

84-#13 - 11925

GEOLOGICAL AND GEOCHEMICAL REPORT

ON THE

TEL 1 CLAIM

Greenwood Mining Division

NTS 82E/2
(49°10'N, 118°38'W)

FOR

BLACKMIST RESOURCES INC.

BY

Carl G. Verley, B.Sc.,
Geologist
Amerlin Exploration Services Ltd,

Supervised by:

J.S. Vincent, M.Sc., P.Eng.

JOHN S. VINCENT AND ASSOCIATES LTD.

AUGUST 1983

**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

11,925

John S. Vincent P. Eng.

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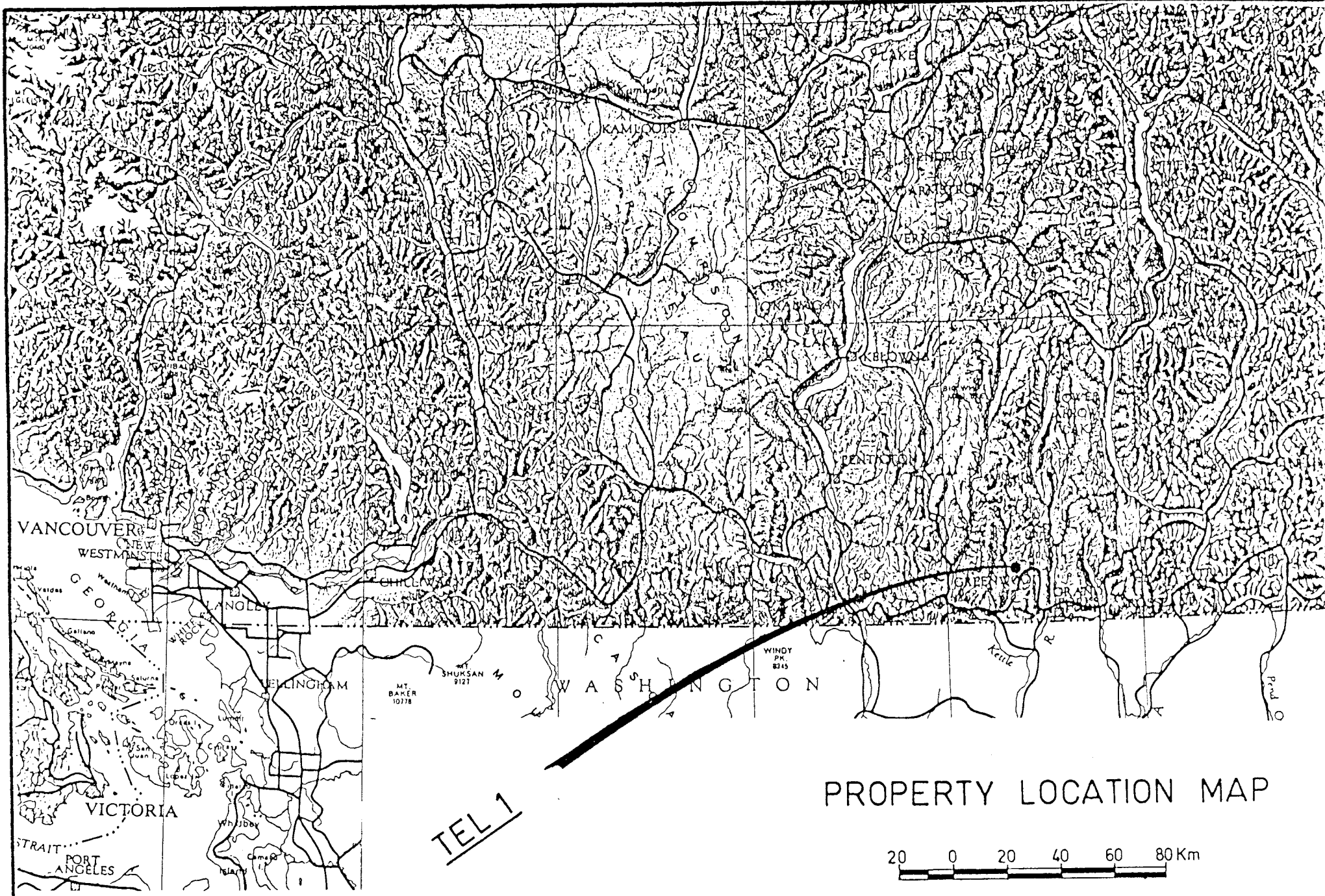
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FIGURE

INTRODUCTION

The TEL 1 mineral claim (12 units) is located 9 kilometres north of Greenwood, B.C. in the Greenwood Mining Division (NTS 82E/2E). The property lies on the west side of Jewel Lake ($49^{\circ}10'N$, $118^{\circ}38'W$). Excellent access to the ground is provided by a road from Greenwood to Jewel Lake, as well as by a forestry road passing through the claim.

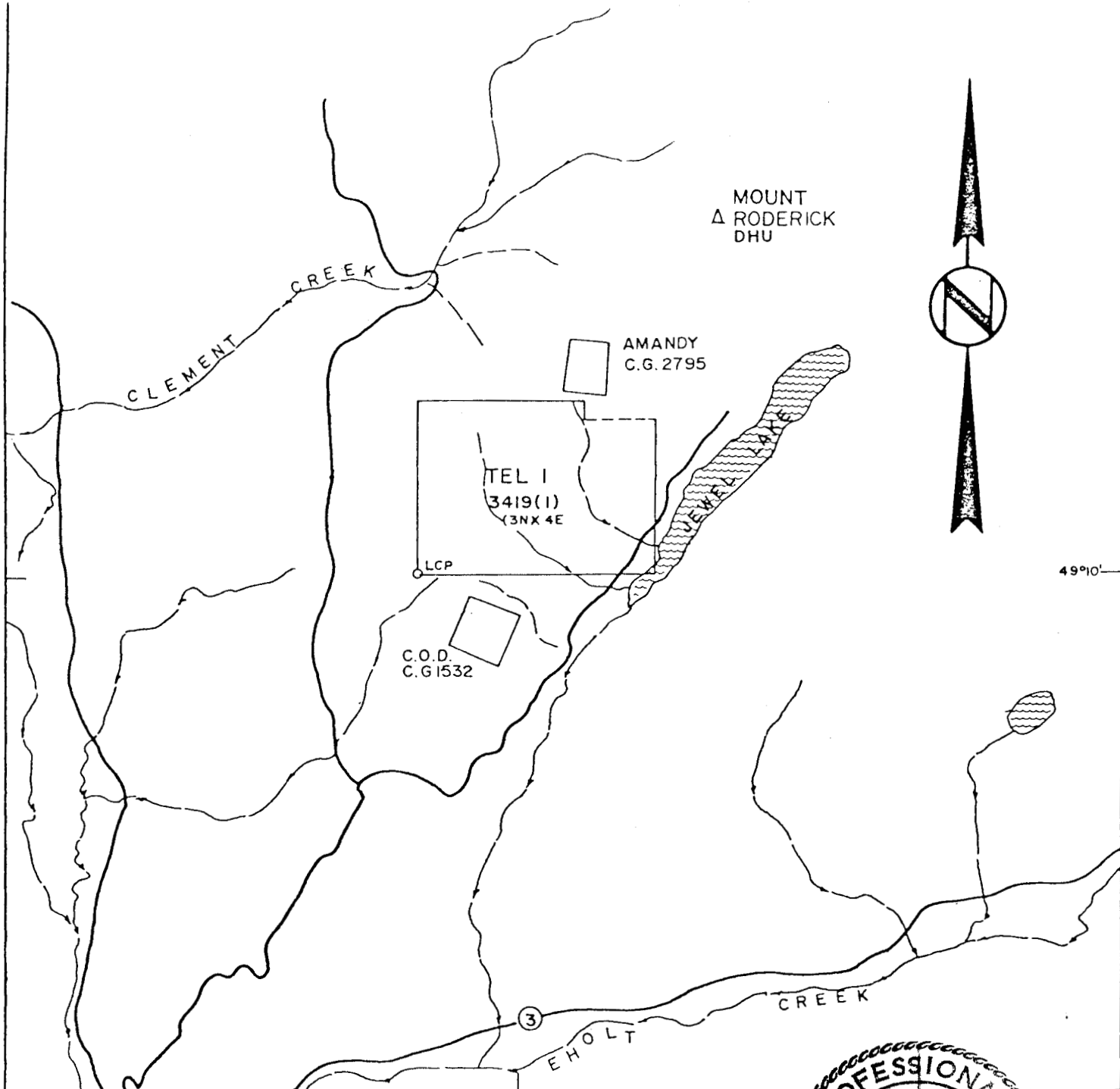
The Jewel Lake area has a long mining history, starting in 1895 with the discovery of the camp and proceeding through to the late 1930's when production mainly from the Jewel vein totalled approximately 39,392 oz. of gold and 243,037 oz. of silver (Hedley and Watson, 1945). With the rise in the price of gold and silver, more recently, renewed interest has developed with Dentonia Resources Ltd.'s success in finding further reserves in the area.

