

Prospecting Report

- on the -

Au-1 & Au-2 Claims

Vernon Mining Division, British Columbia

N.T.S. 82L/1E

L.C.P. U.T.M. Co-ordinates

554895 North & 39755 East

- for -

Gary Schell; P. Eng.

1202 - 750 W. Pender St.

Vancouver, B.C. V3C 2T8

**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

12,331

Prepared by:

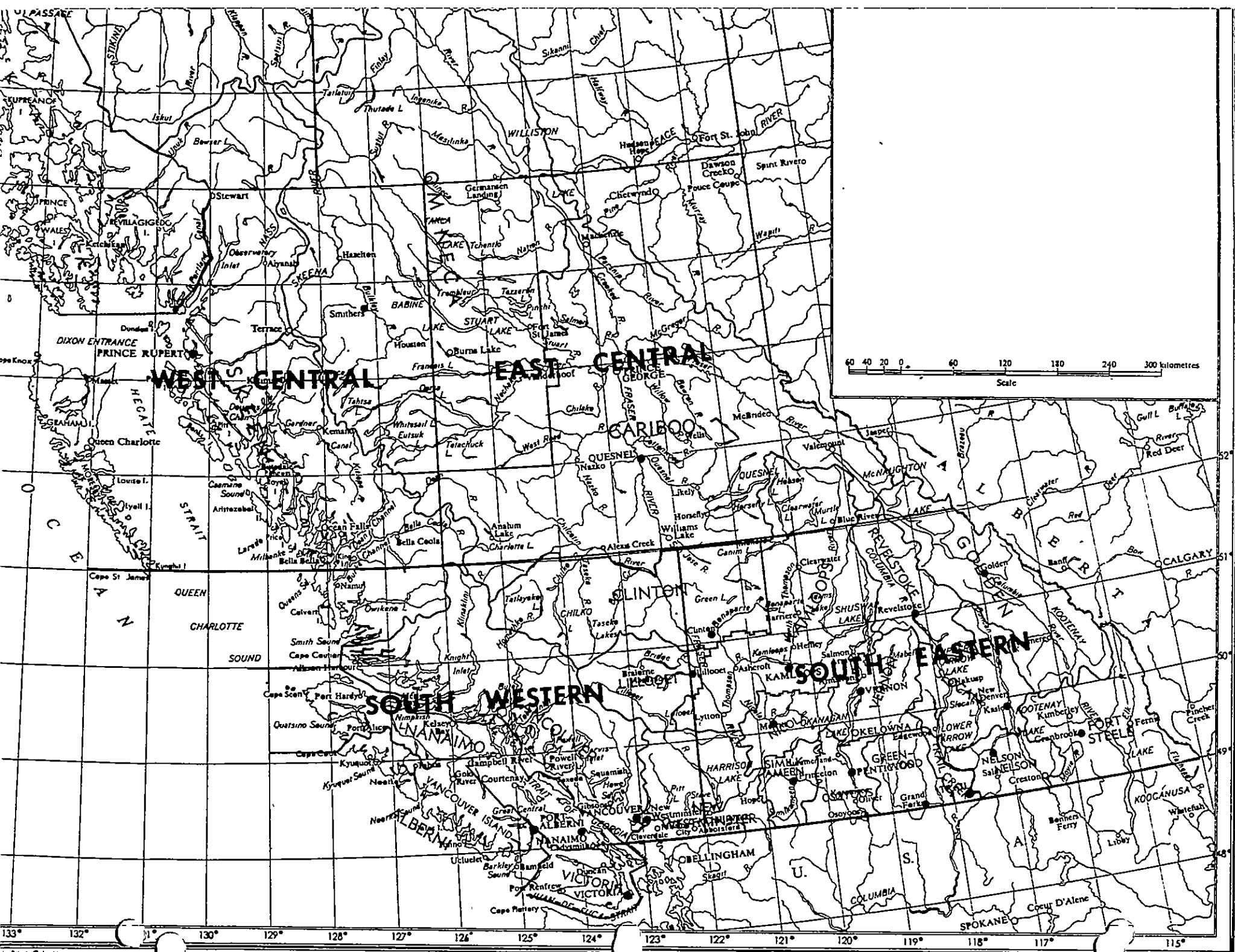
Larry D. Lutjen

Richard Lodmell

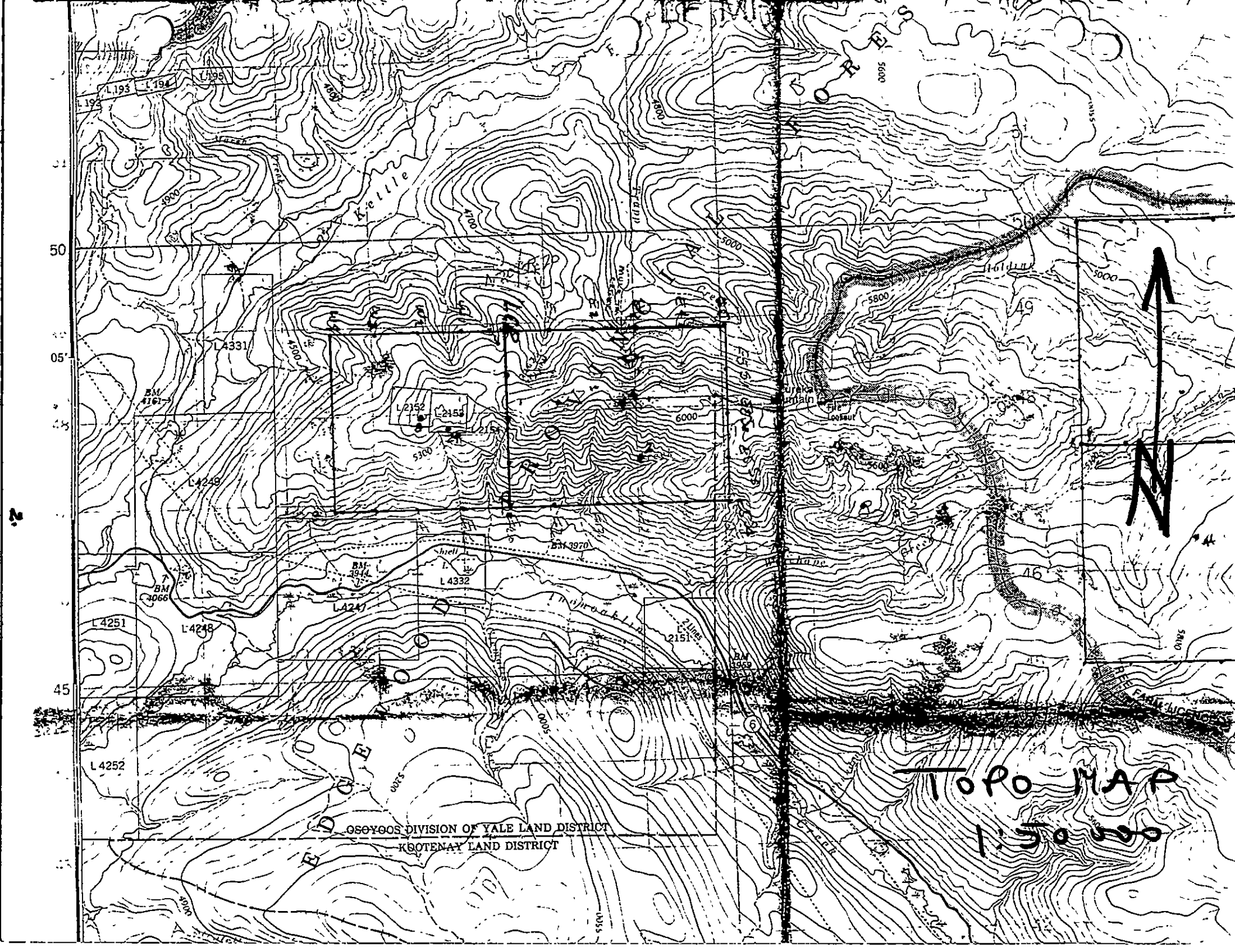
October 31, 1983

---TABLE OF CONTENTS---

Map of B.C.	page 1
N.T.S. Map of Claim	2
Claims Map	3
Introduction	4
