

ASSESSMENT REPORT

ON

DIAMOND DRILLING ON THE FOLLOWING CLAIMS

BEANO GROUP (BEANO PLUS BEANO 2-5 INCLUSIVE)

LOCATED

2.5 AIR-KILOMETERS NORTH-EAST OF
ZEBALLOS, VANCOUVER ISLAND, BRITISH COLUMBIA

LATITUDE 50° 00' LONGITUDE 126° 48.7'
NTS 92E/15E^W

ALBERNI MINING DIVISION
VANCOUVER ISLAND, BRITISH COLUMBIA

DRILLING PROGRAM BETWEEN MAY 28 AND JULY 29, 1983

ON BEHALF OF

BILLIKIN RESOURCES INC.
VANCOUVER, BRITISH COLUMBIA

REPORT BY:

DR. W.D. GROVES, P.ENG.
#152-890 WEST PENDER STREET
VANCOUVER, BRITISH COLUMBIA

APRIL 30, 1984

A.W. Period 1983-4
Rept. Date Apr. 30/84

**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

12,573

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INTRODUCTION

A. Property - Location, Access, Physiography

The Beano group of claims is situated on the drainages of Bingo and Friend Creeks, southward-flowing sidestreams draining the precipitous south slopes of Beano mountain into the westward-flowing Little Zeballos River. Diamond drill sites were in the showing area of the Beano claim, 2.5 air kilometers northeast of Zeballos.

Access to the claims is on foot by old logging roads from Zeballos (4.5 km.) up to base camp level at 1500', then up a steep (45°) trail up a spur ridge to the drill sites in the showings area at 2600' elevation on the west side of Bingo Creek slot-canyon.

In 1983, two helicopter pads were cut on the property: one on the old logging landing at the top of the spur logging road up Bingo Creek (site of base camp), and another on a local flattening of the steep spur ridge 300' upslope from the drill sites in the showings area on the Beano claim. Drillers climbed the 1100' difference in elevation to work each day from the base camp.

Physiography: The Little Zeballos river valley is a steep U-shaped eastwest glacial valley, which then turns south into the head of Zeballos inlet. Lower slopes have mostly been logged, and a tangle of juvenile forest, alders and old slash covers the ground. Up to the base camp area, at about 1500' elevation, Bingo Creek flows in a boulder-clay filled moderately graded side draw: 1/4 mile above the camp, the boulder outwash fan of Bingo canyon gives way to a cliff-sided rock slot-canyon, running N20⁰W at about a +45° gradient, with vertical-to-overhanging walls. The canyon is marked by falls and boulders, making progress impossible above a certain point. The steep mountain wall and canyon have not yet been logged, and support a 1-3' diameter 100-150' high spruce, hemlock and cedar forest, becoming a stunted straggle on the rocky spur ridge crests. Annual rainfall of some 200" supports a lush rain forest and juvenile forest jungle vegetation.

Location is shown on Figure 1.

B. Status of Property

The Beano Group of mineral claims (Beano, plus Beano 2-5 incl.) are presently owned by Billikin Resources Inc. of Vancouver, B.C.. Relevant claim information is summarized below.

Claim Name	Record No.	Record Date	No. of Units
Beano	321	23 Nov/78	6
Beano 2	1437	7 May/82	6
Beano 3	1650	7 March/83	9
Beano 4	1651	7 March/83	2
Beano 5	1652	7 March/83	2
		TOTAL:	<u>250</u>

The claims are situated in the Alberni Mining Division. Locations are given in Figure 2 from claim map NTS 92E/15E.

C. HISTORY

The Zeballos area received attention after placer gold was found in the 1930's in the lower Zeballos River, which flows westward into the head of Zeballos Inlet on the northwest coast of Vancouver Island. Hard-rock fault-veins containing auriferous quartz-sulphides associated with the Tertiary-age Zeballos stock were soon found. The longest and widest supported the Privateer Gold Mine, one mile northeast of the river mouth. Numerous other smaller gold-quartz-sulphides fault veins were soon discovered in the area and mined in the late 1930's. Activity ceased with the cessation of gold mining in WW II. Recently high gold prices have stimulated a reawakening of interest in the area.

The Beano showing, consisting of auriferous pyrrhotite pods haloed by

wph

actinolite replacing a rhyolite tuff band in the Bonanza volcanics, are different in nature from the fault veins, but are believed to be part of the same tertiary gold-quartz sulphides mineralization activity related to the Zeballos stock.