The TEL 1 claim is situated between two small past producers - the Amandy and C.O.D. The property was acquired by Blackmist Resources Inc. subject to a purchase agreement with Mr. Leonard Bourgh of Vancouver. The basis for this acquisition was the belief that extensions for the C.O.D. and Amandy veins may underlie the TEL 1.

The ground is underlain by northwesterly-trending, predominantly biotite schists of the Paleozoic Anarchist group. This group is intruded to the south by Cretaceous Nelson granodiorite, as well as numerous Tertiary (?) syenite dykes.

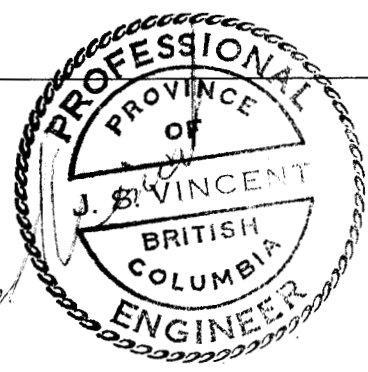
Current work undertaken on the property consisted of geological mapping, prospecting, stream sediment and reconnaissance soil sampling. In addition an orientation survey of

John P. Vincent P. Eng.



CLAIM MAP
TEL I CLAIM

GREENWOOD MINING DIVISION, B.C.
 NTS 8ZE/2
 SCALE 1 : 50,000



the C.O.D. and Amandy grants was conducted to determine the response of known mineralization and to use this as a basis of comparison for results obtained from the TEL 1. Results of the field work failed to locate extensions of either the Amandy or C.O.D. veins onto the TEL 1.

GEOLOGY

The TEL 1 mineral claim is situated in rolling hills (1200 to 1500 metres) of the Monashie Mountains in the southern Omineca Belt. The property lies on the southern flank of Mount Roderick Dhu and is forested with relatively open pine stands, tamarak and fir. Exposure is moderate to fair (35-45%). Cretaceous granodiorite of the Nelson intrusions and Tertiary dykes intrude Permian Anarchist group metasediments on the property (Little, 1957).

Lithologies:

Permian (?) - Anarchist Group

Relatively massive, fine-grained, dark grey weathering biotite-quartz-feldspar schists are the predominant rock-type in this metasedimentary succession. The schists trend to the northwest across the upper two-thirds of the property. Light grey quartzites are not uncommonly intercalated in the biotite schists. The Anarchist group hosts the Amandy gold-silver vein immediately north of the TEL 1.

The southern third of the claim is underlain by grey weathering, medium-grained biotite-hornblende granodiorite.

Thermal contact effects of this intrusive on the Anarchist group are not noticeable in the field. The Nelson granodiorite hosts the C.O.D. gold-silver vein immediately south of the TEL 1. As well, a narrow (33 cm) quartz vein was located in this unit on TEL 1 during the course of prospecting.

Tertiary (?) - Syenite porphyry dykes

Numerous dykes cut both the intrusive and the metamorphic sequences on the TEL 1. These dykes do not appear to have a preferred orientation. They consist of tabular feldspar phenocrysts (up to 2 cm long), euhedral biotite phenocrysts (to 3 mm diameter) in a pinkish, fine-grained to aphanitic groundmass. Individual dykes are up to 50 meters wide.

Structure

Foliation within the Anarchist group rocks appears to be parallel to compositional layering (biotite schist-quartzite). This probably represents relict bedding surfaces. If this is the case it would appear likely that the sequence has been isoclinally folded. Further folding of the foliation occurs as one approaches the contact with the Nelson granodiorite, where dips change from moderate to steep northeasterly. Creeks draining the property follow incised linears. Movements along these features, if any, is not obvious. Moderate to well-developed fracture sets trending northeasterly, and steep dips occur in both granodiorite and metasediments. This fracture trend is the same direction as the trend of the gold-silver veins on the C.O.D. and Amandy grants.

Mineralization:

A northeasterly-trending, steep northwesterly dipping quartz vein was located near the southern boundary within the TEL 1 claim. This vein is 33 cm in width and consists of coarse milky white quartz which locally shows banding accentuated by crystal lined vugs. The vein is exposed over a length of 2 metres. A chip sample across this vein assayed: Au, 0.032 oz/ton; Ag, 0.23 oz/ton. No other quartz veins were located on the property during the course of prospecting. Several small pits were found on the claim. These contained no vein or other material of significance. Their existence suggests previous workers in the area have examined the ground for possible extensions of the quartz veins.

The C.O.D. reaches a thickness of 1.5 metres at surface and is traceable in a northeasterly direction through a series of pits and shafts for a distance of 1500 metres. The vein is steep-dipping and consists of coarse, milky white, locally vuggy and banded quartz. Rare euhedral pyrite occurs in it. The C.O.D. vein appears to pinch out as it approaches the TEL 1 claim. Grab samples (#61929, 61930) of vein material from two dumps along the vein assayed: 0.103 oz./ton Au, 0.91 oz./ton Ag and 0.228 oz./ton Au, 1.89 oz./ton Ag., respectively.

The Amandy vein lies on the north boundary of TEL 1, and has been traced along a northwesterly strike for 250 metres. The vein dips steeply to the northeast and has a maximum width at surface of 1.5 metres. The vein appears to pinch-out in pits and shafts as the TEL 1 is approached. The mineralized character of the Amandy vein is similar to that of the C.O.D., but high grade material found on the

dumps contains a dark bluish metallic mineral mixed with pyrrhotite and pyrite. A grab sample (#61934) of the best sulphide-bearing vein material from the dump assayed: 0.904 oz./ton Au, 18.95 oz./ton Ag.

The C.O.D. and Amandy veins are significant in that they indicate gold and silver mineralizing events have occurred in the immediate vicinity of the TEL 1 claim. Furthermore, these mineralizing events have produced concentrations of Au and Ag in potentially economic grades as indicated by sampling conducted by the writer and previous workers (Vincent, 1983).

Arsenic in the form of arsenopyrite and tellurides have been noted in veins in this area (Watson, et.al.). The existence of these minerals and in particular arsenopyrite, although not observed during the course of this survey, could provide a guide for locating mineralized structures with the aid of geochemical techniques.

GEOCHEMISTRY

Geochemical surveys conducted on and around the TEL 1 claim consisted of stream silt, rock and soil sampling. In addition, orientation soil samples were collected over the C.O.D. and Amandy veins. The purpose of this was to determine the response of known mineralization and use this as a guide in interpreting the results obtained on the TEL 1.

All samples were collected in numbered kraft or polyethylene sample bags and delivered to Acme Analytical

Laboratories in Vancouver, B.C. There each sample was analysed for Ag, As, Sb, Mo, Cu by the inductively coupled argon plasma (ICP) method. Gold determinations were made by atomic absorption from a 10 gram sample.

In interpreting the geochemical results one must consider the nature of the target: relatively narrow veins. These structures would produce corresponding restricted geochemical anomalies. Soil sampling has been conducted at a relatively wide, reconnaissance spacing. In view of this, any anomalies should be viewed positively.

