84.#2 - 12300

December 1983

NEWCOAST SILVER MINES Ltd. Bruin, Canuck and Hawk Mineral Claims

GREENWOOD M.D., B.C. NTS 82 E /2W Lat. 49°22' N Long. 118°46' W

ASSESSMENT REPORT

ASSESSMENT REPORT on GEOCHEMICAL SOIL RECONNAISANCE PROGRAM

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FIGURE 6Geochemical Plan - Copper PlotIn PocketFIGURE 7Geochemical Plan - Gold PlotIn Pocket

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NEWCOAST SILVER MINES LTD. MIDWAY PROPERTY GEOCHEMICAL SURVEY REPORT

1. INTRODUCTION

The Company requested NVC ENGINEERING Ltd. to carry out a geochemical reconnaissance survey on its newly acquired claims in Midway, B.C. area, to fulfill the requirements for assessment work.

The field work was exercised at the end of September, and all assaying was done by General Testing Laboratories of Vancouver.

No grid lines were established for this survey, and all samples were collected along existing trails, roads and in one occasion, along the power line clearing.

In due course of the survey, some claim posts and claim location lines were examined, and it appears that the staking was done in compliance with British Columbia staking regulations.

2. REVIEW

2.1 SUMMARY AND CONCLUSIONS

Newcoast's property is in the area which has a long mining history, and which produced numerous silver-lead-zinc and copper-gold mines. The best known was Phoenix Copper Mine, which ceased production in 1976.

Newcoast's property is, however, a grass root prospect, and to the best of the author's knowledge, no exploration of any consequence was so far carried out on it.

The claims are underlain by volcanics and intrusive rocks, some of which were found to be intensively oxidized and silicified. The geochemical soil reconnaissance outlined two areas of interest, where further exploration is fully warranted.

2.2 RECOMMENDATIONS

The next step of exploration should consist of geological mapping, paying special attention to areas with anomalous copper and/or gold. Not only rock types, but also the types and intensity of alterations should be mapped.

In two areas, where anomalous metal values were outlined in soil, the closely spaced grids should be constructed and geochemically surveyed. All outcrops in that area should be carefully mapped and sampled for rock chip geochemical analysis.

Further geochemical reconnaissance is also to be done in two areas as shown on Figure 3.

2.3 COST ESTIMATE

The following expenditure is estimated to be necessary to carry out the recommended program:

Grid construction, 30 km @ \$	200	\$ 6,000.00
Geochemical soil sampling		3,500.00
Geological mapping Geologist, 30 days @ \$30 Assistant, 30 days @ \$10		9,000.00 3,000.00
Room and board	2,500.00	
Transportation and communic	1,800.00	
Assays		2,700.00
Data evaluation and report		 5,000.00
	Subtotal	\$ 33,500.00
	Contingencies and inflation 20%	 6,500.00
	Total estimated budget	\$ 40,000.00

3. PROPERTY

3.1 LOCATION

The claims are located in south central British Columbia, immediately north of Midway, B.C. They are also about 6 kilometers southwest of Greenwood, B.C. The property covers the southmost slopes of Ingram Ridge.

The claims are in the Greenwood Mining Division, at NTS 82E/2W. The centre of the property is at the approximate latitude 49°02' north, and longitude 118°46' west. A general location of the property is shown on the Location Map, see Figure 1.