A small tonnage of rich ore was sky-lined down Bingo canyon to near the present base camp after World War II, then hauled by road to the sea: a small shipment was smelted at Tacoma. The ridge crest main showings area has been mapped by Stevenson (1950) and others: present efforts are to drill in the showings area to determine the downward extent of surface exposures of the actinolite-pyrrhotite pods exposed on ridge crest and Bingo canyon wall at about the 2600' elevation.

The author has made 3 previous short visits to the area to study the geology of the area, the latest March 19, 1983 (Letter Report April/83 to Billikin Resources Inc., outlining drill program in showings area).

A soil geochemistry study of the Bingo Creek-Friend Creek area was done in the 1960's by Canadian Superior Oil Ltd., showing some gold anomalies in the vicinity of the tuff band in the Bonanza volcanics which follows a southwest trending course across the claim group. Successive left hand offsets across northerly/steep faults "step" the NNW strike of the tuff band into a generally NW rather than NNW-trending zone across the claim group.

D. REFERENCES

1. **STEVENSON, BCDM**, 1950, Geology of Zeballos Area.
2. **WDG REPORTS** (incl. Letter, April 1, 1983).
3. **CANADIAN SUPERIOR OIL LTD.** -Soil geochemical (Assessment Work Report)
Private Communications - Billikin Company Files.

E. Summary of Work Done (1983 Season)

While 1983 drilling work was carried out by Billikin on the Beano claim itself, the dollar-value of the drilling work is being applied to the other claims of the grouping, namely Beano 2-5 inclusive.

Following recommendations 1983 WDG letter report of April 1, 1983, the drill program consisted of several short Winkie drill holes in the vicinity of the main exposures and old workings at the 2600' level on the west rim of the Bingo Creek Canyon. (See Figure 3)

In February/March 1983, two chopper pads were cut, one at the logging road landing at 1500' level in Bingo Creek, and another upper pad, 300' up the ridge spine from the showings at the 2600' level. Work on these was completed before the current assessment year, so is not eligible to be included in the 1983-84 costs.

A crew supervised by Mr. Merl Cloutier of Billikin Resources Inc., including Messrs. Andy Harman, John Zeman and Angus MacGillvary, trucked components of the drill set-up and base camp from Vancouver to Zeballos on June 1, 1983.

Due to inclement weather, helicopter lifting out of Zeballos had to wait until June 7. On June 7, 8, and 9th, gear and camp was helicoptered from Zeballos to the base camp site at the chopper pad at the top of the old logging road. Bad weather with a low fog line prohibited lifting drill to the upper helicopter pad near the drill site until June 21, 1983.

Meanwhile, base camp was set up. On March 19, 1983, WDG and M. Cloutier helicoptered in from Zeballos to the upper helicopter pad, sited the drill stations and then walked back out to Zeballos along the old logging road.

The setting up of the water supply for the drill site took several attempts, requiring climbing rope descent into Bingo canyon, and placing of a high-lift pump on the canyon floor to pump up to a reservoir on the ridge. The various attempts to do

this, together with blasting of drill sites and increasing the landing area of upper helipad took until July 17, 1983, again during extremely inclement weather. This phase of the work was completed by Messrs. Jan Zeman, Merl Cloutier and Mr. Kevin Marrin.

From July 14 to 29, six short Winkie drill holes were completed in the main showings area (see Drill plan, Fig. 3). Drill work was carried out by Messrs. Hans Foerster and Merl Cloutier. In the period July 2-23, WDG visited the drill site, inspected core at hand and reviewed the progress of the work.

Holes 3, 4, 5 and 6 were collared on the main pyrrhotite pod, and intersections of pyrrhotite plus actinolite partly replacing the rhyolite were obtained. These holes were logged, and core samples submitted for assay for Au, Ag, Cu, Zn at Acme Analytical Lab, 852 East Hastings Street, Vancouver (see Table I - logs and assays). Logging and sampling was done by WDG. Holes 1 and 2 were in the rhyolite: these were geologically logged but not sampled for assay.

On August 10, 1983, demobilization of Winkie drill set up was accomplished by hauling the drill and pump plus boxed core to the upper chopper pad, whence it was airlifted back to Zeballos, then moved by surface, back to Vancouver.

Base camp at 1500' (plywood prefab 20' x 30' building) remains intact as a base for further work on the claim group.

TECHNICAL WORK AND INTERPRETATION

A. Drill Procedure and Core Analysis

The drill used was a Winkie drill drilling X RT (5/8") diameter core. Core recovery was good. Water was supplied by a high pressure Bean positive displacement pump, pumping up a 250' vertical rise from Bingo Canyon to a 45 gallon drum at the drill site, from which the pressure pump for the drill drew.