Stream Silts:

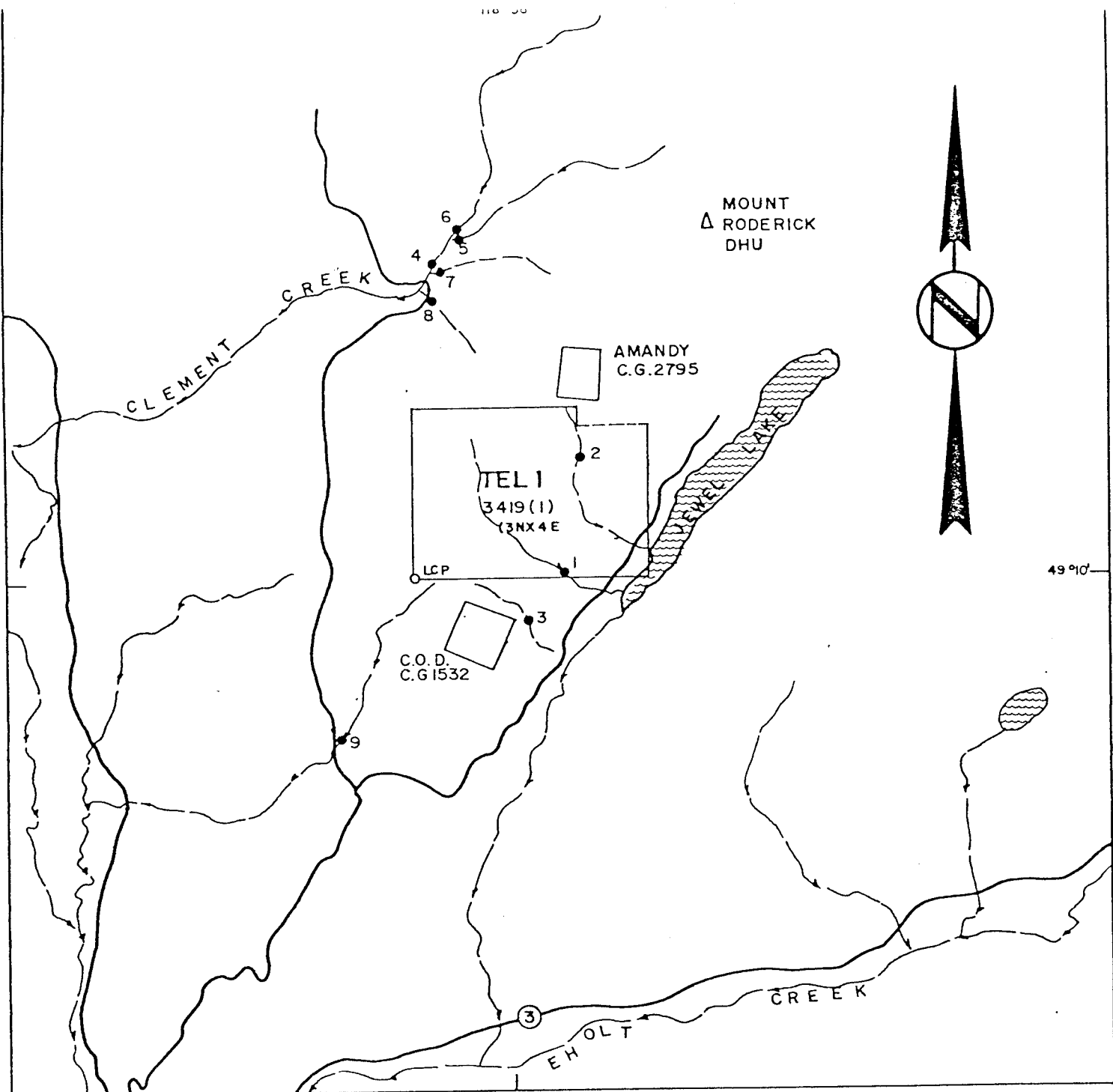
Silt samples were collected from streams draining the property. Where possible the silt or clay sized fraction of active stream sediment was collected. The stream gradient, size, sediment colour, texture and type was recorded for each sample site.

Results of the sampling (TSS-1 to 9, Appendix "A"), indicate that the stream draining the Amandy vein is only slightly enriched in Ag (0.9 ppm) and that draining the C.O.D. vein has 10 ppb Au, whereas all other creeks draining the TEL 1 are flat with respect to the elements analysed for.

Rocks:

Several rock chip samples were taken from the Anarchist group on the TEL 1.

Results of this sampling (T-1 to 5, Appendix "A") indicate a

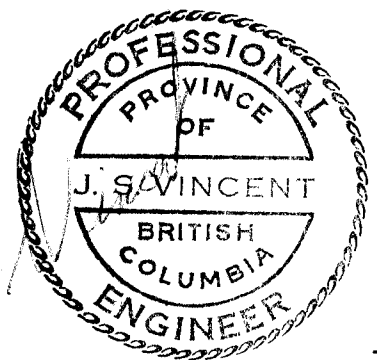


STREAM SEDIMENT SAMPLE LOCATION MAP

TEL 1 CLAIM

GREENWOOD MINING DIVISION, B.C.
NTS 8ZE/2

SCALE 1:50,000



slight gold enrichment (10-30 ppb) in wall rocks to the Amandy vein against a background of 5 ppb Au for typical Anarchist schist.

Soils

Soil samples were collected at 50 metre intervals along flagged lines from the B-horizon where possible. Sample depth, colour and texture were noted at each site.

Results of the sampling (Plate 2 and orientation samples TS-1 to 7, Appendix "A") indicate a build-up in arsenic around the Amandy vein. The C.O.D. vein was not detected by soil sampling. At Station 550W on Line 2000N there is a possible anomaly in silver, arsenic, gold and copper which may reflect mineralization in place or it could be the result of material that has dispersed down slope from the Amandy. This locatin is off the TEL 1 claim on apparently open ground. Follow-up prospecting of this area is warranted. Anomalous values in the elements analysed for do not exist on any of the other lines.

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Geological mapping and soil sampling on a reconnaissance spacing over the TEL 1 mineral claim has been completed as an initial phase of the program. A narrow quartz vein which is anomalous in gold and silver was found along the southern boundary and a moderate soil anomaly in gold, silver, arsenic and copper was located immediately east of the claim.

metasediments of the Anarchist group which are intruded by Mesozoic granodiorite and Tertiary dykes.

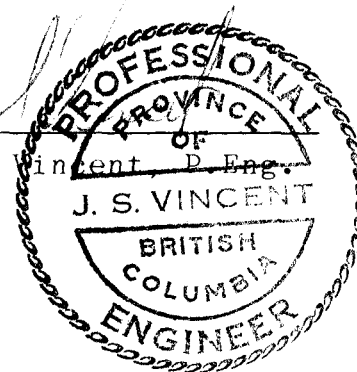
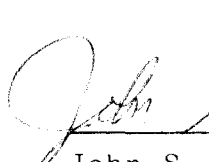
Gold and silver-bearing quartz veins in the district occur in both Anarchist group and Nelson intrusives. The veins trend northeasterly and dip moderate to steeply southeast.

Current work completed on the TEL 1 failed to locate possible extensions of the C.O.D. or Amandy veins on the claim. A narrow (33 cm) quartz vein was found on the southern boundary of the property, but it is low in gold (0.032 oz./ton) and silver (0.23 oz./ton). A soil anomaly in gold, silver, arsenic and copper occurs immediately east of the claim. This area warrants further follow-up prospecting and sampling. The estimated cost of such work is \$ 4,000.00.

Respectfully submitted,



Carl G. Verley, B.Sc.
Geologist.



John S. Vincent, P. Eng.

August 1983
Vancouver, B.C.

John S. Vincent P. Eng.

REFERENCES

Hedley, M.S. and

K. DeP. Watson, 1945: Lode-Gold Deposits, Central Southern,
B.C., B.C.D.M. Bull. No. 20, pt. III.

Little, H.W., 1957:

Geology: Kettle River east half, B.C.,
G.S.C. Map G-1957.

Vincent, J.S., 1983:

A report on the TEL 1 Mineral Claim.
Private company report.

APPENDIX "A"

ASSAY AND GEOCHEMICAL REPORTS

John S. Vincent P. Eng.

ASSAY AND ROCK CHIP SAMPLE DESCRIPTIONS

SAMPLE NO.	DESCRIPTION
61928	TEL 1 claim, grab sample of rusty vein material from 33 cm wide coarse-grained, milky white, quartz vein.
61929	C.O.D. Claim (Lot 1532) chips of vein quartz from dump by shaft on main vein.
61930	C.O.D. claim (Lot 2140), chips of mineralized (pyrite) vein quartz from dump by shaft.
61931	Amandy claim (Lot 12796) grab sample of mineralized quartz vein (30 cm wide) in southeastermost adit.
61932	Amandy claim (Lot 2796) chips of milky, coarse-grained quartz vein material from dump by adit above main adits.
61933	Amandy claim (Lot 2796) chips of milky, coarse-grained vein quartz from dump by northernmost shaft.
61934	Amandy claim (Lot 2796) chips of pyritic quartz vein float.
T-1	Siliceous (quartzite?) rock chips from pit north of last shaft on Amandy vein.
T-2	Chips of hanging wall quartzite and biotite schist from Amandy vein.
T-3	Chips of Anarchist biotite schist.
T-4	Chips of rusty, pyrrhotitic schist
T-5	As T-4
TS-1	Soil: immediately down slope from Amandy vein.
TS-2	As TS-1
TS-3	Soil: at base of dump by main vein, Amandy
TS-4	Soil: over C.O.D. vein
TS-5	Soil: adjacent to C.O.D. vein
TS-6	As TS-5
TS-7	As TS-4

John S. Vincent P. Eng.



