



exploration ltd.

83-#129 - #11278 3
GEOLOGY · GEOPHYSICS
MINING ENGINEERING

4570 HOBKINS ROAD, NORTH VANCOUVER, B. C.
TELEPHONE (604) 985-7921 V7K 2R1

GEOCHEMICAL
ASSESSMENT REPORT

on the

MINERAL CREEK PROPERTY
(YELLOW CLAIM)

Lat. $49^{\circ} 11' N$ 92F/2E Long. $124^{\circ} 39' W$

Alberni Mining Division - British Columbia

for

SILVER CLOUD MINES LTD.

**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

11,278

by

E. A. Fuller

and

D. G. Allen

April, 1983

North Vancouver, B.C.

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SUMMARY

The Yellow Claim held by Silver Cloud Mines Limited covers lode type gold mineralization within Sicker Group volcanic rocks of Late Paleozoic age. The claim is situated 12 kilometres southeast of Port Alberni in the Alberni Mining District of southern Vancouver Island and is accessible by logging road and trail.

Mining was carried out discontinuously between 1896 and 1936 and production is reported at 403 tons yielding 303 ounces of gold and 52 ounces of silver.

Host rocks are mainly massive and amygdaloidal andesites. A north trending mylonite zone is exposed in Mineral Creek near the central northern part of the claim and adjacent to the lode gold. Pyrite is common in the mylonite and in parts of the veins. Previous chip sampling of the mylonite zone indicated an average grade of 0.05 ounces per ton gold.

On March 19 and 20, 1983, E.A.Fuller (geologist) and A. Geoghegan (assistant) conducted a geochemical soil survey and outcrop chip sampling for Silver Cloud Mines Limited to determine the extent of gold mineralization in the shear zone and beyond the known workings. A total of 81 soil samples and nine continuous or semi-continuous rock chip samples were collected and subsequently analyzed for gold, silver, copper, lead, and zinc in the soils as well as arsenic in the rocks.

CONCLUSIONS

The soil survey outlined a 425 metre by 300 metre area of anomalous gold (> 50 ppb) and a highly anomalous zone within (> 1000 ppb) measuring 300 metres by 120 metres. The anomalies are open to the north and south and extend well beyond (300 metres) the previous workings on the east side of the creek valley.

The gold values in the soil west of Mineral Creek diminish rapidly away from the creek to background levels and infer that mineralization extends only within 70 metres west of the creek.

There is a relationship between high pyrite content and relative high gold and arsenic content which may be useful in defining the gold bearing zone geologically.

RECOMMENDATIONS

Based upon the positive indications of gold from three soil lines running uphill and east of the known workings and the anomalous nature of the mylonite zone, the following work is recommended:

- 1) Follow up prospecting and geochemistry on the gold anomalies to locate new targets.
- 2) Continuation of the mylonite channel sampling and mapping to outline patterns of gold mineralization in this structure.

3) Induced polarization and VLF-EM surveys to outline the pyrite zone which appears to contain the most gold.

INTRODUCTION

The Yellow Claim wholly owned by Silver Cloud Mines Limited was sampled to test the exploration potential for - large tonnage low grade gold mineralization in a north trending mylonite zone in Late Paleozoic Sicker group volcanic rocks. E.A. Fuller, geologist and A. Geoghegan, assistant, spent two days on the property (March 19 and 20, 1983) for A & M Exploration Ltd. on behalf of Silver Cloud Mines Limited.

Soil sampling and continuous and semi-continuous rock chip sampling were carried out across the mylonite structure to indicate grade and extent of mineralization. A geochemical soil survey was carried out across Mineral Creek to define the extent of gold mineralization.

LOCATION AND ACCESS

The property is located 12 kilometres southeast of Port Alberni on map 92F2. The claims lie on Mineral Creek, a tributary of China Creek (figures 1 and 2). Access to the southwest corner of the property is by logging road from Port Alberni. An impassable cat road cuts up toward Mineral Creek and a trail extends to the old workings (figure 4).

SILVER CLOUD MINES LTD.