Registration	4
History of Exploration	4
Prospecting Synopsis	4
Conclusions	5
Itemized Cost Statement	6
Authors Qualifications	7
Certification	8
Certification	9
Plate #1	10
Plate #2	11
Plate #3	12
Figure #1	13
Figure #2	14
Figure #3	15
Figure #4	16



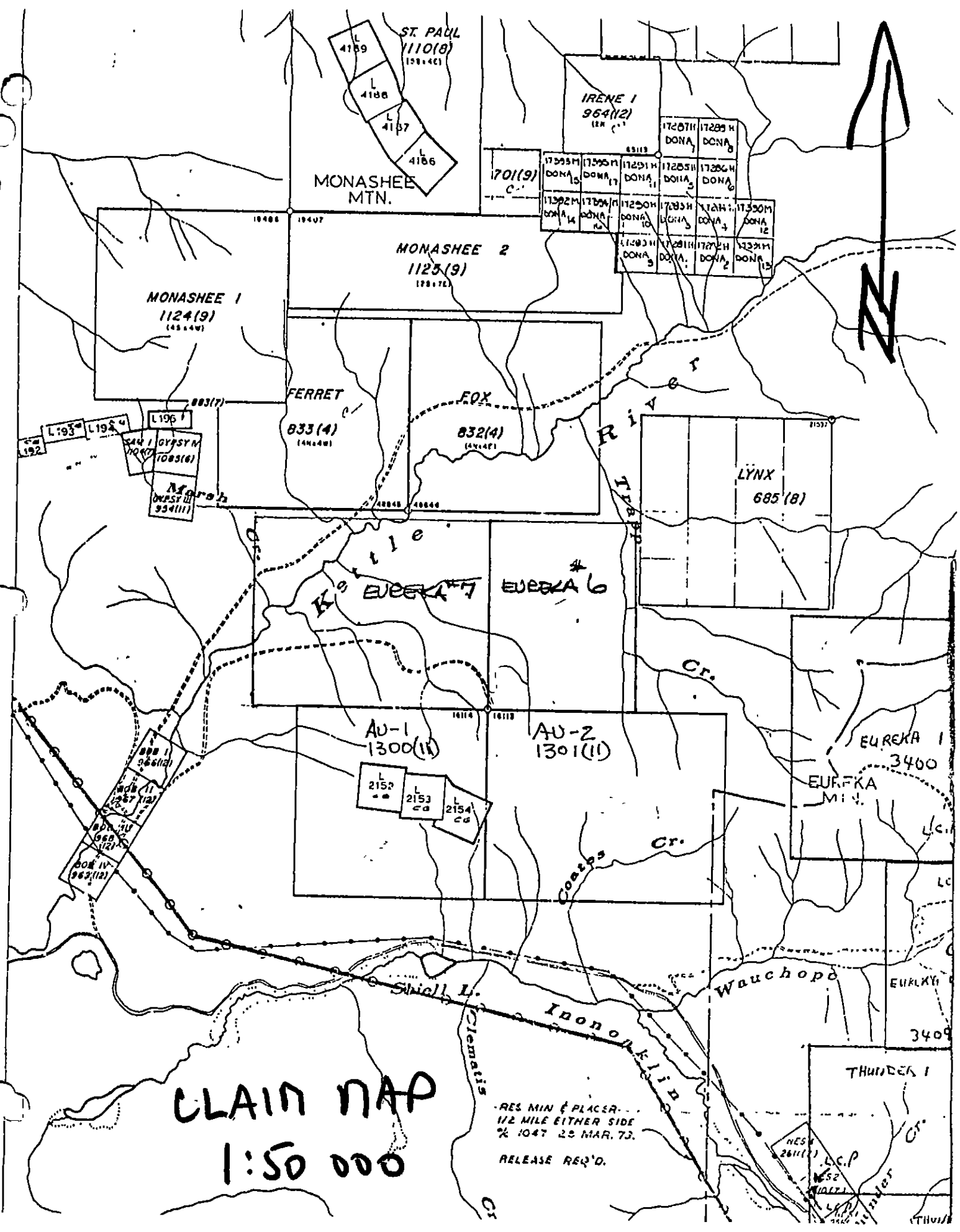
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OSOYGOS DIVISION OF YALE LAND DISTRICT
KOOTENAY LAND DISTRICT

TOPO MAP
1:50,000

TO WEST SEE MAP 82L/2E



CLAIM MAP
1:50 000

RES. MIN. & PLACER
1/2 MILE EITHER SIDE
% 1047 23 MAR. 73.
RELEASE REQ'D.