To: Amerlin Exploration Services Ltd.,
 1614- 675 W. Hastings St.,
 Vancouver, B.C.
 V6B 4W3

Assaying & Trace Analysis
 852 E. Hastings St., Vancouver, B.C. V6A 1R6
 Telephone: 253 - 3158

File No. 83-1228B
 Type of Samples Rock
 Disposition _____

Project : Blackmist

ASSAY CERTIFICATE

No.	Sample	Ag oz/ton	Au oz/ton					No.
1	61928	.23	.032					1
2	61929	.91	.103					2
3	61930	1.89	.228					3
4	61931	6.25	.362					4
5	61932	6.09	.293					5
6	61933	1.50	.046					6
7	61934	18.95	.904					7
8								8
9								9
10								10
11								11
12								12
13								13
14								14
15								15
16								16
17								17
18								18
19								19
20								20

All reports are the confidential property of clients.

DATE SAMPLES RECEIVED July 16, 1983

DATE REPORTS MAILED July 22, 1983

ASSAYER

Dean Toyé

DEAN TOYE, B.Sc.
 CHIEF CHEMIST
 CERTIFIED B.C. ASSAYER

ACME ANALYTICAL LABORATORIES LTD.
 852 E. HASTINGS, VANCOUVER B.C.
 PH: 253-3158 TELEX: 04-53124

DATE RECEIVED JULY 16 1983

DATE REPORTS MAILED *July 22/83*

ICP GEOCHEMICAL ANALYSIS

A .500 GRAM SAMPLE IS DIGESTED WITH 3 ML OF 3:1:3 HCL TO HNO3 TO H2O AT 90 DEG.C. FOR 1 HOUR.
 THE SAMPLE IS DILUTED TO 10 MLS WITH WATER.
 THIS LEACH IS PARTIAL FOR: Ca, P, Mg, Al, Ti, La, Na, K, W, Ba, Si, Sr, Cr AND B. Au DETECTION 3 ppm.
 AU* ANALYSIS BY AA FROM 10 GRAM SAMPLE.
 SAMPLE TYPE - P1/P2/P3 SOIL - P4 ROCK

ASSAYER *Dean Toy* DEAN TOYE, CERTIFIED B.C. ASSAYER

AMERLIN EXPL.

FILE# 83-1228A

PAGE# 1

SAMPLE	MO ppm	CU ppm	AG ppm	AS ppm	SE ppm	Au* ppb
2000N 1600W	1	11	.4	6	2	5
2000N 1550W	1	17	.2	2	2	5
2000N 1500W	1	19	.2	10	2	5
2000N 1450W	1	11	.1	9	2	5
2000N 1400W	1	21	.1	4	2	5
2000N 1350W	1	16	.2	6	2	5
2000N 1300W	1	62	.8	16	2	5
2000N 1250W	1	41	.2	20	4	10
2000N 1200W	1	40	.1	17	2	10
2000N 1150W	1	82	.1	50	2	5
2000N 1100W	1	31	.1	30	2	5
2000N 1050W	1	21	.1	65	2	5
2000N 1000W	2	49	.4	21	2	5
2000N 950W	2	27	.1	14	2	5
2000N 900W	3	45	.8	9	2	5
2000N 850W	2	33	.3	38	2	5
2000N 800W	1	35	.1	28	2	5
2000N 750W	2	51	.3	24	2	5
2000N 700W	1	54	.1	18	2	5
2000N 650W	1	20	.2	34	2	5
2000N 600W	2	47	.2	20	2	5
2000N 550W	1	103	1.4	24	2	15
2000N 500W	1	68	.3	40	2	10
2000N 450W	1	54	.2	71	2	5
2000N 400W	1	38	.1	32	2	5
1600N 1600W	1	20	.1	7	2	5
1600N 1550W	1	23	.1	2	2	5
1600N 1500W	1	26	.1	4	2	5
1600N 1450W	1	26	.1	2	2	5
1600N 1400W	1	21	.1	3	2	5
1600N 1350W	1	25	.1	2	2	5
1600N 1300W	1	24	.1	3	2	5
1600N 1250W	1	31	.1	2	2	5
1600N 1200W	1	12	.1	2	5	5
1600N 1150W	1	23	.1	7	2	5
1600N 1100W	1	19	.1	5	2	5
1600N 1050W	1	17	.2	8	4	5
STD A-1/AU 0.5	1	30	.3	9	2	520

SAMPLE	MO ppm	CU ppm	AG ppm	AS ppm	SB ppm	AUX ppb
1600N 1000W	1	14	.3	3	2	5
1600N 950W	1	36	.1	2	2	5
1600N 900W	1	23	.2	7	2	5
1600N 850W	1	92	.5	19	2	5
1600N 800W	1	50	.2	15	2	5
1600N 750W	1	53	.1	3	2	5
1600N 700W	1	44	.3	5	2	5
1600N 650W	1	47	.2	10	2	5
1600N 600W	1	21	.1	4	2	5
1600N 550W	1	51	.3	8	3	5
1600N 500W	1	45	.2	4	2	5
1600N 450W	1	18	.2	3	2	5
1600N 400W	1	24	.2	2	2	5
1200N 1600W	1	18	.1	8	5	5
1200N 1550W	1	10	.1	2	2	5
1200N 1500W	1	22	.1	4	2	5
1200N 1450W	1	25	.1	6	2	5
1200N 1400W	1	43	.1	2	3	5
1200N 1350W	1	41	.1	3	2	5
1200N 1300W	1	77	.4	5	2	5
1200N 1250W	1	79	.1	2	2	5
1200N 1200W	1	101	.1	2	2	5
1200N 1150W	1	41	.1	8	2	5
1200N 1100W	1	44	.1	4	2	5
1200N 1050W	1	52	.3	7	2	5
1200N 1000W	1	56	.2	7	4	10
1200N 950W	1	108	.5	2	2	5
1200N 900W	1	14	.2	6	2	5
1200N 850W	1	26	.1	6	2	5
1200N 800W	1	124	.5	2	2	5
1200N 750W	1	45	.2	5	4	5
1200N 700W	1	23	.2	6	3	5
1200N 650W	1	21	.2	3	2	5
1200N 600W	1	52	.1	2	2	5
1200N 550W	1	102	.1	2	2	5
1200N 500W	1	51	.1	9	3	5
1200N 450W	1	52	.2	9	2	10
1200N 400W	1	14	.1	6	2	5
STD A-1/AU 0.5	1	30	.3	9	2	515

SAMPLE	MO ppm	CU ppm	AG ppm	AS ppm	SB ppm	Au* ppb
800N 1450W	1	37	.1	9	2	5
800N 1400W	1	26	.1	5	4	5
800N 1350W	1	73	.1	7	2	5
800N 1300W	1	53	.1	9	5	5
800N 1250W	1	62	.3	3	2	5
800N 1200W	1	36	.1	6	2	5
800N 1150W	1	34	.1	9	2	5
800N 1100W	1	67	.4	8	3	5
800N 1050W	1	93	.1	7	2	5
800N 1000W	1	21	.1	6	2	5
800N 950W	1	23	.1	4	2	5
800N 900W	1	67	.1	2	2	10
800N 850W	1	41	.1	6	2	5
800N 750W	1	18	.1	2	2	5
800N 700W	1	19	.1	7	2	5
800N 650W	1	20	.1	3	2	5
800N 600W	1	18	.1	2	2	5
800N 550W	1	15	.1	9	2	5
800N 500W	1	16	.1	9	2	10
800N 450W	1	29	.1	11	2	5
800N 400W	1	22	.1	5	2	5
TS-1	2	53	.4	77	2	5
TS-2	1	60	.1	21	2	5
TS-3	1	42	.7	333	4	20
TS-4	1	15	.1	12	2	5
TS-5	1	24	.3	9	3	5
TS-6	1	20	.1	2	2	5
TS-7	1	16	.1	3	2	5
TSS-1	1	62	.2	6	2	5
TSS-2	1	88	.9	6	2	5
TSS-3	1	17	.3	5	4	10
TSS-4	1	12	.1	2	2	5
TSS-5	1	14	.1	4	2	5
TSS-6	1	9	.1	2	2	5
TSS-7	1	16	.1	2	2	5
TSS-8	1	18	.1	2	2	5
TSS-9	1	21	.2	2	2	5
STD A-1/AU 0.5	1	31	.3	10	2	530

SAMPLE	MO PPM	CU PPM	AG PPM	AS PPM	SB PPM	Au* PPB
T-1	6	58	.9	8	2	30
T-2	4	43	.4	9	2	10
T-3	1	40	.1	2	2	5
T-4	7	57	.3	10	4	5
T-5	9	56	.8	13	2	5

APPENDIX "B"

STATEMENT OF EXPENDITURES

John P. Vincent P. Eng.