YELLOW CLAIM

LOCATION MAP

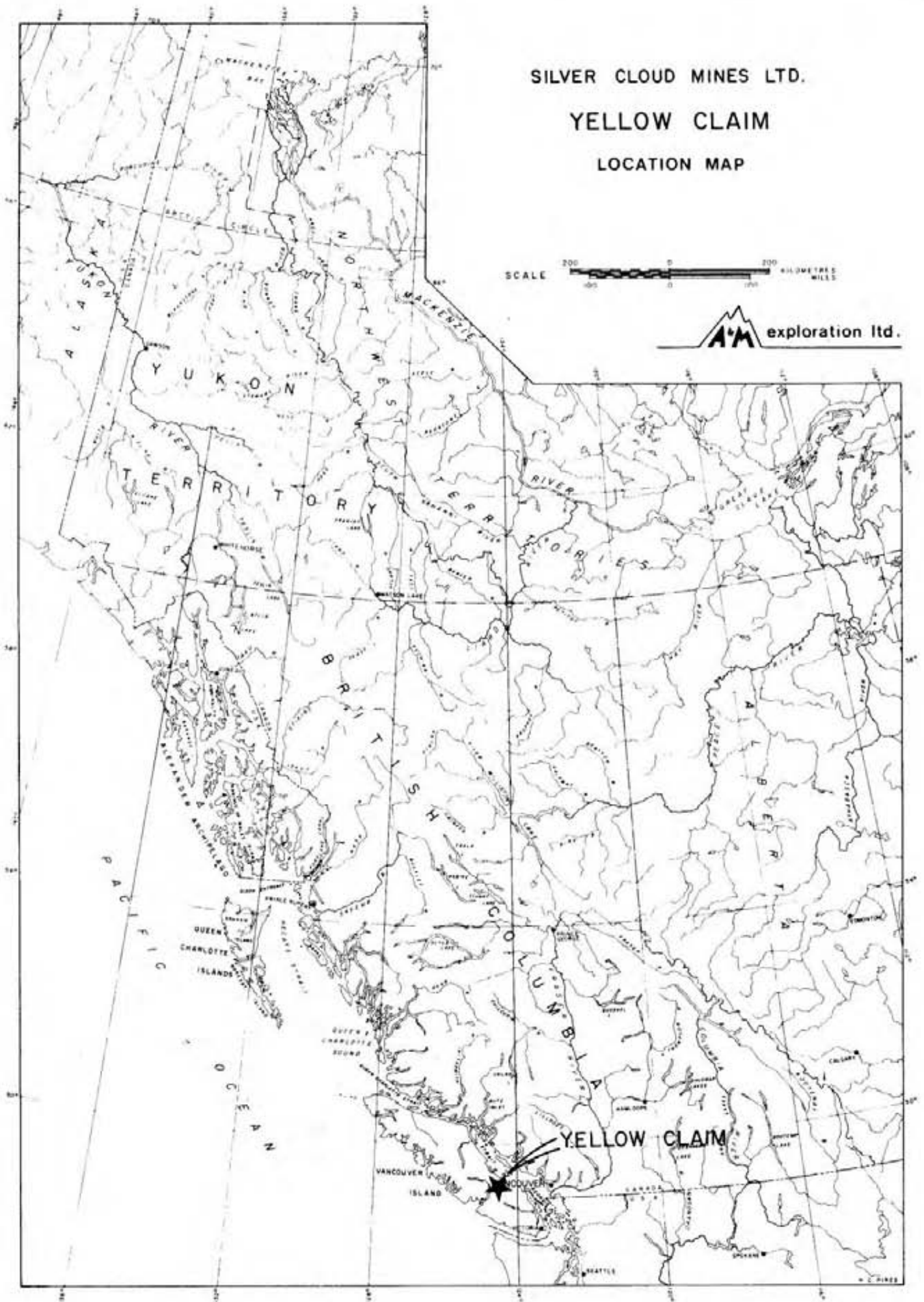


FIGURE - I



ACCESS MAP
YELLOW CLAIM

Alberni Mining Division - British Columbia

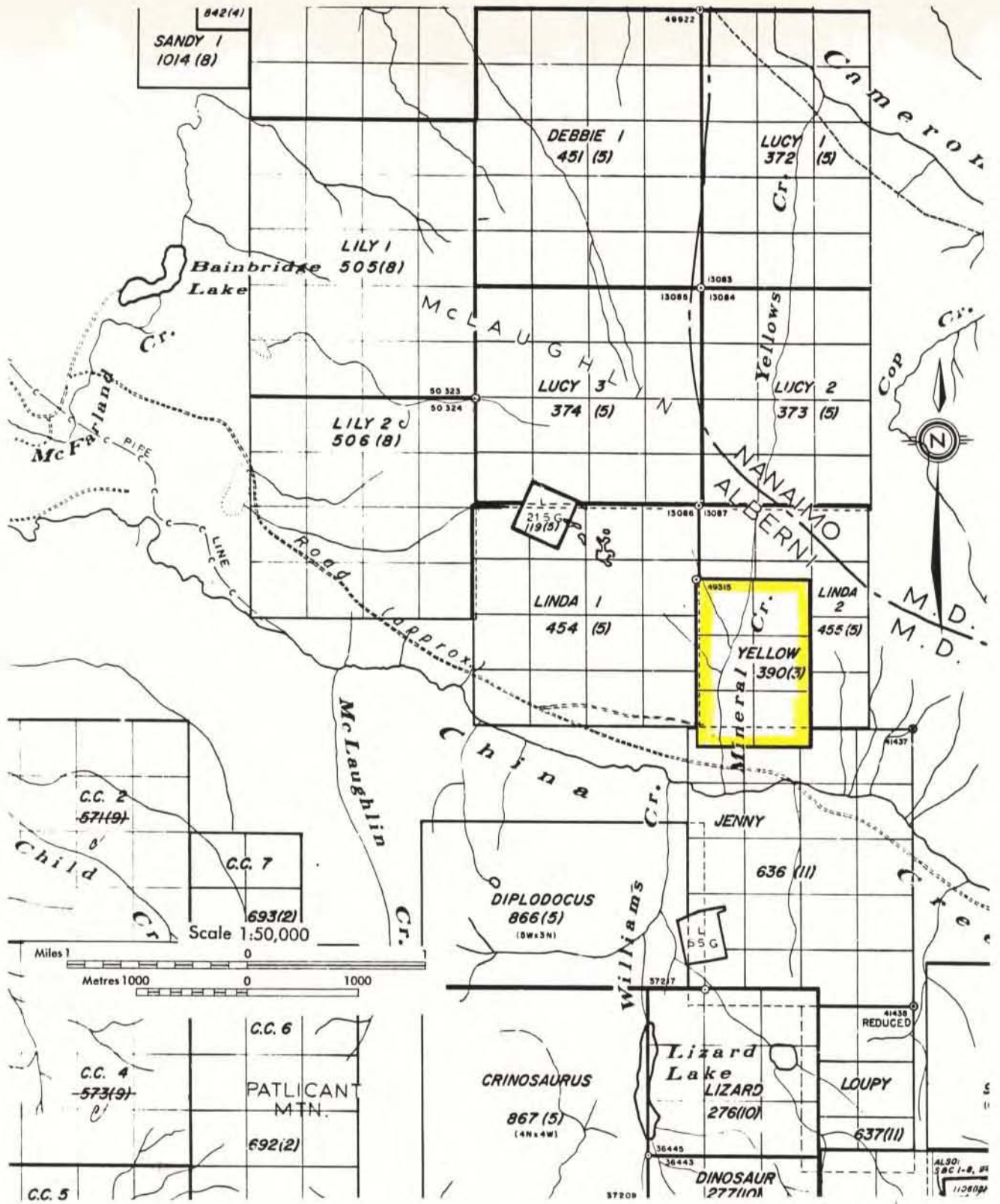
CLAIM DATA

Silver Cloud Mines Limited of Vancouver own the Yellow Claim comprised of 6 units in the Alberni Mining District. The record number is 390 (3) and record date is March 25, 1979 (figure 3).

HISTORY

Gold mining was originally carried out by placer miners on nearby China Creek in 1862. Prospecting was carried out from 1892 to 1900 with the discovery of gold quartz veins on Mineral Creek in 1895. These veins were developed and an eight stamp mill installed by Consolidated Alberni Gold Mining Company in 1898. Subsequently, Vancouver Island Gold Mines Limited spent three years on the property from 1933 to 1936 culminating in the installation of a 35 ton pilot mill which was unsuccessful. Production is reported as 403 tons yielding 303 ounces gold and 52 ounces silver. A forty foot wide strongly carbonatized shear zone with gold in quartz stringers was partly developed.