Holes were sited by the author immediately around the main pyrrhotite showing, to see if any considerable tonnage existed in the exposed lens. Core was boxed and logged for footage by the mill crew, brought to Vancouver and logged and sampled by the author April 3, 1984.

Table 1 reproduces drill logs and core assays. Core samples were analyzed by standard fire assaying for Au, Ag, Cu, Zn at Acme Analytical Laboratories, 852 East Hastings Street, Vancouver. Assay sheet is enclosed.

CONCLUSIONS

1. Pyrrhotite lens did not extend to depth in drill area.
2. Drill core analysis confirmed mineralogical relations of auriferous pyrrhotite, plus minor chalcopyrite haloed by actinolite skarn replacing part of the siliceous tuff or rhyolite and nearby limestone accessing along fractures. Siliceous tuff rhyolite itself is not appreciably mineralized, nor are "feeder" sulphide veinlets.

Respectfully submitted
William F. Brown.

APPENDIX I
WORK COST STATEMENT

FIELD PERSONNEL

Merl Cloutier	
June, 19 days @ \$250/day	
July, 16 days @ \$250/day	\$ 8,750.00
Johann Foerster (Diamond Driller)	
July 14 - 29 (incl.) @ 260/day	3,200.00
Kevin Warren (Driller)	1,456.66
J. Zeman	
June 13-18, 20-25 (incl)	
June 28 - July 9 @ \$150	4,800.00
A. Harman	1,087.51
E. Hamel - June 21-24 and June 28-July 3 @ \$50.00	540.00
Sub-Total A	<u>\$19,834.17</u> =====

FOOD PLUS MEALS

Field Supplies (Explosives, flagging, axes, shovels, etc.)	\$ 1,525.14
Ground Transportation of Personnel and Supplies	3,459.55
Helicopter, mobilization, demobilization, service camp plus drill program	9,478.16
Core assaying - Acme Analytical Laboratories Ltd. File 84-0483, April 6, 1984	228.25
Drill supplies (Parts, Winkie diamond bits, waterline, casing, mud, rods, grease, etc.)	6,232.14
Fuel (JP4 for helicopter, gasoline for drill, pumps, etc., lube oil)	4,413.42
Accommodation (Zeballos)	1,116.67
Engineering & Geology - W.D. Groves, P.Eng.	2,937.50
Sub-Total B:	<u>\$32,193.97</u> =====
TOTAL WORK PROGRAM -A AND B	<u>\$52,028.14</u> =====

wdg.

APPENDIX II

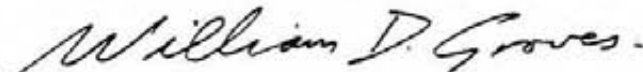
CERTIFICATES

CERTIFICATE

I, William D. Groves, do hereby certify:

1. THAT I am a consulting engineer with an office at #152-890 West Pender Street, Vancouver, British Columbia and I have practised my profession since 1960.
2. THAT I am a graduate of the University of British Columbia (B.A.Sc. in Geological Engineering, 1960, Chemical Engineering (B.A.Sc.), University of Alberta 1962, Ph.D., University of British Columbia, Chemical Engineering 1971.
3. THAT I visited the Beano Group property to carry out drill hole layout and geology between March 18-20, 1983 and July 20-23, 1983, and worked closely with Mr. Merl Cloutier on this and previous visits to the property.
4. THAT I am a registered Professional Engineer in the Province of British Columbia, No. 8082.
5. THAT I hold no interest in the Beano Group properties. This report was prepared to satisfy assessment work requirements in accordance with government regulations.

Respectfully submitted,



William D. Groves, Ph.D, P.Eng.

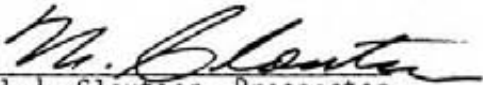
April 30, 1984.

CERTIFICATE

I, Merl J. Cloutier, do hereby certify,

1. THAT I am a professional prospector and practical mining expert, and have been involved in mining development work since 1955.
2. THAT I supervised and participated in the 1983 diamond drill program on the Beano Group property, including drilling on the set-up established in the main showings area March 18-20, 1983 with Dr. W.D. Groves, P.Eng.
3. THAT I am a Director of Billikin Resources Inc. This report, prepared in conjunction with Dr. Groves was prepared to satisfy assessment work requirements in accordance with government regulations.

Respectfully submitted,



Merl J. Cloutier, Prospector

April 30, 1984.