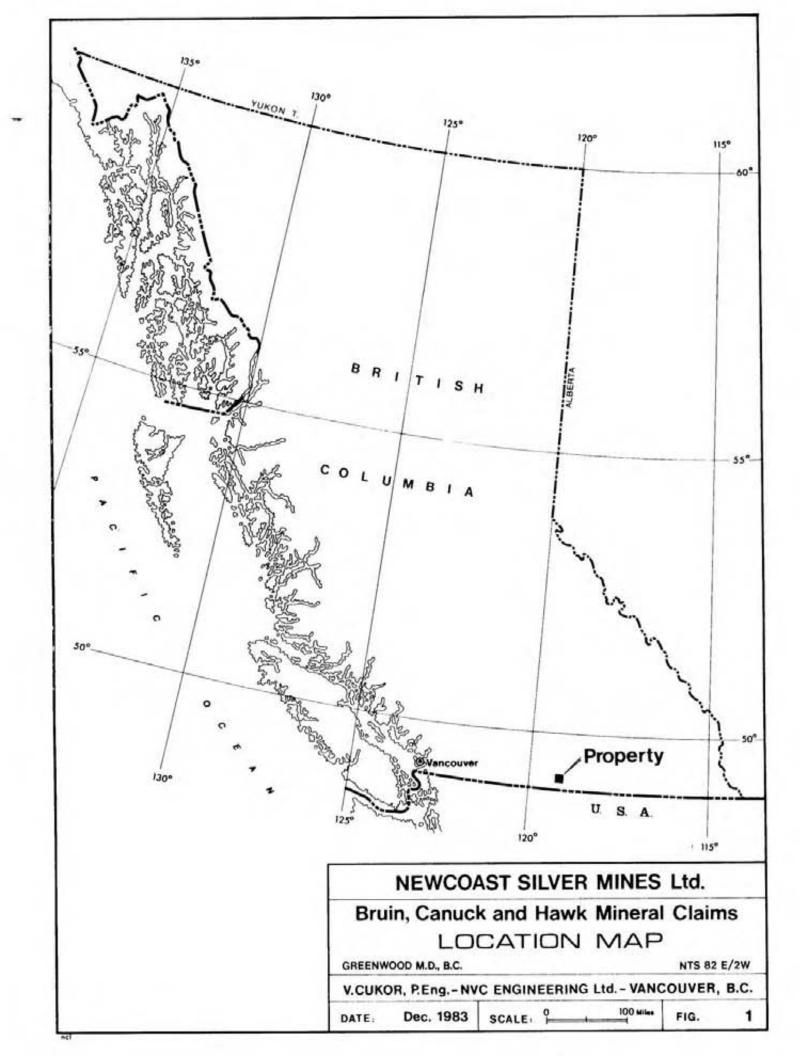
3.2 ACCESS

The Newcoast property is readily accessible by existing roads. The paved, Provincial Highway No. 3, which is running along the southern claim boundary, provides the connection between the Midway-Greenwood area and larger supply centres of the province. The CPR railway, terminating in Midway, still runs eastwards and allows cheap access to the smelter in Trail, B.C. A number of ranching and forestry gravel roads branch off the highway and make easy access to almost any part of the claim.

3.3 CLAIMS

Three full size mineral claims comprise Newcoast's property. The claims, record numbers and anniversary dates are as follows:

Claim	No. Units	Record No.	Recording Date			
Bruin	20	3392	January 24, 1983			
Canuck	20	3393	January 24, 1983			
Hawk	15	3395	January 24, 1983			
Total No. of Units	55					



All claims were located on the modified grid system. They were staked and recorded by Percy F. Cox of Kamloops, B.C., as agent for A.A. Ablett also from Kamloops. Subsequently, 100% of interest in all three claims was transferred to Newcoast Silver Mines Ltd. of Vancouver.

During the field work, the author has found and examined a number of claim posts and claim location lines, and concluded, that staking was done in accordance with British Columbia Mineral Act Regulations. All claims and topographical features are shown on Figures 2 and 3.