INTRODUCTION

The Au-1 (4x4) and the Au-2 (4x5) are situated east of Mount Eureka in the upper Kettle River area. The location is U.T.M. 554700 - 554900 and U.T.M. 395500 - 400000 on N.T.S. 82L/1 in the Vernon Mining District. Recorded and expiry dates for the Au-1 and the Au-2 are as follows:

Au-1: Recorded Nov. 2, 1982; Expires Nov. 2, 1983

Au-2: Recorded Nov. 2, 1982; Expires Nov. 2, 1983

REGISTRATION

The registered owner of both the Au-1 & Au-2 is Gary Schell, P. Eng.; 1202 - 750 W. Pender St.; Vancouver B.C.; V3C 2T8; F.M.C. #251-552

HISTORY OF EXPLORATION

See Figures 1 - 4

PROSPECTION SYNOPSIS

On the 23 - 30 of October 1983 the Au-1 & Au-2 claims were prospected by Larry D. Lutjen (Certified); Richard Lodmell (Certified); and Jon A. Lutjen (helper) as follows:

- Sun. 23rd: Traveled to Monashee/ located & slashed trail to L.C.P./Prepared grid
- Mon. 24th: Set-up 50M picket line-base line/Slashed and chained 1km of base line @ 50M intervals
- Tues. 25th: Took geochem samples on entire grid as outlined in plate No. 2
- Wed. 26th: Did a geological traverse in search of the Renown as outlined in plate No. 3

Thur. 27th: Did a second geological traverse in search of the Renown, as outlined in plate No. 3
Fri. 28th: Did a third geological traverse in search of the paradise as outlined in plate No. 3
Sat. 29th: Took silt samples of creeks as outlined in plate No. 2
Sun. 30th: Took road samples as outlined in plate No. 2
Mon. 31st: Report preparation and drafting
Tues. 1st: Final report preparation and drafting & filing in Vernon.

CONCLUSIONS

The Au-1 and Au-2 claims contain very little exposed rock due to excessive overburden, but several outcroppings were located and identified at higher elevations, see plate No. 1. A considerable amount of time was allocated to locate the old workings around the Renown and Paradise but failed due to extensive regrowth of balsam, spruce and pine over a burn that must have occurred 20 - 30 years ago. Many samples were taken and should prove-up anomalous areas which will be targeted next year. In all; because of the properties easy access, a good climate, and proven gold values, makes it a most valuable property.

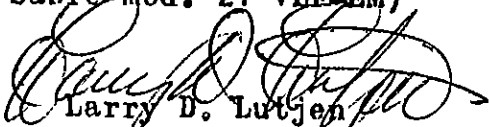
ITEMIZED COST STATEMENT

1. Field Services	
Larry D. Lutjen; Professional Prospector (Certified) 8 days @ \$125.00/day	\$1,000.00
Richard Lodmell; Professional Prospector (Certified) 8 days @ \$125.00/day	\$1,000.00
Jon A. Lutjen; helper 8 days @ \$60.00/day	\$ 480.00
2. Food & Accomodations	
26 man/days @ \$30.00/day	\$ 780.00
3. Mileage	
655 miles @ 35¢/mile	\$ 229.25
4. Report preparation	
Larry D. Lutjen; Professional Prospector (certified) 2 days @ \$125.00/day	\$ 250.00
5. Supplies -	
Kraft bags, flagging, top-o-foil, reproduction, stationary etc.	\$ 115.00
	<hr/>
	Total
	\$3,854.25

AUTHORS QUALIFICATIONS

I Larry D. Lutjen having graduated from the College of San Mateo, U.S.A., in 1965 (Degree in Electronics) have the following prospecting experience:

- 1958-1962 Surface and underground mining on the Hard Quartz mineral claim, Adin Mt. California (Drilling, Blasting, Timbering, Highgrading)
- 1963-1969 Prospecting with John Harden on the Warner Range (California), Lovelock Plateau (Nevada), and Shaffer Mountain (California), for Au, Ag, Hg, W, Mo, Cu, Zn, & Pb. Staked many claims.
- 1972-1976 Geophysical prospecting with Frank Hall in the Scotch Creek area (British Columbia). Optioned several claims, Silver King, Silver Queen etc., (Used Horizontal & Vertical loops at 1600c.p.s. Sharpe SE600, and: self potential surveys)
- 1977-1980 Geophysical & geochemical prospecting in the Shuswap lake and Adams plateau area. (McPhar 800 magnetometer). Geophysically prospected the Lost Cabin Mine on Adin Mt.; California for Lorcan Resources Ltd.; resulting in a ten year option.
- 1981-1982 Geophysical & geochemical prospecting with J.A. Lutjen and R.D. Lodmell in the south central region of B. C. (McPhar 800 and S.P.). Staked 12 properties from Beaverdell to the Adams plateau.
- 1982-1983 Recieved my geophysical certification from Malaspina College. Did a geophysical survey on Ground Hog Basin for Aurun Minerals Ltd. (Geonics 816-G Proton Mag. and EM-16 VLF-EM), including geochemical sampling, geophysical mapping, and grid layout. Geochemical sampling and geological mapping for Tylox Resources Ltd. on the AU-1 & AU-2 claims.
- 1983-1984 Geophysical survey on the Golden Eagle claims for McKenzie Range Gold Inc., including mapping and interpretation. (Sintrex MF-2 Magnetometer, Sabre mod. 27 VLF-EM, and S.P.). Geophysical and geochemical survey on the Golden Quartz 1-12 on Adin Mt. for McKenzie Range Gold Inc. (SIntrex MF-2 and Sabre mod. 27 VLF-EM)


Larry D. Lutjen
Certified Professional Prospector
R.R.#1, Box#12, Site#11
Chase, B.C.; VOE 1MO

MALASPINA COLLEGE

Statement of Course Completion

LARRY D. LUTJEN

has

Successfully Completed 180 Hours of Instruction
in

MINERAL EXPLORATION FOR PROSPECTORS

PRESENTED BY B.C. MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES
B.C. MINISTRY OF EDUCATION

APRIL 16 to 30, 1983 - MESACHIE LAKE, B.C.

MAY 2, 1983

Dated at Nanaimo,
British Columbia, Canada



Malaspina
College

A handwritten signature in cursive script, likely belonging to the Director or Dean.

Director / Dean

A handwritten signature in cursive script, likely belonging to the Registrar.

Registrar

A handwritten signature in cursive script, likely belonging to the instructor.