Chip sampling of the shear zone was carried out by Stevenson (1944) in trenches and underground workings. A calculated average of assays of 79 samples yields 0.05 oz/ton gold.



N.T.S. 92 F/2E

CLAIM MAP

YELLOW CLAIM

Donald S. Allen
Alberni Mining Division - British Columbia
exploration Ltd.



More recently, Western Mines carried out geochemical and geological surveys in 1976 on the adjacent Shannon Claims. One copper-zinc soil anomaly was found close to Mineral Creek and three zinc soil anomalies found west of Mineral Creek. A & M Exploration Ltd. conducted preliminary geochemical exploration on the claim in 1982 (Allen, 1982).

GEOCHEMICAL SURVEYS

A total of 81 soil samples and 9 rock chip samples were collected from a geochemical soil grid emplaced over the Mineral Creek valley across the mylonite zone by E.A. Fuller and A. Geoghegan during two days of field work. The objective was to test the mylonite zone and to test the area beyond the known limits of mineralization. This work was carried out by A & M Exploration Ltd. under the supervision of Donald G. Allen, P. Eng. on behalf of Silver Cloud Mines Limited.

Soil Geochemistry

Soil sampling was carried out along seven flagged soil lines using a base line along Mineral Creek and using hip chain and compass for survey control. Eighty-one samples were taken from beneath the A horizon at 25 metre intervals and analyzed geochemically for Cu, Ag, Zn, Pb, and Au. Rossbacher Laboratory, Burnaby, B.C. conducted the sample preparation and analysis.

Soil sample locations are plotted on figure 4 and gold-silver values plotted on figure 5. Geochemical results are included in Appendix I.

An area of 425 metres by 300 metres contains values of 50 ppb Au and greater, lying mainly on the east side of the Mineral Creek valley. Within this area a 1000 ppb Au anomaly occurs over 300 metres by 120 metres and in part correlates with the area of the known underground workings open to the north and south. samples yielding greater than 100 ppb Au extend to 300 metres east of Mineral Creek. The west side of the valley is anomalous up to 70 metres west of the creek and gold values diminish abruptly near the boundary of the mylonite zone.

Silver values range between 0.2 and 2.6 ppm and tend to follow the gold pattern. Copper and zinc values are 200 ppm or less and do not constitute an anomaly.

Rock Geochemistry

Continuous and semi-continuous rock chip sampling was carried out at nine sites to evaluate the mylonite zone and outcrops adjacent to the mylonite. The mylonite trends northerly and appears to be up to 50 metres wide. The rock is laminated due to the shearing and is weakly to intensely silicified. Pyrite occurs both disseminated and on fractures. One contact attitude was measured striking 154° and dipping 85° west.

The mylonite is pale to dark green in colour and weathers to chocolate brown and various shades of green. The unsheared andesite contains amygdules and is only slightly foliated. Of the nine samples taken, two were from amygdaloidal andesite and contained negligible gold values. The other seven contained between 110 ppb to 2800 ppb Au. Samples with abundant pyrite contained the highest gold values. Sample descriptions are given in Table I and locations given on figures 4 and 5.

Arsenic is present in anomalous (> 50 ppm) amounts in seven of the nine samples. Highest values (> 1000 ppm As) occur in two samples of pyrite-bearing sheared andesite which also had the highest gold content.