TABLE I

BILLIKIN BEANO DRILL PROJECT- DRILL LOG

1983 WINKIE DRILLING, MAIN SHOWINGS AREA, 2600' LEVEL, BINCO CANYON

HOLE NO.	ATTITUDE	METERS	FIELD SETUP NOTES	METERS	GEOLOGICAL LOG	CORE SAMPLE NUMBER	ASSAYS			
							OZ/T		I Zn	ICu
							Au	Ag		
DD1	-45°E	4.2	Just W of pyrr. lens Lost Hole at 4.2m	0-4.2 End	Siliceous white rhyolite No pyrrhotite	Did not assay core				
DD2	-50°E	4.6m	.3m south of DD1 setup. Lost hole at 4.6m. Caved, ground bit.	0-4.6m (End)	Siliceous white rhyolite. No pyrrhotite	Did not assay core				
DD3	Vertical	3.8	On lens, bench 1.5m above main cross bench Hole graded out into rhyolite	0-1.3m	Top few cm oxidized. -then 15-20% pyrrhotite, minor marginal chalcopryrite (1 1/4%), grain roughly perpendicular to hole in green actinolite rock.	DD3 S1	.562	.07	.01	.09
				1.3m -3.2	20% coarses, irr- egular blebs of pyrr- minor marginal, chalco- pyrite, in actinolite rock. Grain about per- pendicular to hole.	DD3 S2	.288	.02	.01	.05
				3.2-3.8	.3m band white siliceous rhyolite, then .6m containing 15% pyrrhotite blebs in actinolite rock, bottom .3m white siliceous rhyolite. Gradational contacts (pyrr-actinolite replacing rhyo.)	DD3 S3	.098	.01	.01	.03

W84

HOLE NO.	ATTITUDE	METERS	FIELD SETUP NOTES	METERS	GEOLOGICAL LOG	CORE SAMPLE NUMBER	OZ/T			
							Au	Ag	Zn	Cu
DD4	-80°E	4.3	.3 m east of DD3 or lens Hole graded out into rhyolite	0-1.6	oxidized actinolite rock	DD4 S1	.623	.04	.01	.05
				.16-1.8	15% of pyrrhotite in actinolite rock (30% of total), 70% grey patches, net fractures, blebs 'star' into fractures					
				1.8-2.8	15% pyrrhotite in actinolite rock, with white siliceous rhyolite					
				2.8-4.3	above grades into net- veined siliceous white rhyolite.	DD4 S3	.016	.01	.01	.01
DD5	Vertical	2m	Collared on actinolite main bench Hole term. on rhyolite	0-.1	Oxidized actinolite rock	DD5 S1	.565	.04	.01	.07
				.1-1.5	15% coarse patchy pyrrhotite in actinolite rock, net-fractures					
				1.5-2	As previous					
DD6	-42°N	3m	Collared .3 m E of DD5	0-.5	Terminated in white rhyolite. Grain about 45° to core. axis. 20% massive blotchy pyrr- hotite, minor chalcopyrite on rims, actinolite rock	DD6 S1	1.135	.05	.01	.08
				.5-1.0	Pyrrhotite approx. 5%-petering out into white siliceous net fractured rhyolite	DD6 S2	.133	.01	.01	.01
				1.0-3.0	White net-fractured siliceous rhyolite, some grey sedimentary bands	DD6 S3	.006	.01	.01	.01

Geological Core Log - W.D.G. - April 3, 1984

W.D.G.

APPENDIX I '83 BEANO CORE Assays.

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

DATE RECEIVED APR 3 1984

DATE REPORTS MAILED April 12

ASSAY CERTIFICATE

SAMPLE TYPE : CORE - CRUSHED AND PRULVERIZED TO -100 MESH.