Instructor

MALASPINA COLLEGE

Statement of Course Completion

RICHARD LODMELL

has

Successfully Completed 180 Hours of Instruction
in

MINERAL EXPLORATION FOR PROSPECTORS

PRESENTED BY B.C. MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES
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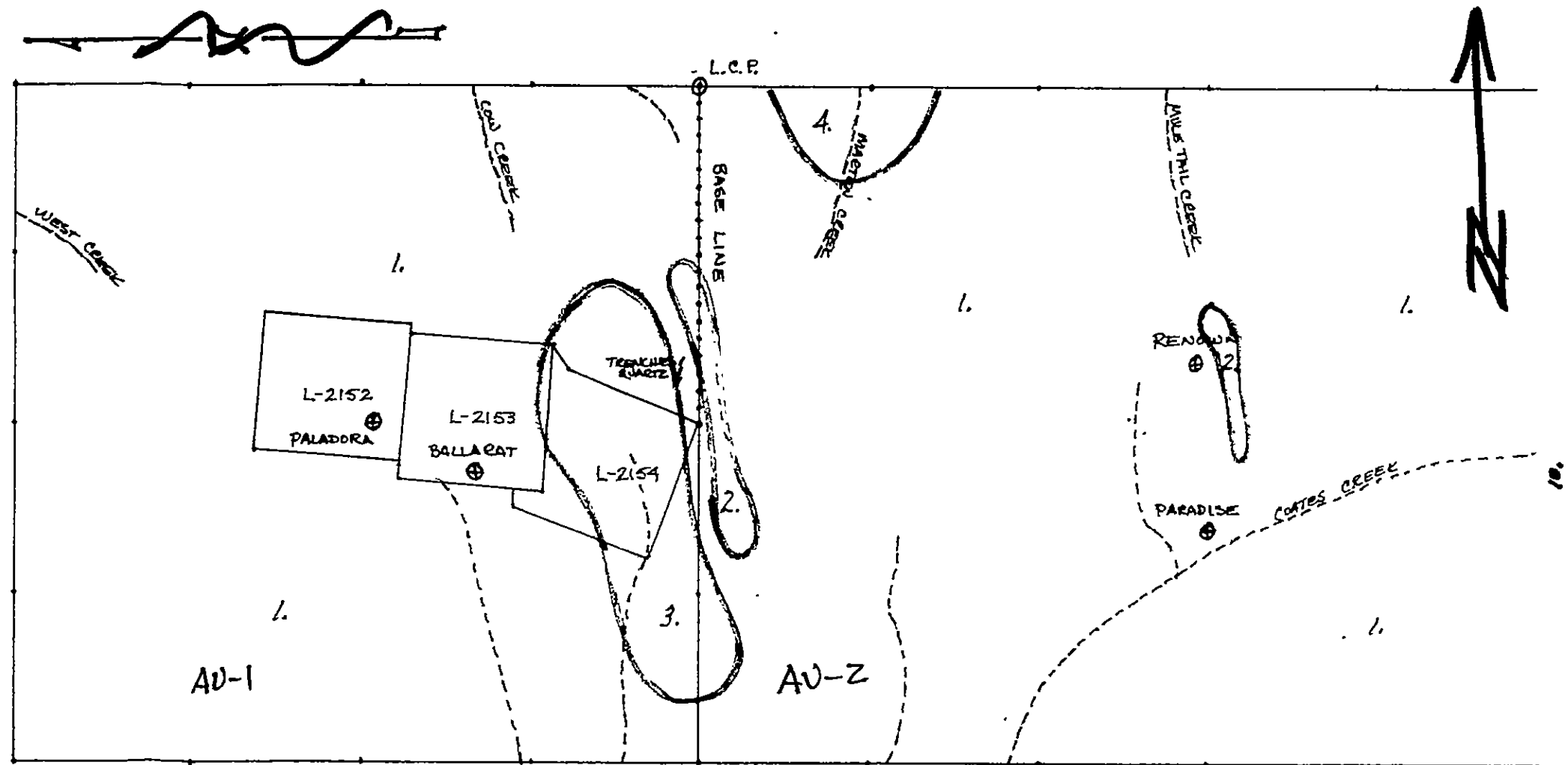


Malaspina
College

Director/Dean

Registrar

Instructor



1. GRANITE, GRANODIORITE, & ALLIED ROCKS
2. QUARTZITE, META ANDESITE, & TUFF
3. BASALT, HORNEBLENDE, & CONGLOMERATES
4. SLATE PHYLLITE, QUARTZITE, & MINOR CONGLOMERATES

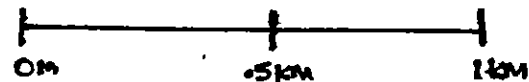


PLATE NO. 1
 FOR: TYLOX RESOURCES COOP.
 1202-750 W. PENDER ST.
 VANCOUVER, B.C.
 DATE: OCTOBER 31, 1983
 GEOLOGICAL MAP
 DRAWN BY: LARRY LUTJEN
 SCALE - 1:16,666