3.4 TOPOGRAPHY AND CLIMATE

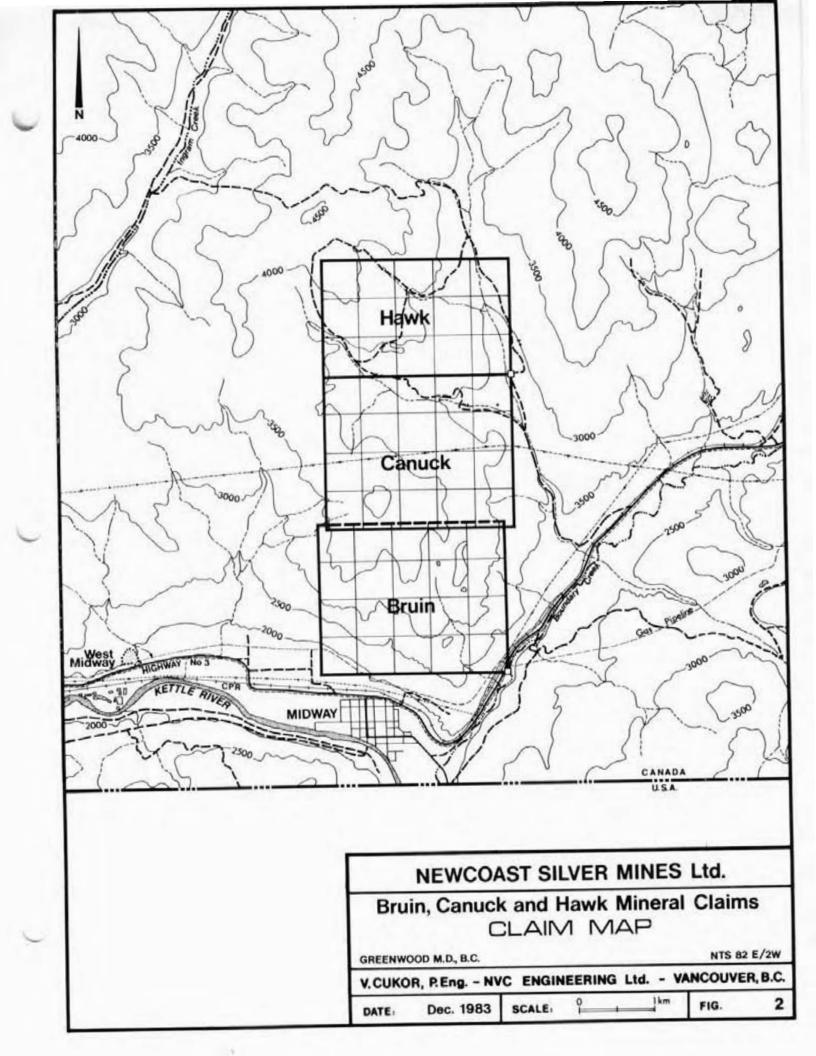
The property is situated between altitudes of 2,000 and 4,200 feet, for a total topographic relief of 2,200 feet.

The claims cover a prominent north-south ridge, sloping southwards, which in several places is disected up by local streams. The eastern border of the claims lies along the deeply carved valley of Jolly Jack Creek. To the south the claims are terminated at the valley of Boundary Creek and Kettle River terrace (see Figures 2 and 3).

The western, southern and central parts of the claims are open grasslands, covered mostly by a dry country growth. The northern and eastern parts are covered by spruce and/or jack pine forest, locally with fairly thick underbrush.

A midway-Greewood region has a variation of the continental climate, characterized by hot summers and cold winters. This area is also on the eastern edge of the British Columbian dry belt, and average atmospheric precipitation is low. The snow cover clears off the property early in the spring and most of the area is open for exploration generally from April to November.

Plentiful water and timber for exploration purposes is found within the claim limits, although on a large portion of the property, surface rights, including timber rights and water rights are privately held.



4. GEOLOGY

The regional geology of the Midway-Greenwood area is shown on the Geological Survey Map 10-1967 accompanying Paper 67-42. The map was prepared by J.W.H. Monger, H.W. Little and E. Thorpe.

According to this map a large part of the claims is underlain by volcanic and pyroclastic rocks of the Marron Formation and possibly by some sediments of the Kettle River Formation, both Eccene. These, in the central part of claims, are intruded by younger dioritic rocks. the topographically lower parts of the claims are extensively covered by unconsolidated drift material.

A described map, however, gives only a general outline of geological formations and detailed geological mapping is necessary to be carried out during a next stage of exploration. This should describe the rock types, as well as their stratigraphic and structural relationships, and should outline the areas of intense alteration and any accumulations of sulphide mineralization.

5. GEOCHEMICAL SOIL SURVEY

5.1 FIELD METHOD

No grid was cut for this reconnaissance, and samples were taken along the existing roads. Some samples were also taken off the roads, more or less along contour lines. The sample lines were selected in such a fashion, as to explore the downhill seepage over the largest possible area.

The samples were taken at 100 metre and 50 metre spacing, from shallow holes dug by mattock. An attempt was made to sample a 'B' horizon, but this was not possible in all locations due to ununiform development of soil horizons throughout the property. Collected soil was packed in kraft soil sample bags, marked, and partially dried in the field. All samples were then delivered to General Testing in Vancouver, where they were assayed for gold and copper.

5.2 LABORATORY PROCEDURE

General Testing Laboratory reported to have processed the samples following the procedure as outlined.

All samples were oven dried and then sifted. The -80 mesh fraction was then assayed separately for copper and for gold.