COST STATEMENT

Personnel

C. Verley, 12 days @ \$375	\$ 4,500.00	
J. Merril, 8 days @ \$160	<u>1,280.00</u>	\$ 5,405.00

Field Costs 512.55

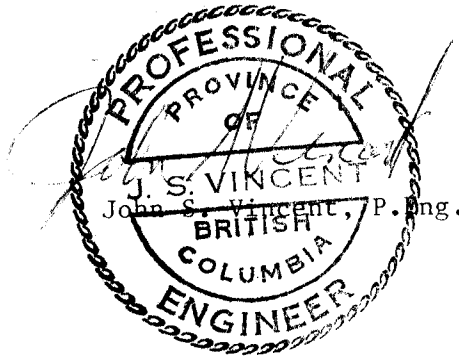
Analytical 1,087.50

Drafting 144.50

Typing and Reproduction 182.50

TOTAL \$ 7,332.05

The above costs were incurred in carrying out the work program described in the attached report.



John S. Vincent P. Eng.

APPENDIX "C"

CERTIFICATES

John S. Vincent P. Eng.

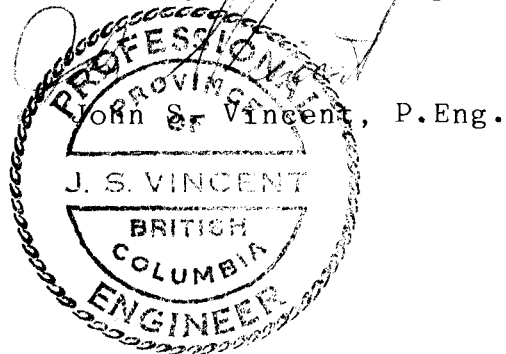
CERTIFICATE

I, John S. Vincent, DO HEREBY CERTIFY:

1. That I am a Consulting Geologist resident at 4859 12A Avenue, Delta, B.C., V4M 1B6.
2. That I am a graduate of Queen's University in Geological Sciences, B.Sc., - 1959; and of McGill University, M.Sc.-1962.
3. That I am a Registered Professional Engineer (Geological) in the Association of Professional Engineers of the Province of British Columbia.
4. That I am a Fellow of the Geological Association of Canada, and a member of the Canadian Institute of Mining and Metallurgy.
5. That I have practised my profession as a geologist for the past twenty-four years.
6. I have examined the area under study and am familiar with the geology and mineral occurrences of the area.
7. That I have no interest in the properties or securities of Blackmist Resources Ltd. or in any related companies.

Vancouver, B.C.

July 1983.



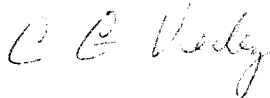
John S. Vincent P. Eng.

WRITER'S CERTIFICATE

I, CARL G. VERLEY, of Vancouver, British Columbia, hereby certify that:

1. I am a geologist residing at 301 - 1867 West 3rd Avenue, Vancouver, B.C. and principal of Amerlin Exploration Services Ltd., 1614 - 675 West Hastings Street, Vancouver, B.C. V6C 4W7.
2. I am a graduate of the University of British Columbia, B.Sc., in 1974, and have practised my profession since that time.
3. I am an engineering pupil with the Association of Professional Engineers of the Province of British Columbia.
4. I am the author of this report which is based on work conducted on the TEL 1 mineral claim from July 8 to 15, 1983.

Amerlin Exploration Services Ltd.



Carl G. Verley, B.Sc.,
Geologist.

July 1983
Vancouver, B.C.

5 April 1983

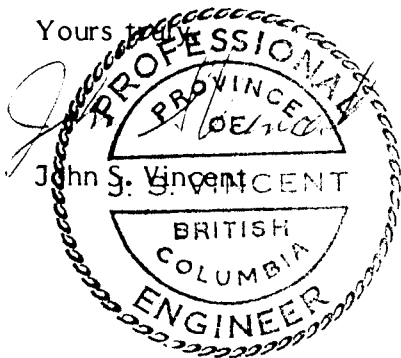
Mr. A Birchall, President
Blackmist Resources Ltd.
2520 St. John Street
Pt. Moody, B.C.
V3J 2B4

Dear Mr. Birchall:

The attached report on the TEL 1 Mineral Claim, Jewel Lake, British Columbia, has been prepared on behalf of Blackmist Resources Ltd., as you requested.

Permission is hereby granted for the use of this report for the purpose of financing.

Yours truly,



John S. Vincent

John S. Vincent P. Eng.

A REPORT ON THE
TEL 1 MINERAL CLAIM

JEWEL LAKE

for

BLACKMIST RESOURCES LTD.

by

John S. Vincent, P. Eng.

Richmond, B.C.

5 April 1983

John S. Vincent P. Eng.

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ILLUSTRATIONS

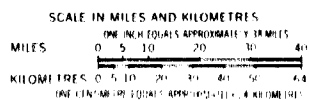
Location Map.....	Figure 1
Compilation Map	Figure 2



BLACKMIST RESOURCES LTD.

— TEL 1 MINERAL CLAIM —

LOCATION MAP



INTRODUCTION

At the request of Mr. Allan Birchall, President of Blackmist Resources Ltd., the writer carried out an examination of the TEL 1 mineral claim and undertook a compilation study of the regional geology and mineral occurrences in the area of Jewel Lake. This report consists of a review of these results, and a recommendation for a work program which will effectively explore for extensions of the persistent gold-bearing quartz veins which have been found on the Crown Granted claims to the north and south.