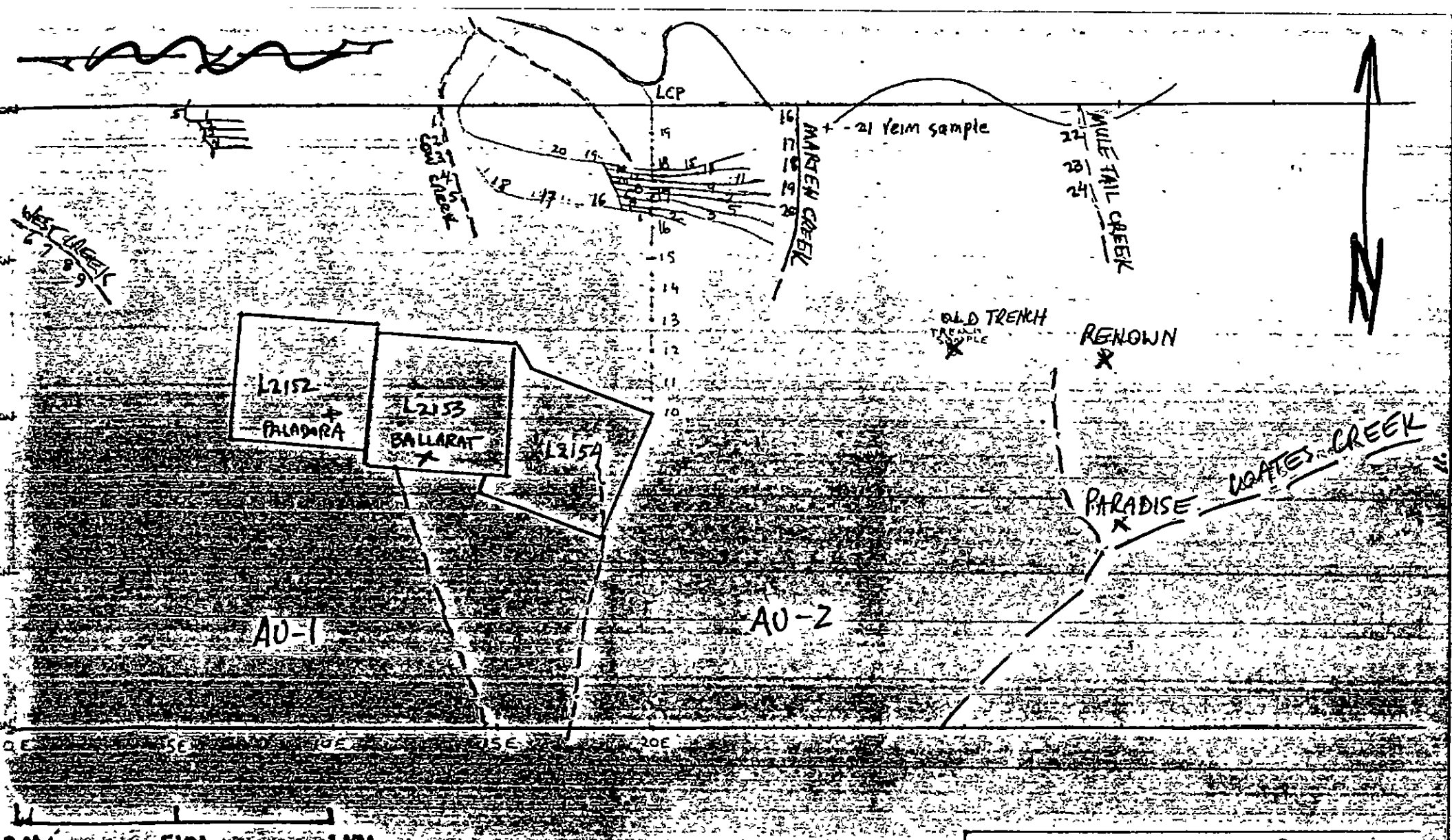


PLATE NO. 2
 FOR: TYLOX RESOURCES CORP.
 1202 - 750 W. FENDER ST.
 VANCOUVER, B.C.
 DATE: OCTOBER 31, 1983
 SAMPLE MAP
 DRAWN BY: LARRY D. LUTJER
 SCALE 1:16,666