Donald S. Allen

Table I

<u>Sample No.</u>	<u>Sample Description</u>	<u>Au ppb</u>
83 YXT 1	Semi-continuous chip sample across 47 m of exposed veined mylonite shear zone containing 60% to 75% quartz and up to 90% to 95% quartz veining in individual chips with trace pyrite. The mylonite fabric trends 360°.	110
83 YXT 7	Chip sample across 10 cm by 2 m exposed fault in highly altered andesite with grey matrix and very fine grained pyrite.	940
83 YXT 8	Chip sample across 30 m of brown weathering cataclastic and mylonitic andesite on both side of Mineral Creek. This rock is highly silicified and intensely fractured with up to 2% disseminated pyrite.	1420
83 YXT 9	Chip sample across 3 m of fresh and silicified andesite with rhythmically banded quartz veins below workings.	240
83 YXT 10	Chip sample across 1 m by 30 cm area of silicified andesite and quartz vein with minor amount of green fuchsite and 1% pyrite. Sample taken near old tramway.	1440
83 YXT 18	Continuous and semi-continuous chip sample across 2.0 m of rusty weathering sheared and granulated andesite with trace pyrite. Microbrecciated quartz material in a grey matrix with random orientation. A soil sample from beneath this outcrop contains 14,000 ppb Au (83 YXS 19).	1000
83 YXT 20	Continuous channel sample across 1.0 m of same sheared andesite outcrop as 83 YXT 18 but 1 m to the west in a pyritic zone with 3% to %5 disseminated pyrite.	2800
83 YXT 22	Chip sample along 10 cm by 75 cm area of six coalescing ribbon veins with minute siderite veins cutting them.	10
83 YXT 25	Semi-continuous chip sample across 8.6 m of slightly foliated andesite with trace very fine pyrite dusting.	10

REFERENCES

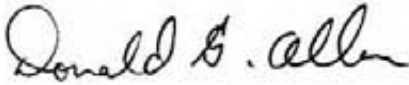
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CERTIFICATE

I, Donald G. Allen certify that:

1. I am a Consulting Geological Engineer, resident at 4570 Hoskins Road, North Vancouver, B.C.
2. I am a graduate of the University of British Columbia with degrees in Geological Engineering. (B.A.Sc., 1964; M.A.Sc., 1966)
3. I have been practising my profession since 1964.
4. I am a member in good standing of the Association of Professional Engineers of British Columbia.
5. This report is based on field work carried out by E.A. Fuller and A. Geoghegan. I personally examined the property on July 10, 1981.
6. I hold no interest, nor do I expect to receive any, in the Yellow Claim or in Silver Cloud Mines Limited.
7. I consent to the use of this report in a Statement of Material Facts or in a Prospectus by Silver Cloud Mines Limited.

North Vancouver, B.C.
April, 1983


Donald G. Allen,
P. Eng. (B.C.)

CERTIFICATE

I, Edward A. Fuller certify that:

1. I am a geologist, resident at 3586 Vineway Street, Port Coquitlam, B.C.
2. I am a graduate of the University of Western Ontario with a degree in Honours Geology. (B.Sc. 1977).
3. I have been practising my profession for five years.
4. I am a member of the Geological Association of Canada.
5. This report is based on fieldwork carried out by myself and A. Geoghegan on March 19 and 20, 1983.
6. I hold no interest, nor do I expect to receive any, in the Yellow Claim or in Silver Cloud Mines Limited.

Port Coquitlam, B.C.
April 21, 1983

Edward A. Fuller,
Geologist

APPENDIX I
GEOCHEMICAL RESULTS

Rossbacher Laboratory Ltd.

GEOCHEMICAL ANALYSTS & ASSAYERS

2225 S. SPRINGER AVE.,
BURNABY, B. C.
CANADA
TELEPHONE: 299-6910

CERTIFICATE OF ANALYSIS

A & M EXPLORATION LTD.