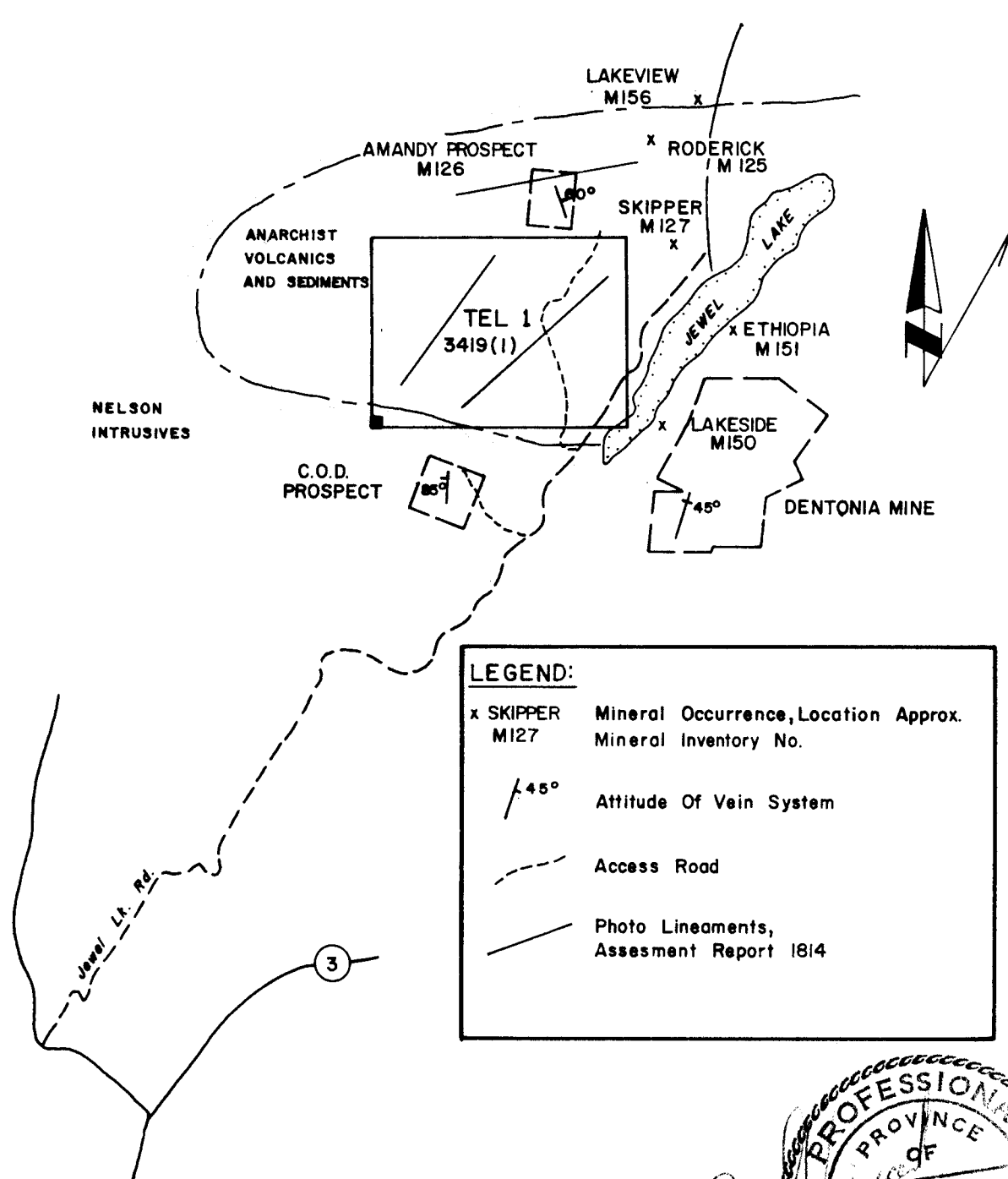
PROPERTY, LOCATION AND ACCESS

The TEL 1 mineral claim is located on the west side of Jewel Lake at $118^{\circ} 38'$ west longitude by $49^{\circ} 10'$ north latitude, NTS 82 E/2. Elevations range from 3700 feet above sea level at the lake to 5000 feet along the northern boundary. The slopes are forested with a pleasant mix of evergreens, and for the most part underbrush is light to moderate. Bedrock exposure is likewise moderate where rock bluffs have formed.

A forest service road crosses the claim to a lookout on Mount Raderick Dhu, and joins the Jewel Lake road at the south end of the lake. Eight kilometres to the south the Jewel Lake road joins Hwy 3 at the north edge of Greenwood.

The claim consists of 12 units and is located in the Greenwood Mining Division on NTS sheet 82E/2E; record number 3419. The date of record is 17 January, 1983. The validity of the claim was verified by the writer in the Grand Forks office on March 31, 1983.

The claim was staked by Mr. Leonard Bourgh and is being purchased by Blackmist Resources Ltd.



LEGEND:

x SKIPPER M127 Mineral Occurrence, Location Approx. Mineral Inventory No.

$\backslash 45^\circ$ Attitude Of Vein System

- - - Access Road

— Photo Lineaments, Assesment Report 1814

BLACKMIST RESOURCES LTD.
 — TEL 1 MINERAL CLAIM —
COMPILATION MAP

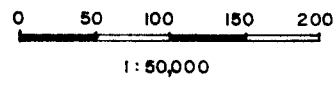


FIGURE 2

HISTORY

Mineral discovery and mining activity in the Greenwood area dates back to the late 1800's. Numerous copper deposits have been mined, and Greenwood is the site of the province's first copper smelter. The Granby copper mine at Phoenix has probably been one of the better known operations in recent years. Many of the copper occurrences have an appreciable gold-silver content, and their origin has generally been regarded as contact metasomatic.

Gold was discovered in the Jewel Lake area, formerly Long Lake, in May, 1895, and Figure 2 illustrates the distribution of significant prospects as shown in the current mineral inventory file of the B.C. Ministry of Energy, Mines and Resources.

The TEL 1 mineral claim has no particular recorded work, but its location between the AMANDY and C.O.D. crown granted mineral claims is significant. Old claim posts were observed which suggest previous interest in 1974, 1980. The AMANDY, Lot 2795, protects a mineralized quartz vein which strikes NNW and dips 60° northeasterly. It varies in thickness up to 10 feet, with cross-veins which branch to the northeast. The 1934 government report indicates that it has been traced to the south for 1000 feet. Mineralization consists of pyrite, with lesser amounts of galena, sphalerite, and tellurides. Sample results of mineralized quartz from open cuts and shafts as recorded in the 1934 report vary as follows:

<u>Gold</u>	<u>Silver</u>
0.50 oz per ton	8.0 oz per ton
0.70	42.0
0.80	8.0

The northeast corner of the TEL 1 should be prospected for the southern continuity of the vein.

The C.O.D. Crown Grant is located immediately south of the southwest quarter of TEL 1, and also hosts a strong mineralized quartz vein. The vein strikes northerly, dips steeply to the west, and has an average width of 4 feet. A shaft 70 feet deep has exposed a uniform width of vein as reported by an examining engineer in 1904; Mr. G.A. Guess. He reports galena, pyrite, arsenopyrite, pyrrhotite, and rare chalcopyrite and tellurides. The results of his sampling are as follows:

<u>Gold</u>	<u>Silver</u>
0.60 oz per ton	4.0 oz per ton
0.42	--
1.06	--
0.79	--
2.79	6.0

In the 1932 BCDM report, p129, channel samples were cut across the vein near the bottom of the shaft, with the following results:

	<u>Width</u>	<u>Gold</u>	<u>Silver</u>
1. North side	20 in	0.50 oz per ton	5.0 oz per ton
2. North side	12 in	0.32	3.0
3. South side	6 in	0.16	1.0
4. South side (at 30 ft)	4 in	0.06	1.0

On June 27th, 1935, the shaft was pumped and sampled with the following results.

	<u>Width</u>	<u>Gold</u>	<u>Silver</u>
1. Bottom; north	20 in	0.76 oz per ton	6.6 oz per ton
2. 15 ft from bottom; south	30 in	0.74	4.8
3. 20 ft from bottom; south	20 in	1.72	17.4
4. Dump	--	0.84	8.4

The vein has apparently been traced for over 1000 feet, but there are no available sample results apart from the shaft. Prospecting will be required on the TEL 1 to evaluate the potential for northern continuity of this vein. It does not appear that this vein would project through to that found on the AMANDY to the north unless structural displacement has taken place.

The Jewel, or Dentonia, at the southeast end of the lake had the potential to be a significant producer in the 1930's and is presently under rehabilitation and development. A strong quartz vein strikes N15°E and dips 45° SE. It has been traced and sampled along a strike length of several thousand feet, and has been opened up by shafts and underground workings on several levels. Precious metal values averaged 0.40 ounces of gold per ton and 2 ounces of silver. Values up to 3 ounces of gold per ton in richer zones are reported in the Minister of Mines reports. Over the period 1900-1975 the reported production is recorded as 136,830 tons mined, 85,900 tons milled, to produce 39,195 oz of gold, 230,664 oz of silver, 17,293 pounds of copper, 361,015 pounds of lead, 7,910 pounds of zinc.

During the 1982 field season a significant high grade gold discovery was made by Kettle River Resources Ltd. in the area adjacent to the Granby-Phoenix pit, 5 miles south of Jewel Lake. Careful geological mapping and geophysical work has located gold-bearing sulphide mineralization in a setting not previously recognized in the Greenwood mining camp, and the potential for new discoveries is most attractive.

GEOLOGY

The Jewel Lake area is underlain predominantly by the Upper Paleozoic Anarchist Group which consists of mafic volcanics, greywackes and limestones. These rocks are in turn cut by variously shaped bodies of Nelson intrusives which vary in composition from dioritic to monzonitic. This setting is typical of much of the Greenwood Camp, and many of the copper occurrences have developed in contact metasomatic zones between the Anarchist limestones and Nelson intrusives.

John S. Vincent P. Eng.

The approximate contact between the Anarchist and intrusive rock is shown on Figure 2 as it cuts westerly across the bottom of the TEL 1 claim. The writer observed this contact at the first creek crossing on the Forestry lookout trail. The intrusive rocks here, and to the south on the C.O.D. claim, are crystalline, fresh, medium grained, and have the composition of a hornblende granodiorite. Contacts are sharp. The Anarchist rocks are massive, dark green to black, and very fine grained. Apart from the occasional stringer of epidote, no alteration or quartz veining was observed along the roads traversed. There is strong fracturing at $290^{\circ}/40^{\circ}$ NE.

An air photo study carried out by P.J. Haman, P. Eng. in 1969 (B.C. Assessment Report 1814) defined linements on the northwest side of the lake which occupy northeasterly, northwesterly and northerly trends.

Residual and fresh snow cover precluded effective observation off the forestry lookout road, but traverses may well locate prospect pits and trenches on the TEL 1 claim.

ECONOMIC POTENTIAL

A study of published reports on the adjacent prospects as located on Figure 2 provides an understanding of the type of mineralization in the area, and also gives some understanding of the economic potential.

The mineralized quartz veins on the MANDY, C.O.D. and DENTONIA are strong and persist in width along strike and down-dip. The DENTONIA provides the best information since it has been opened up by shafts, drifts and raises on several levels down-dip to a depth of 300 feet. Pyrite, galena, chalcopyrite, free gold, and possibly tellurides occur in vein material consisting of quartz, chlorite, calcite, and sericite. The host rock is described as a quartz sericite schist in which the vein is generally concordant with the foliation. Warps in the foliation produce ore shoots which rake to the north. The vein cuts both igneous and metamorphic rocks, but is displaced by post-vein porphyry and lamprophyre dikes. Post-vein shearing is also described. Production records provide an indication of the grade potential.