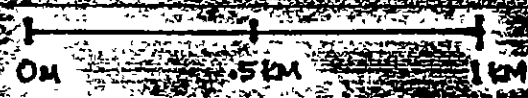
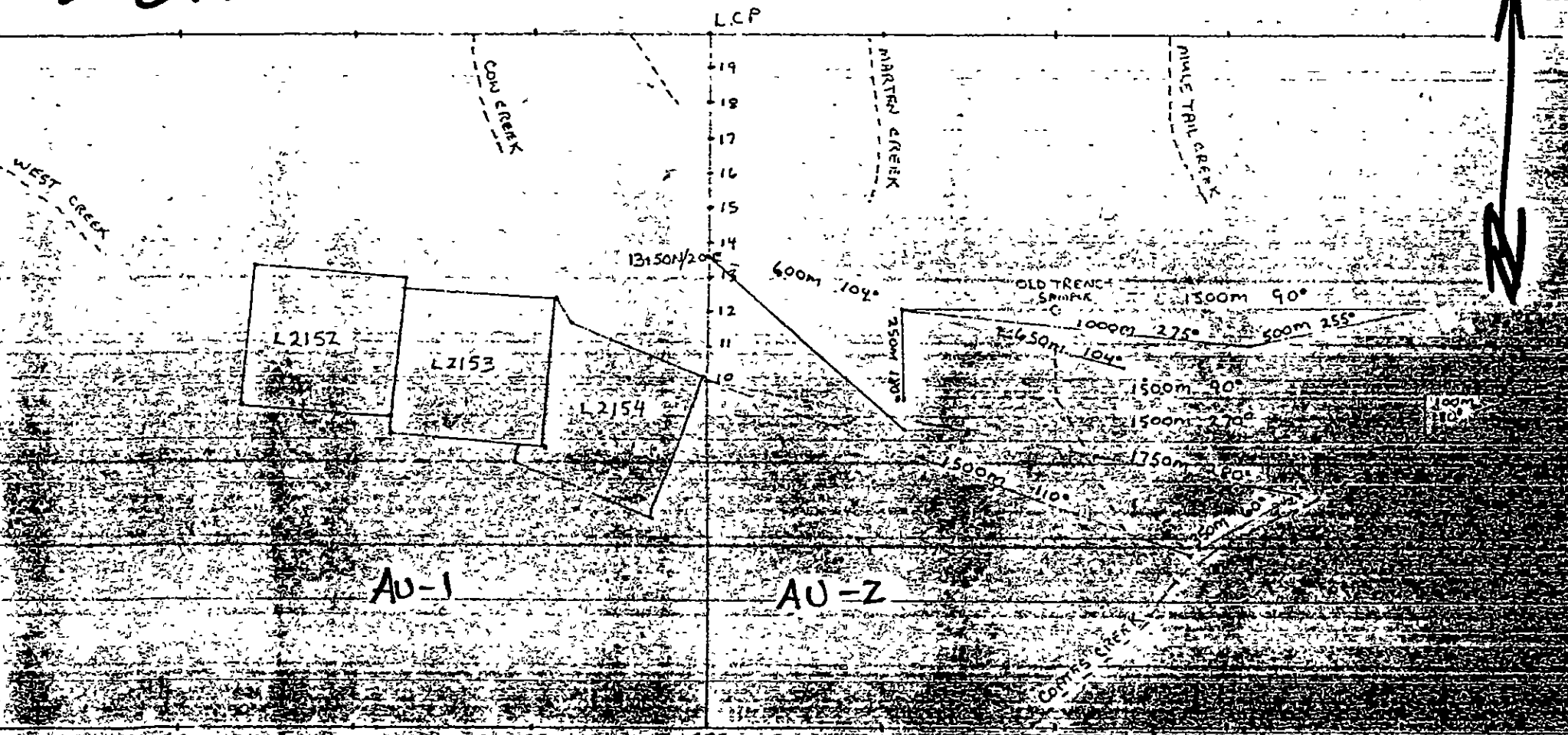
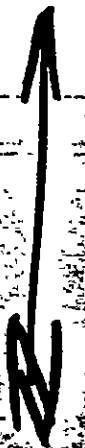
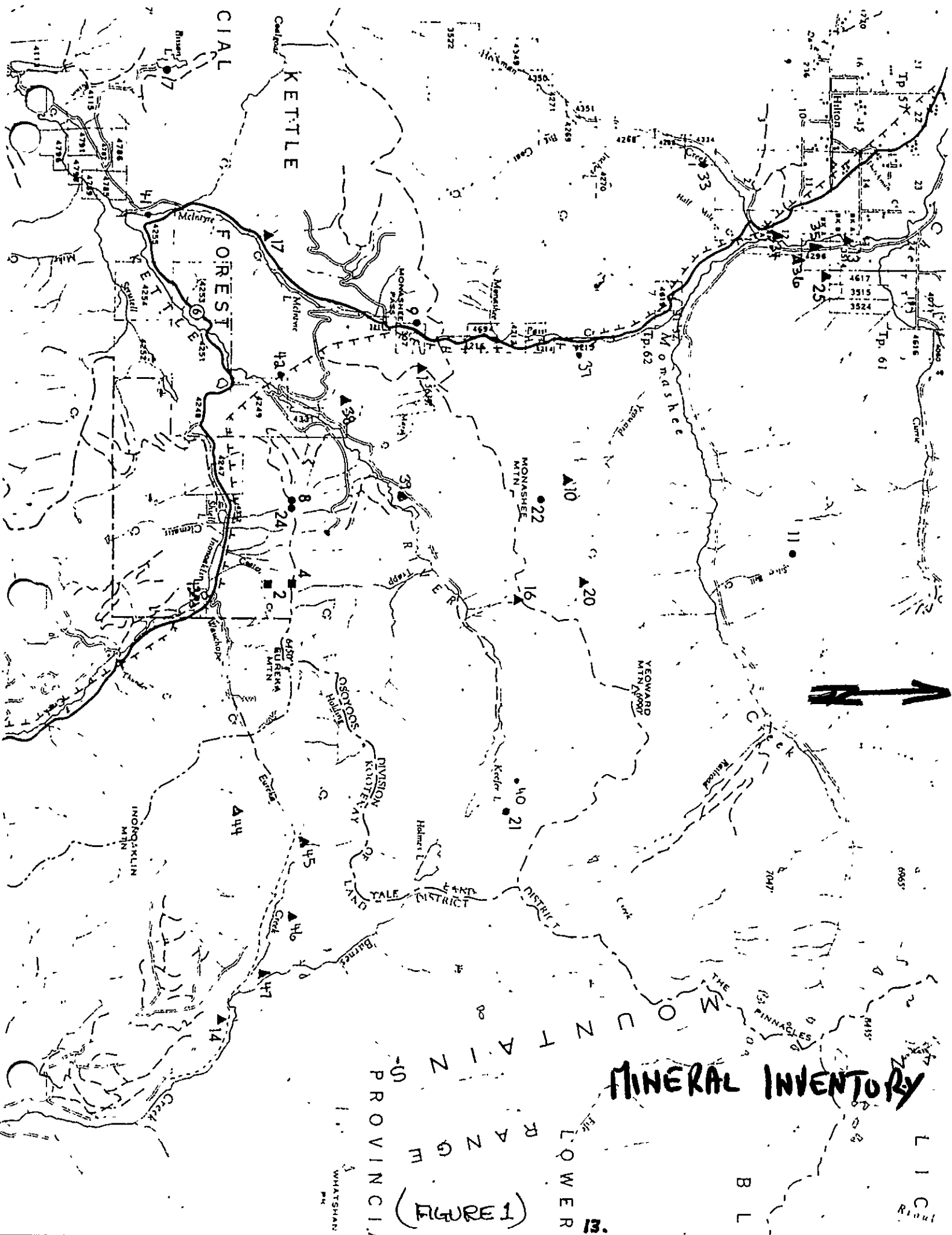


PLATE NO. 3
 FOR: TYLOX RESOURCES COOP.
 1202 - 750 W. PENDER ST.
 VANCOUVER, B.C.
 DATE: OCTOBER 31, 1983
 GEOLOGICAL TRAVERSE
 DRAWN BY: LARRY D. LYDEN
 SCALE: 1:16,000



(FIGURE 1)

② PARADISE
④ RENOWN

NTS 82 L/1W

MINERAL OCCURRENCE

PROPERTY NAME: PARADISE - RENOWN

PRESENT OWNER:

LOCATION: CORTES CR

PAST OWNERS:

PRIMARY METAL: GOLD

SECONDARY METALS: SILVER

ORE MINERAL PRESENT:

GANGUE MINERAL: PYRITE

TYPE OF DEPOSIT: VEIN

GEOLOGY: 1930: 263 - THESE 2 GROUPS ARE OWNED BY R. SHIELL AND ASSOCIATES OF NEEDLES. THE PARADISE GROUP, CONSISTING OF THE PARADISE, INTERNATIONAL BELLEVIEW AND LAKEVIEW IS SITUATED ON THE NORTHEAST SIDE OF THE VERNON. EDGEWOOD ROAD, APPROXIMATELY 20 MILES FROM EDGEWOOD. THE TRAIL FROM THE ROAD TO THE UPPER CAMP AT 5,000 FEET ELEVATION IS ABOUT 1 1/2 MILES LONG. THE RENOWN GROUP OF FIVE CLAIMS, THE RENOWN, REPULSE, HOOD, BLUEBELL AND BLUEBIRD IS LOCATED HALF A MILE TO THE NORTH OF THE PARADISE AT AN ELEVATION OF 5,700 TO 6,500 FEET.