<u>Copper Assay</u>: A two gram sample was dissolved in nitric acid, diluted by distilled water, and processed by atomic absorption spectrophotometry method, employing a Jarill Ash 850 instrument.

<u>Gold Assay</u>: A bead produced in an electric furnace from a 15 gram sample was pulverized, dissolved by hot aqua regia and assayed by neutron activation analysis.

5.3 DATA PRESENTATION

In preparation for the survey, a part of the Department of Energy, Mines and Resources topo map Greenwood, scale 1:50,000 was enlarged to 1:10,000. Plotted on this new topo base were some additional trails and other topographic elements found during a field survey, as well as all soil sample locations. In addition, all the anomalous gold and copper values are marked on this plan, appended in the pocket in the back of the report as Figure 3.

All individual assay values are shown on Geochemical Plans, Figures 6 and 7 appended in pocket, and on the General Testing Certificates of Assay (see Appendix 1). As part of the statistical evaluation of assay results, frequency distribution diagrams were constructed for both copper and gold, and are enclosed in the report as Figures 4 and 5.

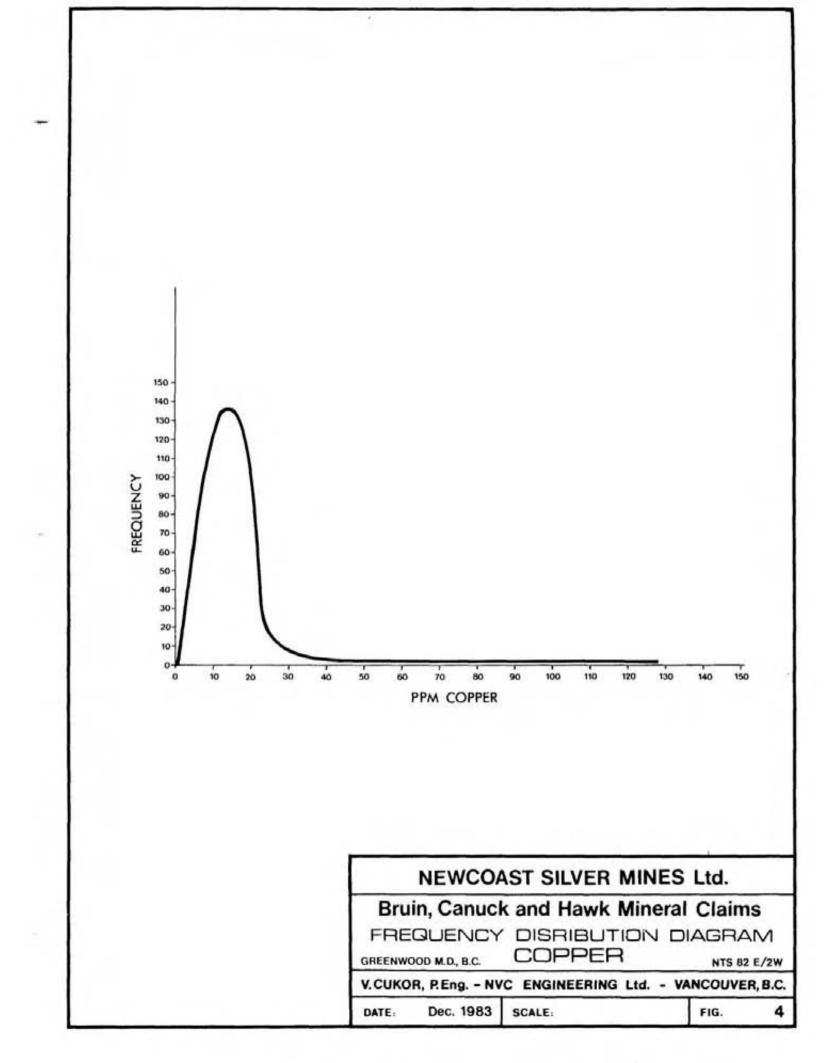
5.4 DISCUSSION OF RESULTS

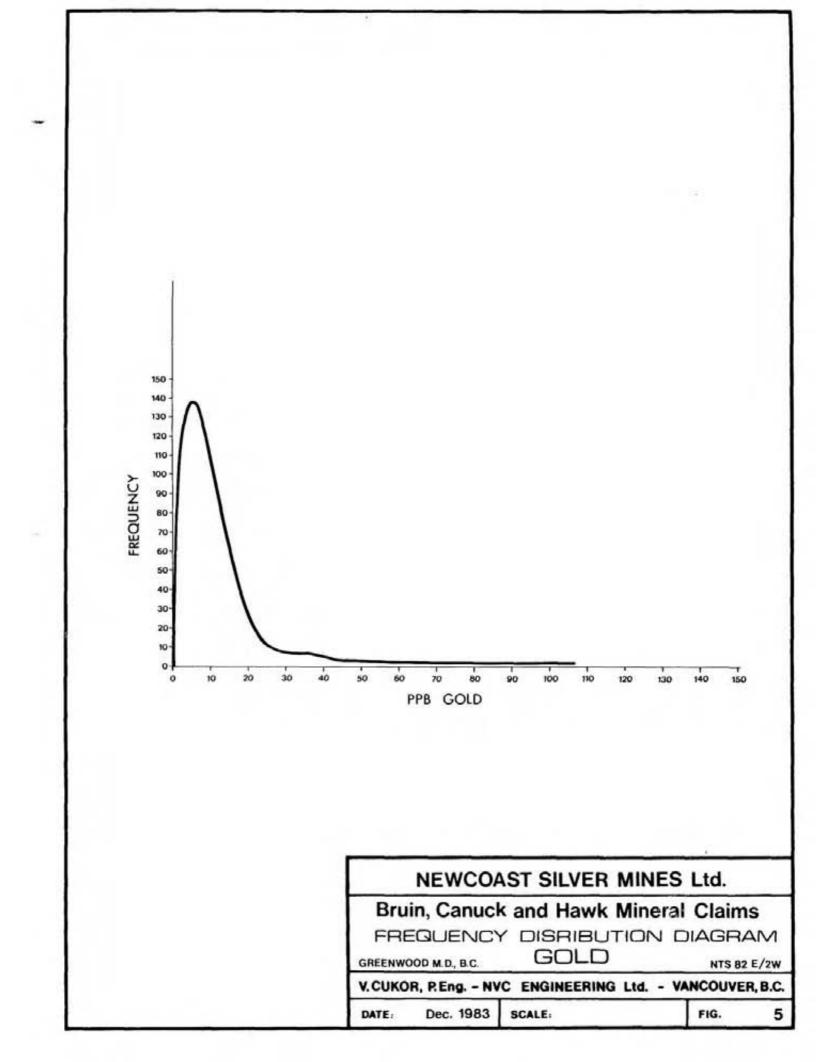
Statistical evaluation of assay results produced the following categorization for both copper and gold values:

	Copper	Gold
Background	20 ppm	15 ppb
Anomalous threshold	45 ppm	40 ppb
Significantly anomalous	>70 ppm	>60 ppb

The value of 40 ppb gold for anomalous threshold correlates well with the corresponding value on the nearby property of Maymac Resources, where extensive geochemical sampling was performed over a large area. The anomalous threshold for copper, however, is considerably lower than on the Maymac's property.

The Sample Plan (Figure 3) reveals that sporadic high copper and/or gold geochemical values appear throughout the sampled area. However, two areas clearly stand out and should be examined further. The first such area is at the junction of Jolly Jack and Bauer Creeks, where appears a





relatively high concentration of moderately anomalous gold values. The second area is at the 4,000 foot high knoll, just south of the power line. Both anomalous and highly anomalous copper and gold geochemical values were received from the samples collected in the vicinity of intensively altered and oxidized outcrops of volcanic and intrusive rocks. A close spaced grid should be established in both areas, and a follow up detailed geochemical survey should be performed.

Two other areas, one north of the power line, and one on the southern part of claim group should also be examined further by closer spaced samples along the reconnaissance lines, following existing trails.

December 1, 1983

Respectfully submitted,

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V. Cukor, P.Eng. NVC Engineering Ltd.

APPENDIX 1

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CERTIFICATES OF ASSAY by GENERAL TESTING LABORATORIES

General Testing Laboratories

A Division of SGS Supervision Services Inc.