TO: 4570 HOSKINS ROAD
NORTH VANCOUVER, B.C. V7K 2R1

CERTIFICATE NO. **83070-1**

INVOICE NO. **3102**

DATE ANALYSED **APRIL 8, 1983**

PROJECT **MINERAL CR. (T. FULLER)**

No.	Sample	pH	Mg	Cu	Ag	Zn	Pb	PPB Au			No.
01	83 YGS 1			84	1.4	86	8	1820			01
02	2			62	2.6	78	4	7200			02
03	3			34	0.6	68	2	380			03
04	4			116	1.2	112	8	1580			04
05	5			64	0.6	62	2	240			05
06	6			36	0.8	70	2	50			06
07	7			34	1.0	126	4	10			07
08	8			40	1.2	132	4	3500			08
09	9			46	0.6	102	2	90			09
10	83 YGS 10			50	0.6	76	2	70			10
11	11			42	0.4	114	4	300			11
12	12			34	0.6	190	8	10			12
13	13			38	0.2	32	2	10			13
14	14			28	0.6	58	2	10			14
15	15			36	0.6	126	2	10			15
16	16			32	0.2	64	2	10			16
17	17			24	0.2	38	2	40			17
18	18			98	2.8	98	14	1600			18
19	19			42	3.6	66	16	9700			19
20	83 YGS 20			98	0.8	88	10	3000			20
21	21			170	1.0	66	6	1300			21
22	22			64	1.8	88	16	5400			22
23	23			50	0.6	86	8	620			23
24	24			138	1.0	140	8	190			24
25	25			16	0.4	48	2	960			25
26	26			26	0.4	54	2	600			26
27	27			30	0.4	54	2	130			27
28	28			76	0.4	84	2	110			28
29	29			24	0.4	80	4	10			29
30	83 YGS 30			64	0.6	120	2	10			30
31	31			44	0.6	82	2	40			31
32	32			20	0.2	40	2	10			32
33	33			8	0.2	28	2	80			33
34	34			16	0.2	56	4	10			34
35	35			16	0.2	52	2	10			35
36	36			14	0.2	48	2	720			36
37	37			24	0.2	50	2	50			37
38	38			32	0.4	84	6	460			38
39	83 YGS 39			66	0.8	90	10	1680			39
40											40

VALUES IN PPM UNLESS NOTED OTHERWISE.

Certified by

P. Rossbach

Rossbacher Laboratory Ltd.

GEOCHEMICAL ANALYSTS & ASSAYERS

2225 S. SPRINGER AVE.,
BURNABY, B. C.
CANADA
TELEPHONE: 299-6910

CERTIFICATE OF ANALYSIS

CERTIFICATE NO. 83070-2

INVOICE NO. 3102

TO: **A & M EXPLORATION LTD.**
4570 HOSKINS ROAD
NORTH VANCOUVER, B.C. V7K 2R1

DATE ANALYSED APRIL 8, 1983

PROJECT (T. FULLER)

No.	Sample	pH	Mo	Cu	Ag	Zn	Pb	As ^{PPB}				No.
01	83 YGS 40			24	0.4	54	2	80				01
02	41			44	0.8	78	2	150				02
03	42			46	1.0	70	6	3800				03
04	43			74	0.6	80	6	160				04
05	44			142	2.2	76	8	4000				05
06	45			40	0.8	86	4	260				06
07	46			58	1.0	84	6	520				07
08	83 YGS 47			104	2.2	104	14	4500				08
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10												10
11												11
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VALUES IN PPM UNLESS NOTED OTHERWISE.

Certified by

A. Rossbacher

Rossbacher Laboratory Ltd.

GEOCHEMICAL ANALYSTS & ASSAYERS

2225 S. SPRINGER AVE.,
BURNABY, B. C.
CANADA
TELEPHONE: 299-6910

CERTIFICATE OF ANALYSIS

CERTIFICATE NO. 83070-3

INVOICE NO. 3102

TO: **A & M EXPLORATION LTD.**
4570 HOSKINS ROAD
NORTH VANCOUVER, B.C. V7K 2R1

DATE ANALYSED APRIL 8, 1983

PROJECT (T. FULLER)