John S. Vincent P. Eng.

The 85,900 tons milled graded 0.456 ounces of gold per ton and 2.68 ounces of silver per ton, with credits in copper, lead, and zinc.

The vein on the AMANDY is also persistent in width and along strike, and the host rock is described as a quartzitic schist. The schists are fractured, sheared, and generally quartz-filled along the bedding planes.

The vein on the C.O.D. is described as strong, but the host rock is not mentioned. Granodiorite appears to be dominant south of the TEL 1, and this material may comprise the host.

It is reasonable to conclude that extensions of the C.O.D. or AMANDY veins may be found on the TEL 1 claim, and mapping, prospecting, and soil geochemical surveys are warranted to evaluate this possibility. There is also the potential for the discovery of new vein systems.

SUMMARY & RECOMMENDATIONS

Strongly developed gold-silver bearing quartz veins have been discovered on Crown Granted mineral claims north and south of the TEL 1 claims. It is reasonable to anticipate that the southern vein may extend northerly into the southwest quarter of the TEL 1, and that the northern vein may continue to the south across the northeast corner. Undiscovered veins may be found in soil covered areas.

It is recommended that a 2 phase work program be undertaken to evaluate this potential. The first phase will require prospecting, mapping, soil sampling, and VLF-EM surveying. The second stage will allow for trenching, sampling, and diamond drilling.

COST ESTIMATEPhase 1

<u>Personnel:</u>	
Geologist: 10 days @ \$375	\$3,750
Assistant: 10 days @ \$160	1,600
<u>Personnel Costs:</u>	
Allow 25 man days @ \$50	1,250
<u>Transportation:</u>	
Truck	2,000
<u>Grid:</u>	
34 km @ \$300/km	10,200
<u>Analytical:</u>	
Soils: 600 samples @ \$5.00	3,000
Assay	1,000
<u>Soil Sampling:</u>	
12 days @ \$375/day	4,500
<u>Miscellaneous:</u>	
Maps, flagging, bags, etc.	500
<u>Supervision & Reporting:</u>	4,000
<u>Overhead & Administration:</u> @ 12%	<u>3,816</u>
	\$35,616

Allow \$35,600

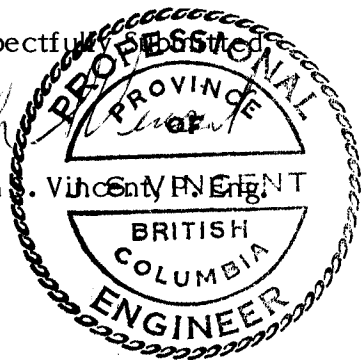
Phase 2

<u>Personnel:</u>	
Geologist: 15 days @ \$375.....	\$5,625
Assistant: 15 days @ \$160.....	2,400
<u>Personnel Costs:</u>	
Allow 35 man days @ \$50	1,750
<u>Transportation:</u>	
Truck	2,000
<u>Trenching:</u>	
Bulldozer rental	5,000
<u>Drilling:</u>	
allow for 1000 metres of BQWL @ \$90/metre	90,000
<u>Analytical:</u>	1,500
<u>Miscellaneous:</u>	500
<u>Supervision & Reporting:</u>	5,000
<u>Overhead & Administration:</u>	<u>5,000</u>
	\$118,775

Allow \$119,000

Respectfully Submitted

John S. Vincent P. Eng.



Richmond, B.C.

March 4, 1983

John S. Vincent P. Eng.

REFERENCES

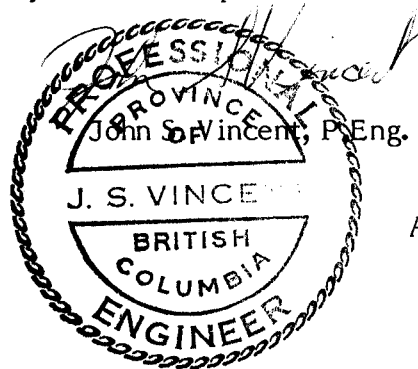
- Galloway, J.D.; Lode-Gold Deposits of B.C.; Bulletin No. 1, 1932; p 84.
- Guess, Private report on the C.O.D. claim; 1904.
- Haman, P.J.; Geological Report on the Amandy Group, Boundary District, B.C., Assessment Report 1814, April 28, 1969.
- Little, H.W.; Kettle River, East Half; Map 6, 1957.
- Ministry of Mines Reports; 1933, 1934, and various reports over the period 1897-1967.

CERTIFICATE

I, John S. Vincent, DO HEREBY CERTIFY:

1. That I am a Consulting Geologist resident at 4859 12A Ave., Delta, B.C., V4M 1B6.
2. That I am a graduate of Queen's University in Geological Sciences, B.Sc., - 1959; and of McGill University, M.Sc. - 1962.
3. That I am a Registered Professional Engineer (Geological) in the Association of Professional Engineers of the Province of British Columbia.
4. That I am a Fellow of the Geological Association of Canada, and a member of the Canadian Institute of Mining and Metallurgy.
5. That I have practiced my profession as a geologist for the past twenty-four years.
6. I have examined the area under study and am familiar with the geology and mineral occurrences of the area.
7. That I have no interest in the properties or securities of Blackmist Resources Ltd. or in any related companies.

Vancouver, B.C.



April 5, 1983

John S. Vincent P. Eng.

11,925



LEGEND

TERTIARY (?)
 Td SYENITE PORPHYRY DYKES:
 TABULAR FELDSPAR PHENOCRYSTS (UP TO 2 cm. LONG)
 OCCUR WITH BIOTITE PHENOCRYSTS (3 mm. DIAMETER)
 IN PINKISH, FINE - GRAINED TO APHANITIC GROUND MASS.

CRETACEOUS (?) NELSON INTRUSIONS

Kg GRANODIORITE:
 GREY WEATHERING MEDIUM - GRAINED BIOTITE
 HORNBLENDE GRANODIORITE

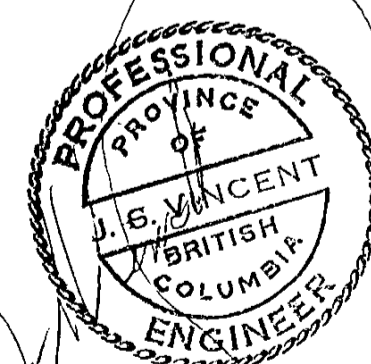
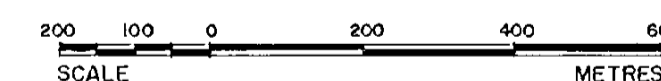
PERMIAN (?) ANARCHIST GROUP

Ps SCHIST:
 A SEQUENCE OF FINE - GRAINED INTERCALATED BIOTITE-
 QUARTZ-FELDSPAR SCHIST AND QUARTZITE.

SYMBOL

- LITHOLOGIC CONTACT : DEFINITE, INFERRED
- ATTITUDE OF FOLIATION
- ATTITUDE OF FRACTURES
- ATTITUDE OF VEINS
- APPROXIMATE OUTCROP DISTRIBUTION
- SHAFT
- ADIT
- x 61929 ASSAY SAMPLE T-4 ROCK CHIP SAMPLE

NOTE: TOPOGRAPHY ADAPTED FROM DEPT. OF ENERGY, MINE AND
 RESOURCES 1: 50,000 SCALE MAP
 CONTOUR INTERVAL : 100 METRES
 MAGNETIC DECLINATION (1983) 22° 30' EAST.