1001 EAST PENDER ST., VANCOUVER, B.C., CANADA, V6A 1W2 PHONE (604) 254-1647 TELEX 04-507514 CABLE: SUPERVISE



TO:

N.V.C. ENGINEERING LTD. 2830 West 37th Ave., Vancouver, BC. V6N 2T6

CERTIFICATE OF ASSAY

No.: 8309-2853 DATE: Oct. 12/83

We hereby certify that the following are the results of assays on: submitted samples for geochem analyses

010121620	GOLD	XXXXXX	Copper	XXXX	XXXX	Sample Marked	Gold	Copper
MARKED	Au(ppm)		Cu (ppm)			1.444.444	Au (ppm)	Cu (ppm)
S - 1	0.10		39			s - 36	0.02	23
2	0.04		14			37	0.03	65
	0.04		19			38	0.01	16
2	0.02		18			39	0.02	15
3 4 5 6						40	0.01	14
2	0.07		20			40	0.02	13
0	0.05		15			41	0.01	10
7 8	0.06		26				0.07	
8	0.03		18			43		13
9	0.02		20			44	0.01	11
10	0.02		32			45	0.02	
11	0.02		21			46	0.01	13
12	0.05		68			47	0.02	13
13	0.02		30			48	0.03	11
14	0.02		34			49	0.01	13
15	0.02		16			50	0.01	11
16	0.04		10			51	0.03	23
17	0.01		18			52	0.01	23
18	0.01		22			53	0.01	20
19	0.02		28			54	0.02	7
20	0.01		16			55	0.01	12
21	0.02		12			56	0.02	10
22	0.02		25			57	0.02	12
23	0.02		16			58	0.02	9
24	0.02		13			59	0.02	10
25	0.02		21			60	0.02	11
26	0.02		16			61	0.04	8
27	0.07		10			62	0.04	6
28	0.02		20			63	0.02	9 9 12
	A REPORT OF A R		17			64	0,02	9
29	0.02			-		65	0.02	12
30	0.02		20			66	0.01	9 51
31	0.03		44			67	0.02	51
32	0.02		19			67 A		8
33	0.01		29			68	0.02	9
34	0.01		18			69	0.02	9
s - 35	0.01		22			S - 70	0.02	10
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(1) (1) (1) (1) (1) (1) (1) (1) (1) (1)	GOLD	XXXXXXX	Copper	xxx	xxx	Sample Marked	Gold	Copper
MARKED	Au (ppm		Cu (ppm)			That not	Au (ppm)	Cu (ppm)
S - 71	0.02		16			S - 107	0.03	9
72	0.04		7			108	0.02	12
73	0.02		76			109	0.01	17
74	0.02		8			110	0.01	7
75	0.02		6			111	0.01	8
76	0.02		7			112	0.01	10
70	0.01		7			113	(N.S.)	(N.S.)
77 78	0.01		7			114	0.01	10
	0.01		8			115	0.01	29
79 80	0.01		8		1	116	0.01	18
			9			117	0.01	11
81	0.01		9			118	0.01	10
82	0.02		10 7 8		1	119	0.01	7
83	0.02	£	1			120	0.01	11
84	0.01	1	8			121	0.01	12
85	0.01		15			122	0.01	10
86	0.01		10			123	0.01	16
87	0.02		9		1	124	0.01	12
88	0.01	E	13			125	0.01	17
89	0.01		13 9			126	0.01	10
90	0.02		10		1	127	0.01	13
91	0.02					128	0.01	13
92	0.01	0	9			129	0.01	28
93	0.02	1	9			130	0.01	11
94	0.01		9				0.01	14
95	0.02		10 9 9 9 8			131	0.01	14
96	0.02		10			132		8
97	0.03		15		1	133	0.01	
98	0.03	1 - S	15			134	0.01	11
	0.02		11			135	0.01	10
99			15		1	136	0.01	10
100	0.01		14			137	0.01	12
101	0.01		14			138	0.01	13
102	0.16	1	14			139	0.01	13
103	0.11		8			140	0.01	12
104	0.02		14			141	0.01	11
105	0.02		15			142	0.01	15
S - 106	(N.S.)		(N.S.)					1
N.S. = No sample					1	/ Con	tinued on	page 3
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	GOLD	XXXXXXXX	Copper	XXXX	XXXX	Sample Marked	Gold	Copper
MARKED	Au (ppm)	\$	Cu (ppm)				Au (ppm)	Cu (ppm
s - 143	0.01		9			S - 171	0.01	15
144	0.01		12			172	0.01	13
			56			173	0.01	17
144 A	0.01					174	0.01	19
144 B	0.08		179			175	0.01	17
144 C	0.12		125			176	0.01	17
145	0.01		12				0.01	15
146	0.01		13			177		15 15 14
147	0.01		10			178	0.01	15
148	0.01		11			179	0.01	14
149	0.01		9			180	0.01	15
150	0.01		13			181	0.01	12
151	0.01		11			182	0.01	19
152	0.01		11			183	0.01	11
153	0.01		13			184	0.01	11
154	0.01		16			185	0.01	11
155	0.01		10			186	0.01	11
156	0.01		11			187	0.01	13
157	0.01		12			188	0.01	9
158	0.01	1	16			189	0.01	15
158	0.01		15		10	190	0.01	11
159			15			191	0.01	11
160	0.01		14			192	0.01	12
161	0.01		15			193	0.01	13
162	0.01		17			194	0.01	12
163	0.01		16			195	0.01	16
164	0.01		16			196	0.01	14
165	0.01		19			197	0.01	12
165 A	0.02		51			198	0.01	10
165 B	0.79		139				0.01	10
165 C	0.15		> 1000			199 200		10
165 D	0.93		> 1000			200	0.01	
166	0.02		40				0.01	17
167	0.01		22			202	0.01	7
168	0.01		19		1	203	0.01	13
169	0.02		17			204	0.01	20
S - 170	0.01		18			S - 205	0.01	14
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No.: DATE: Oct. 12/83 8309-2853