No.	Sample	pH	M6	Cu	Ag	Zn	Pb	As	PPB Au			No.
01	83 YXT 1			54	0.6	76	2	64	110			01
02	S 2			146	0.6	92	6	-	200			02
03	3			198	1.2	100	6	-	200			03
04	4			98	0.4	72	2	-	80			04
05	5			122	0.4	88	2	-	50			05
06	T 7			36	0.6	54	2	160	940			06
07	T 8			44	0.6	68	2	160	1420			07
08	T 9			46	0.6	52	2	56	240			08
09	T 10			12	0.8	48	2	1400	1440			09
10	83 YXS 11			104	0.8	70	6	-	2800			10
11	12			200	0.6	70	4	-	300			11
12	13			70	1.0	64	10	-	900			12
13	14			80	1.0	74	12	-	1720			13
14	15			74	0.8	110	6	-	660			14
15	16			44	0.6	100	6	-	230			15
16	T 18			32	1.0	62	2	680	1000			16
17	S 19			36	2.0	90	8	-	14,000			17
18	T 20			42	1.0	84	4	1120	2800			18
19	S 21			98	1.0	66	6	-	30			19
20	83 YXT 22			88	0.6	64	4	38	10			20
21	S 23			150	0.8	76	2	-	50			21
22	24			92	0.6	66	2	-	10			22
23	T 25			88	0.4	68	12	12	10			23
24	S 26			78	0.6	78	2	-	10			24
25	27			102	0.6	72	2	-	10			25
26	28			76	0.6	70	2	-	10			26
27	29			58	0.4	64	2	-	10			27
28	30			40	0.6	58	2	-	10			28
29	31			26	0.4	44	2	-	10			29
30	83 YXS 32			100	1.0	64	2	-	40			30
31	33			32	0.8	58	2	-	20			31
32	34			68	0.6	56	2	-	30			32
33	36			40	0.4	46	2	-	10			33
34	37			10	0.4	30	2	-	10			34
35	38			76	0.6	68	2	-	30			35
36	39			70	0.4	62	2	-	330			36
37	40			52	0.8	58	2	-	20			37
38	41			102	0.6	72	2	-	30			38
39	83 YXS 42			114	0.6	88	2	-	10			39
40												40

VALUES IN PPM UNLESS NOTED OTHERWISE.

Certified by

P. Rossbacher

Rossbacher Laboratory Ltd.

GEOCHEMICAL ANALYSTS & ASSAYERS

2225 S. SPRINGER AVE.,
BURNABY, B. C.
CANADA
TELEPHONE: 299-8910

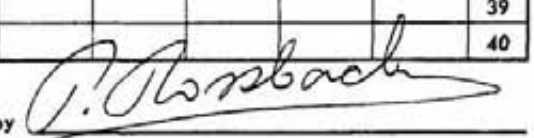
CERTIFICATE OF ANALYSIS

TO: **A & M EXPLORATION LTD.**
4570 HOSKINS ROAD
NORTH VANCOUVER, B.C. V7K 2R1

CERTIFICATE NO. **83070-4**
INVOICE NO. **3102.**
DATE ANALYSED **APRIL 8, 1983**
PROJECT **(T. FULLER)**

No.	Sample	pH	<input checked="" type="checkbox"/>	Cu	Ag	Zn	Pb	PPB Au				No.
01	83YXS 43			52	0.8	70	2	40				01
02	44			74	0.4	68	2	130				02
03	83YXS 45			106	0.8	72	2	260				03
04												04
05												05
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VALUES IN PPM UNLESS NOTED OTHERWISE.

Certified by 

APPENDIX II
AFFIDAVIT OF EXPENSES

AFFIDAVIT OF EXPENSES

This will certify that geochemical surveys were carried out on March 19 and 20, 1983, on the Yellow Claim, Alberni Mining Division, Mineral Creek area, British Columbia to the value of the following:

