing to the west of the creek near showing 4 have trends to the north and to the west. Because of this apparent change in attitudes on either side of the creek, it is suggested that a north-east striking fault lies in the creek gulley.

A reconnaissance along the main McMillan-Bloedel haul road located narrow seams of massive sulfides at the creek beneath showings 1 and 2 as well as several 2m wide pyritic fracture zones to the east of here (See Figure 4). Outcrops along the road are obscured by a heavy layer of muddy dust from the main road traffic.

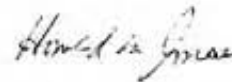
CONCLUSIONS

It is concluded that volcanogenic massive sulfide-type mineralization is present on the Jumbo claim within narrow bands of dacitic to rhyodacitic tuffaceous(?) beds in the Bonanza Group volcanics. It is also concluded that the geological setting is favourable for hosting additional mineralized bands. These could be present but are now hidden by overburden and/or dense forest cover. It is concluded that the property warrants a geological-geochemical-geophysical exploration program to delimit known mineralization and search for new mineralized zones.

Recommendation

It is recommended that the program recommended by G.A.Noel (1981) be implemented, with some modifications. Before a soil grid is laid out all roads should be brushed out with a bulldozer and rock cuts along them geologically mapped. The grid may then be adjusted to encompass all of the areas of interest. It is also suggested that line spacing be increased from 50m to 100m. The estimate costs will remain the same.

Respectfully submitted,



HAROLD M. JONES, P.Eng.

Vancouver, B.C.
June 8, 1982

REFERENCES

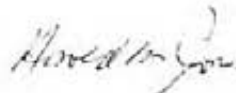
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- Fyles, J.T. (1955): Geology of the Cowichan Lake Area, Vancouver Island, B.C.; B.C. Dept. of Mines Bulletin #37, 1955
- Muller, J.E. (1971): Geological Reconnaissance Map of Vancouver Island and Gulf Islands, G.S.C. Open File Map, 1971.
- Muller, J.E. (1976): Cape Flattery map-area (92C), British Columbia, in Rept. of Activities, Part A, G.S.C. Paper 76-1A, 1976.
- Northcote, K.E. (1972): The Geology of the Nitinat Triangle, in Geology Exploration and Mining, B.C. Dept. of Mines and Petroleum Resources, p. 243.
- Noel, G.A. (1981): Report on the Ike Claims, Nitinat River area, Vancouver Island, Alberni M.D.; Qualifying Report for Admiral Energy and Resources Ltd.

CERTIFICATE

I, Harold M. Jones, of the City of Vancouver, British Columbia do hereby certify that:

- 1) I am a consulting geological engineer with G.A. Noel & Associates Inc., at 721-602 West Hastings Street, Vancouver, B.C.
- 2) I am a graduate of the University of British Columbia in Geological Engineering, 1956.
- 3) I have practiced my profession as a geological engineer for 25 years.
- 4) I am a member of the Association of Professional Engineers of British Columbia, Registration No.4681.
- 5) I examined the Jumbo Claim on June 5 and 6, 1981 and conducted reconnaissance geological mapping along all of the accessible roads. I have also reviewed all of the literature listed under "References".
- 6) I have no interest, nor do I expect to receive any interest, direct or indirect, in the Jumbo Claim or in any Securities of Admiral Energy & Resources Ltd.
- 7) Admiral Energy & Resources Ltd. is hereby given permission to reproduce this report, or any part of it, for financing purposes, provided, however, that no portion may be used out of context in such a manner as to convey a meaning differing from that set out in the whole.

Dated at Vancouver, B.C. this 8th day of June, 1982.



HAROLD M. JONES, P.Eng.

Itemized Expense Account

(Make separate sheet for each Project No. and attach voucher)

Party Chief Turnbo + Turnbo I Property _____

Period from Aug 19th 82 to Aug 26th 82 Project No. 1982

Expenses to be listed as follows:

1. Hotel and travelling expenses
2. Food and supplies
3. Wages paid in field
4. Equipment purchased

| DATE | ITEM | AMOUNT |
|------|--|---------|
| | Food + Accommodation | 192.51 |
| | Travel, ferris, etc. | 272.52 |
| | Incidentals + cks + insur | 59.95 |
| | Assaying | 308.75 |
| | Cat. D.G. 2 1/2 days @ 75 hr + flaring | 1228.00 |
| | A. Findlay. Geologist @ 1850 | 600.00 |
| | B. Fenwick. Wilson @ 150 | 600.00 |
| | W. Deans 3c/100 yds | 330.00 |
| | Hand trenching + side cutting | |
| | Cutting + trenching + road. | |
| | Making with cat. Swamping | |
| | after cat. cleaning of | |
| | cat cuts for samplings | |
| | Clearing of old road for | |
| | access. Chaining etc. | |
| | Sampling for assayng. | |
| | TOTAL | 3591.73 |

Signature B. A. Fenwick-Wilson

Itemized Expense Account

(Make separate Sheet for each Project No. and attach voucher)

Party Chief _____ Property Jumbo & Jumbo I

Period from Nov 14 1982 to Nov 19 1982 Project No. _____

Expenses to be listed as follows:

- 1. Hotel and travelling expenses
- 2. Food and supplies
- 3. Wages paid in field
- 4. Equipment Purchased

| DATE | ITEM | AMOUNT |
|------|--|------------|
| | Meals & Accomodation | \$ 89.50 |
| | Travel, Ferries, Truck | 188.13 |
| | Incidentals | 11.16 |
| | Assaying | 85.00 |
| | Alistair Findlay, Geologist 4 1/2 / \$300 | 450.00 |
| | B. Fennick-Wilson 2 1/2 / \$150 | 375.00 |
| | J. Joyce 2 1/2 / \$100 | 250.00 |
| | W. Jeans 2 1/2 / \$100 | 250.00 |
| | Cleaning Exposates for Sampling. Brushing out old access rd. Ditching for Spring run off. Sampling: Chaining Checking claim lines to locate old claims Boundaries Trenching. Filling washouts. | |
| | TOTAL | \$ 1698.79 |

Signature B. A. Fennick-Wilson

JUMBO 1
1542 (II)

JUMBO
1193 (3)

WORTHLESS CREEK








LITTLE NITINAT RIVER

NITINAT RIVER

L.C.P.

L.C.P.

LEGEND

-  MAIN LOGGING HAUL ROAD
-  LOGGING ROADS - GOOD, OVERGROWN
-  ABANDONED RAILWAY GRADE
-  RIVER, STREAM
-  TRENCHING, STRIPPING
-  *Rds. made + chored out*
-  *Rds. Brushed out*



CORPORATION

ALPHA OMEGA ~~STEEL~~

**JUMBO CLAIMS
SKETCH SHOWING LOCATION
OF 1982
TRENCHING & STRIPPING**

0 500 1000 Metres

| | | |
|----------------|------------|--------|
| SCALE 1:20,000 | APRIL 1983 | FIG. 5 |
| B. F.-W. | | |

TO COMICHAN LAKE