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TO:

	GOLD	xXXXXx	Copper	xxx	x xx	Sample Marked	ximintx xxx xx xxingineoux
MARKED	Au (ppm)		Cu (ppm)			Δαχχέρχρας) ΧΧΧΟΟΧΧέργρα	
S = 206 206 B 206 C 207 208 209 210 211 212 213 214 215 216 217 218 219 220 221 222 223 224 225 226 S = 227	0.01 0.05 0.06 0.06 0.01 0.01 0.02 0.01 0.01 0.02 0.01 0.02 0.01 0.02 0.01 0.02 0.01 0.02 0.01 0.02 0.01 0.02 0.01 0.02 0.01 0.02 0.01 0.02 0.01 0.02 0.01 0.02 0.01 0.02 0.01 0.02 0.01 0.02 0.01 0.01		16 98 138 199 14 13 19 18 16 13 12 22 24 17 16 11 16 14 12 16 119 84 48 993 136				
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APPENDIX 2

12

LIST OF PERSONNEL EMPLOYED AND COSTS INCURRED DURING THE GEOCHEMICAL SURVEY ON NEWCOAST SILVER MINES PROPERTY IN MIDWAY, B.C.

Field Expenses

V. Cukor, P.Eng.	11 days @ \$350	\$ 3,850.00
Helper	10 days @ \$85	850.00
4 x 4 rental	11 days @ \$50	550.00
Gasoline		145.90
Motel		371.00
Food		267.30
Miscellaneous Expenses (flagging, topo th	nread, sample bags)	138.00

Report Expenses

V. Cukor, P.Eng.	6 days @ \$350	2,100.00
Enlarging topo base		500.00
Assays		1,899.80
Drafting	16 hours @ \$20	320.00
Typing		125.00
Printing, binding, mat	erial	142.00
		\$11,259.00

V.W

CERTIFICATE

1, VLADIMIR CUKOR, of 2830 West 37th Avenue, Vancouver, British Columbia, DO HEREBY CERTIFY that:

- I am a Consulting Geological Engineer with NVC Engineering Ltd. and with business address as above;
- I graduated from the University of Zagreb, Yugoslavia in 1963 as a Graduated Geological Engineer;
- I am a Registered Professional Engineer in the Geological Section of the Association of Professional Engineers in the Province of British Columbia;
- 4. I have practiced my profession as a Geological Engineer for the past twenty years in Europe and North America in engineering geology, hydro-geology and exploration for base metals and precious metals;
- 5. I have personally carried out the program described in this report and I have reviewed information on the general area available to me;
- I have no interest, direct or indirect, in Newcoast's Silver Mines Midway property.

V. Cukor, P.Eng. NVC Engineering Ltd.

December 1, 1983