WORK ON THE PARADISE GROUP CONSISTS OF 3 OPEN CUTS AND 2 TUNNELS 43 AND 30 FEET IN LENGTH. THE 43 FOOT OR NO. 1 TUNNEL AT 5,000 FEET ELEVATION DEVELOPS A 1 1/2 INCH QUARTZ VEIN IN GRANITE. A SAMPLE ACROSS 12 IN. AT THE FACE: GOLD, .11; SILVER, NIL. THE 3 OPEN CUTS, SHORT DISTANCES TO THE EAST OF NO. 1 TUNNEL DEVELOP THIS SAME QUARTZ VEIN, BUT THE RESULTS OF 2 MINERALIZATION: PARADISE: A 35 CM QUARTZ VEIN WITH PYRITE CONTAINS GOLD AND SILVER VALUES IN GRANITE

RENOWN: NARROW E-W STRIKING, VERTICAL-DIPPING QUARTZ VEINS CONTAINING PYRITE WITH GOLD AND SILVER VALUES IN GRANITE

CUT 30' E OF NO. 1 TUNNEL AND ACROSS 32 INCHES OF QUARTZ THE ASSAY RETURNED: GOLD, TRACE; SILVER, 1.02/T. IN THE NO. 2 TUNNEL, 600 FEET EAST OF NO. 1 TUNNEL, AND AT 5,050 FEET ELEVATION, A 4- TO 5- FOOT VEIN ASSAYS: OF QUARTZ AND DECOMPOSED COUNTRY ROCK HAS BEEN FOLLOWED ALONG A N80°W DIRECTION FOR 30 FEET. THE VEIN IS APPARENTLY A DIFFERENT ONE THAN THE ONE FOUND IN THE NO. 1 TUNNEL, AND A SAMPLE ACROSS 52 INCHES AT THE FACE ASSAYED: GOLD, NIL; SILVER, NIL.

THE RENOWN GROUP SHOWINGS CONSIST OF NARROW EAST-WEST STRIKING, VERTICALLY DIPPING VEIN AT 5,775 FEET ELEVATION, AND IT HAS BEEN EXPOSED AT 4 POINTS ALONG A LENGTH OF 430 FEET BY 4 OPEN CUTS. THE MOST EASTERLY OR NO. 1 OPEN CUT HAS A SHOWING OF 18 TO 20 INCHES OF QUARTZ IN GRANITE, SHOWING SMALL AMOUNTS OF PYRITE MIN. THE SECOND OPEN CUT, 180 FEET WEST OF NO. 1 CUT, CONTAINS BETTER-GRADE SULPHIDES, AND A SAMPLE ACROSS 16 INCHES ASSAYED: GOLD, 0.30 OZ/T, SILVER, 1.4 OZ/T. THE NO. 3 OPEN CUT, 200 FEET WEST OF NO. 2 WAS CAULD AND COULD NOT BE EXAMINED. THE NO. 4 OPEN CUT SHOWS A VEIN 30 TO 26 INCHES WIDE IN GRANITE, AND A SAMPLE ACROSS A WIDTH OF

(FIGURE 2.) 14

MINERAL OCCURRENCE

PROPERTY NAME: PALADORA - BALLARAT.

PRESENT OWNER:

LOCATION: 1 MILE NORTH OF SHIELL LAKE

PAST OWNERS:

PRIMARY METAL: GOLD

SECONDARY METALS: SILVER
LEAD ZINC

ORE MINERAL PRESENT: GALENA, SPHALERITE

GANGUE MINERAL: QUARTZ .

TYPE OF DEPOSIT: VEIN

GEOLOGY: ⑧ 4 PARALLEL Qtz VEINS TRACEABLE FOR OVER 3.2 KM THE VEINS AVERAGE 90 CM. WIDE WITH LOCAL SWELLS UP TO 180 CM. WIDE. THE VEINS CARRY PYRITE, SMALL AMOUNTS OF FREE GOLD, GALENA AND SPHALERITE IN A HOST ROCK OF GRANITIC AND ALLIED ROCKS AND SCHIST.

②④ WELL DEFINED VEIN 120 CM. WIDE CARRYING GOLD, SILVER AND COPPER VALUES

The Paladora group, comprising the Paladora, Summerset, and Meadow View No. 2 mineral claims, has been bonded and work started on the claims. Character of ore is free-milling gold, giving assays of \$30 in gold a ton. 1916-207

At this property, situated 1 mile north of the Vernon-Edgewood road, 30 miles west of Edgewood, the Cotton Belt Mines, Limited, of which B. F. Lundy is president, continued development-work with a small crew of men until about March 1st of 1930. The drift to the east from the main crosscut tunnel followed the vein for 132 feet before encountering a faulted section. Further work in a north-easterly direction for 160 to 165 feet failed to locate the vein and work was stopped in this section of the property. In the western drift on the same level the vein, though narrow and crushed, was followed in part for 100 feet, where another faulted section was encountered. Exploratory drifting and cross-cutting in a northerly direction in this faulted area failed to pick up the vein again. These disappointing results, together with the small gold and silver values found in the vein as opened up, caused the management to suspend development-work for a short time.

It is reported since the property was visited in June, when it was deserted, that the company has carried out further development with disappointing results. At the present time the camp is closed. The ore-mineralization exposed in several open-cuts and three shafts along a 1,300-foot outcrop of quartz in granite country-rock is chiefly pyrite with small amounts of gold, galena, and zinc-blende.

MINERALIZATION

ASSAYS:

This group, consisting of the Meadow View No. 2, Paladora, and Summerset claims, and owned by A. H. Old, J. B. Old, and W. H. Page, of Edgewood and Needles, is situated 1 mile north-east of the Edgewood-Vernon motor-road and 30 miles from the former town, at an elevation of about 5,700 feet (barometric). The claims are Crown-granted and no work has been done upon them for many years. The reason for this is that until the motor-road was built two years ago there was no easy means of transportation. Development-work consists of a shaft 28 feet deep, and an open-cut 6 1/2 by 5 feet on the Meadow View, close to the boundary line, and on the Paladora three shafts, 20 feet, 4 feet, and 15 feet deep respectively, besides numerous open-cuts on the vein. A crosscut tunnel (caved) was driven 50 feet below the upper working for 40 feet without cutting the vein. The total distance of vein-outcrop is about 1,500 feet, having an average width of about 3 feet, with occasional blow-outs 6 feet wide, and a strike of N. 82° E. (mag.) and a dip 70° N. S° W. The ore-mineral is chiefly pyrite carrying gold, with occasional specks of galena and sphalerite in a gangue of quartz. Owing to the dilapidated condition of the shafts it was impossible either to see or sample the vein at any depth. A sample of sorted ore from the Meadow View shaft assayed: Gold, 1.54 oz. to the ton; silver, 8 oz. to the ton. A sample from a 6 1/2-foot vein in an open-cut 70 feet east of this shaft assayed: Gold, 0.11 oz. to the ton; silver, 1 oz. to the ton. A sample 6 feet wide from the third shaft on the Paladora assayed: Gold, 0.32 oz. to the ton; silver, 1.6 oz. to the ton. A poked sample from 1 foot of this vein assayed: Gold, 2.11 oz. to the ton; silver, 11 oz. to the ton. The vein has been faulted up the hill between No. 2 and No. 4 shaft. Some of the assay returns are sufficiently encouraging to warrant cleaning out the workings so that a proper examination of the vein developed at depth can be