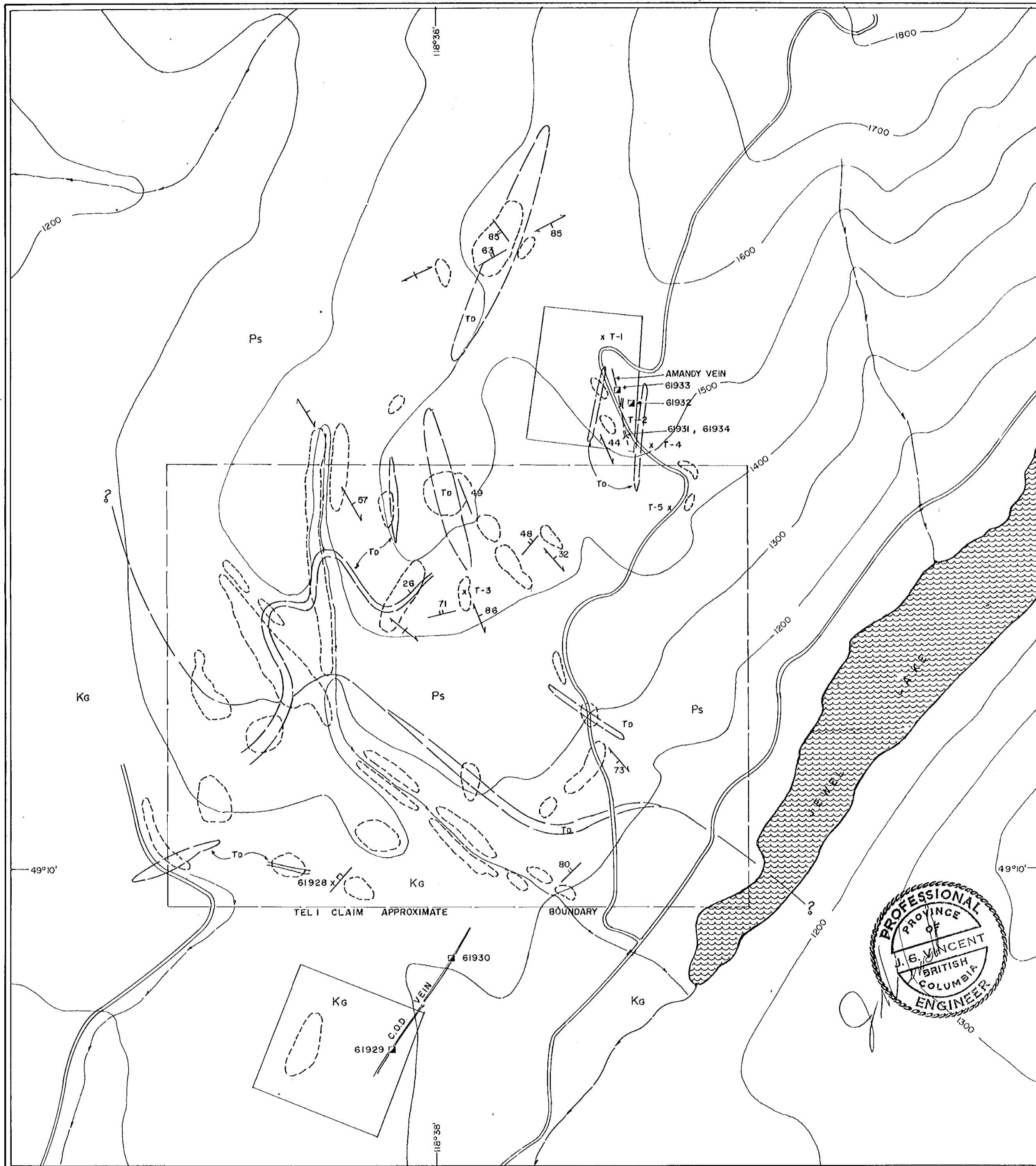


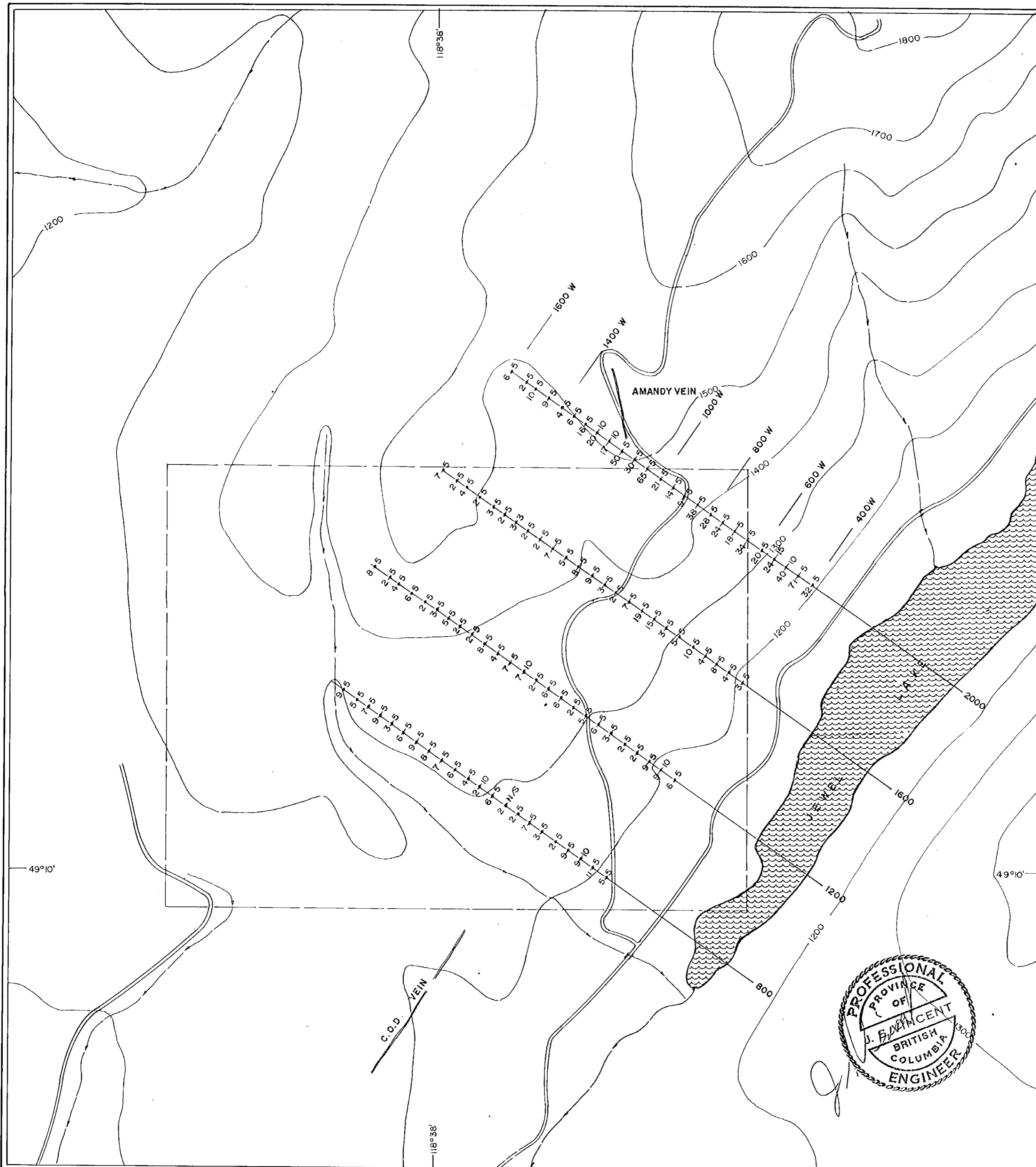
BLACKMIST RESOURCES INC.
 GREENWOOD MINING DIVISION, B.C.
 JEWEL LAKE AREA

JOHN S. VINCENT & Associates
 AMERLIN Exploration Services Ltd.

GEOLOGY

DRAWN BY: 072283BBDINGCOL	DESIGNED BY:	NTS 82 E / 2E
DATE / REVISION JULY, 1983	SCALE: 1: 10,000 METRES	PLATE NO. 1

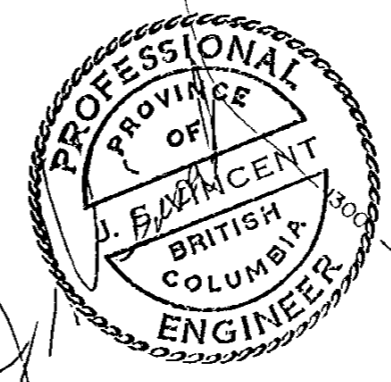
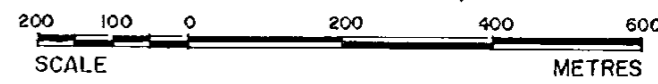




**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

11,925

EXPLANATION
 SOIL SAMPLE LOCATION
 As ppm Au PPM
 SAMPLE INTERVAL 50 m.
 LINE SPACING 400 m.
 ANALYTICAL VALUES FOR OTHER ELEMENTS ARE APPENDED TO REPORT.



BLACKMIST RESOURCES INC. GREENWOOD MINING DIVISION, B.C.		
JEWEL LAKE AREA		
JOHN S. VINCENT & Associates AMERLIN Exploration Services Ltd.		
GOLD AND ARSENIC IN SOILS		
DRAWN BY: 0722B3BBDINGCOL	DESIGNED BY:	NTS 82E/2E
DATE /REVISION JULY, 1983	SCALE: 1: 10,000 METRES	PLATE NO. 2