Mobilization and Fieldwork

Salaries

E. Fuller	3 days @ \$200	\$ 600.00
A. Geoghegan	3 days @ \$100	300.00

Travel and vehicle expenses 235.38

Room and board 158.76

Geochemical analyses 707.35

Report

E. Fuller 1 day @ \$200 \$ 200.00

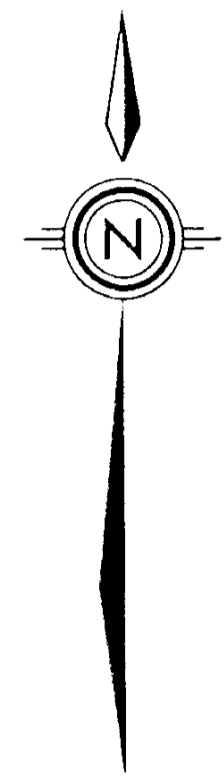
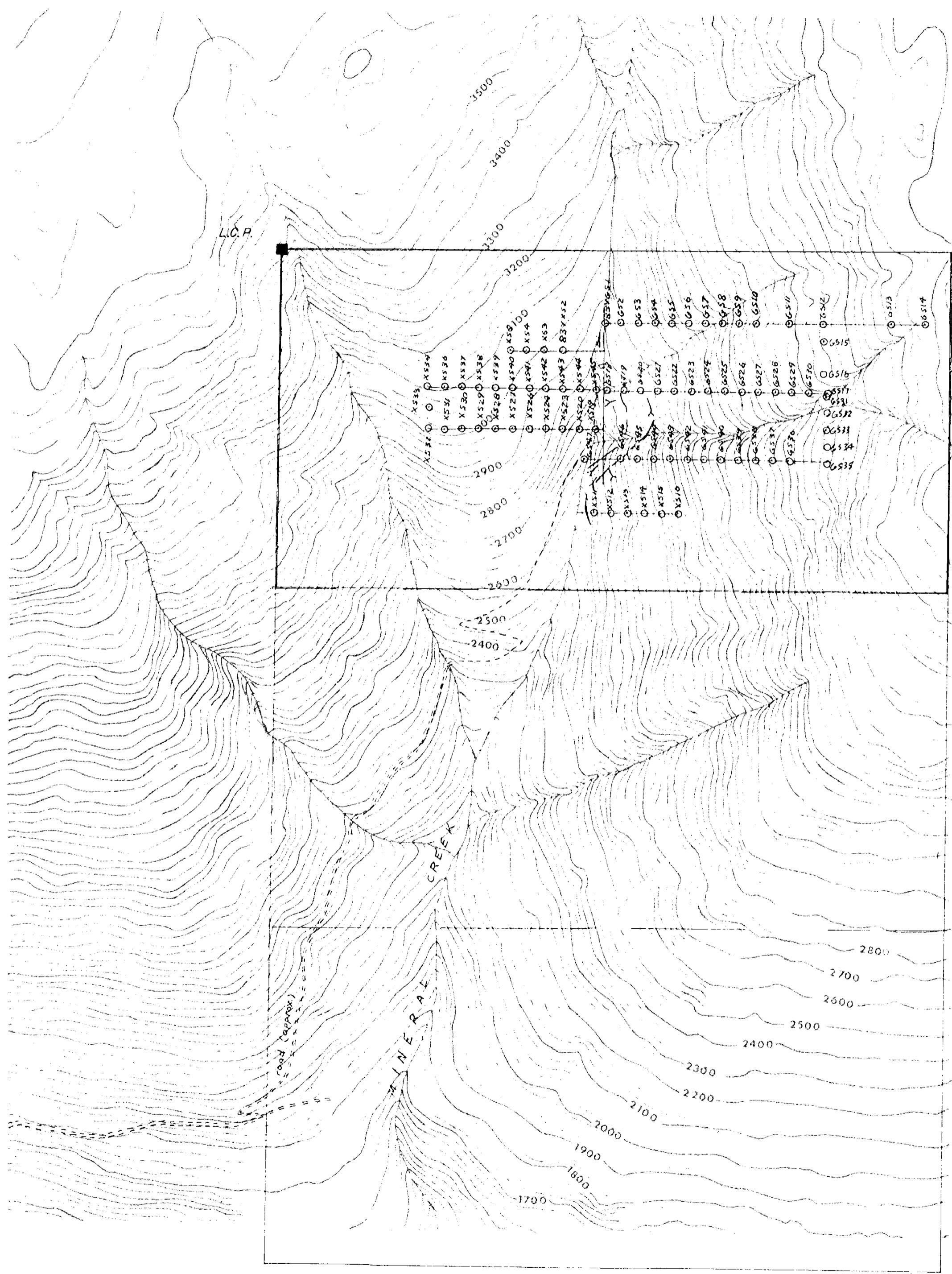
Typing, draughting, compilation 16 hours @ \$15 240.00

Maps and photocopying 55.20

Total \$2,496.69

Donald G. Allen,
P. Eng. (B.C.)

Donald G. Allen



Detail area see figure 5.

LEGEND

- + Flagged grid line
- GS13
O Soil sample site; sample number (83 YGS series)
- Y Adit
- Quartz vein
- ~ Fault
- Claim boundary
- - - Road, trail

GEOLOGICAL BRANCH ASSESSMENT REPORT

11,278

SILVER CLOUD MINES LTD.

MINERAL CREEK PROPERTY

YELLOW CLAIM

ALBERNI MINING DIVISION - BRITISH COLUMBIA

SAMPLE LOCATION MAP