THESE CLAIMS LIE ON THE SUMMIT BETWEEN AND ARROW LAKE MINING DIVISIONS

of an oblong-shaped mountain, where occur the outcroppings of four parallel quartz veins, which are traceable for a distance of two miles.

A good deal of stripping has been done on two of the ore bodies, and four shafts have been sunk, varying from 20 to 30 feet in depth, and in all of which good pay ore has been found.

Several hundred pounds of the ore have been treated, yielding values of \$15 to \$30 in gold and several ounces in silver per ton, while at the western end of the property a pay streak has been discovered yielding \$75 in gold per ton.

The veins vary in width from 2 to 10 feet, about 50 % of the gold contents is free, the remainder being carried in pyrites.

Messrs. Shields Bros. have been working on the eastern extension of the *Paladora Group* during the greater part of the summer. They have done a good deal of surface stripping, have made several open cuts, and have driven a tunnel 25 feet in length, exposing a quartz vein 4 feet wide, the ore from which is of the same nature as that from the *Paladora*.

On the *Balarat* claim a tunnel has been driven for 20 feet, exposing a well-defined vein, 4 to 6 feet in width and carrying fair values in gold, silver and copper. 1900-826

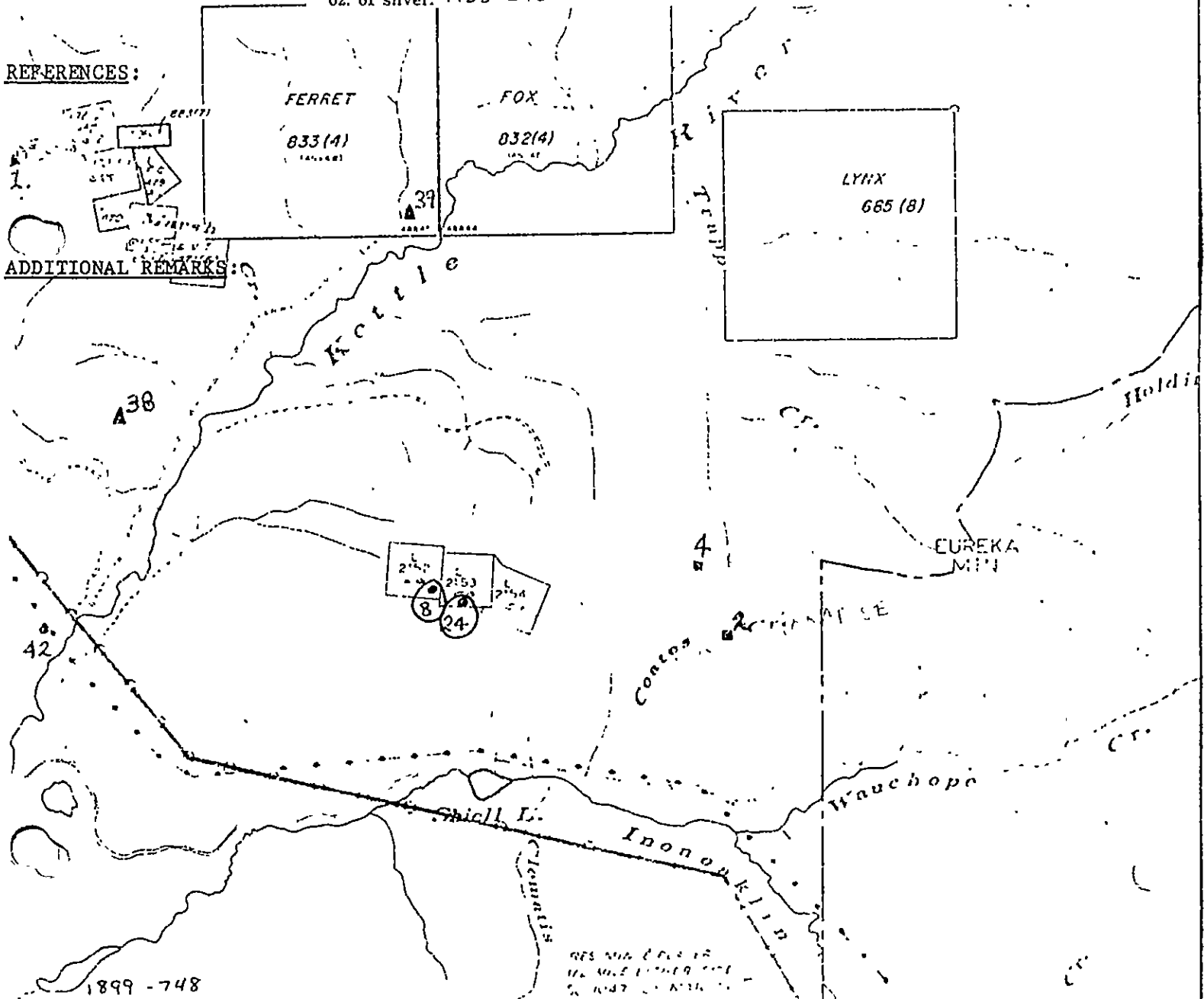
Paladora (Meadowview).—Situated 30 miles east of Edgewood, on the Vernon-Edgewood Road. Operated under lease by S. P. Pond, of Nelson, B.C. Four men were employed underground from July to October. Development-work consisted of 20 feet of crosscutting. A total of 50 tons of ore was mined and shipped to Trail, which yielded 19 oz. of gold and 93 oz. of silver. 1938-540

EXPLORATION AND DEVELOPMENT

PRODUCTION RECORD:

REFERENCES:

ADDITIONAL REMARKS:



(FIGURE 4.) 16.