ASSAYER A. L. Toye DEAN TOYE, CERTIFIED B.C. ASSAYER

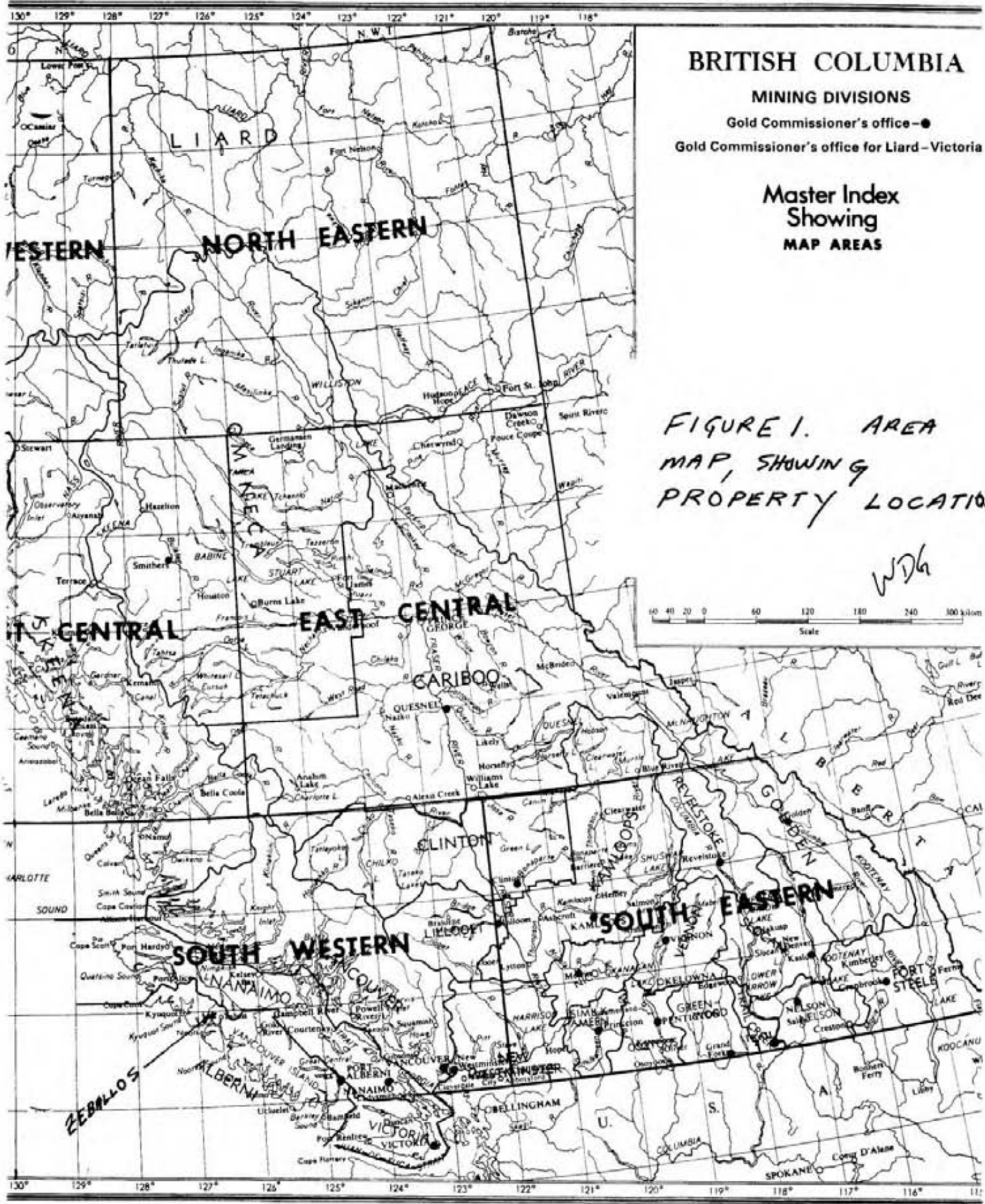
BILLIKIN RESOURCES

FILE # 84-0483

PAGE# 1

SAMPLE	CU	ZN	AG	AU
	%	%	OZ/TON	OZ/TON
DD3 S1 0-4	.09	.01	.07	.562
DD3 S2 4-9.6	.05	.01	.02	.288
DD3 S3 9.6-11.6	.03	.01	.01	.098
DD4 S1 0.5-5.9	.05	.01	.04	.623
DD4 S2 5.9-8.6	.06	.01	.03	.495
DD4 S3 8.6-13	.01	.01	.01	.016
DD5 S1 0-4.6	.07	.01	.04	.565
DD5 S2 4.6-6	.05	.01	.04	.443
DD6 S1 0-1.6	.08	.01	.05	1.135
DD6 S2 1.6-3	.01	.01	.01	.133
DD6 S3 3-9	.01	.01	.01	.006

WPH.



BRITISH COLUMBIA

MINING DIVISIONS

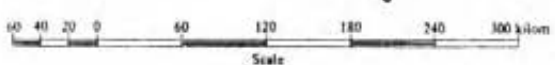
Gold Commissioner's office - ●

Gold Commissioner's office for Liard - Victoria

Master Index
Showing
MAP AREAS

FIGURE 1. AREA
MAP, SHOWING
PROPERTY LOCATION

W.D.G.



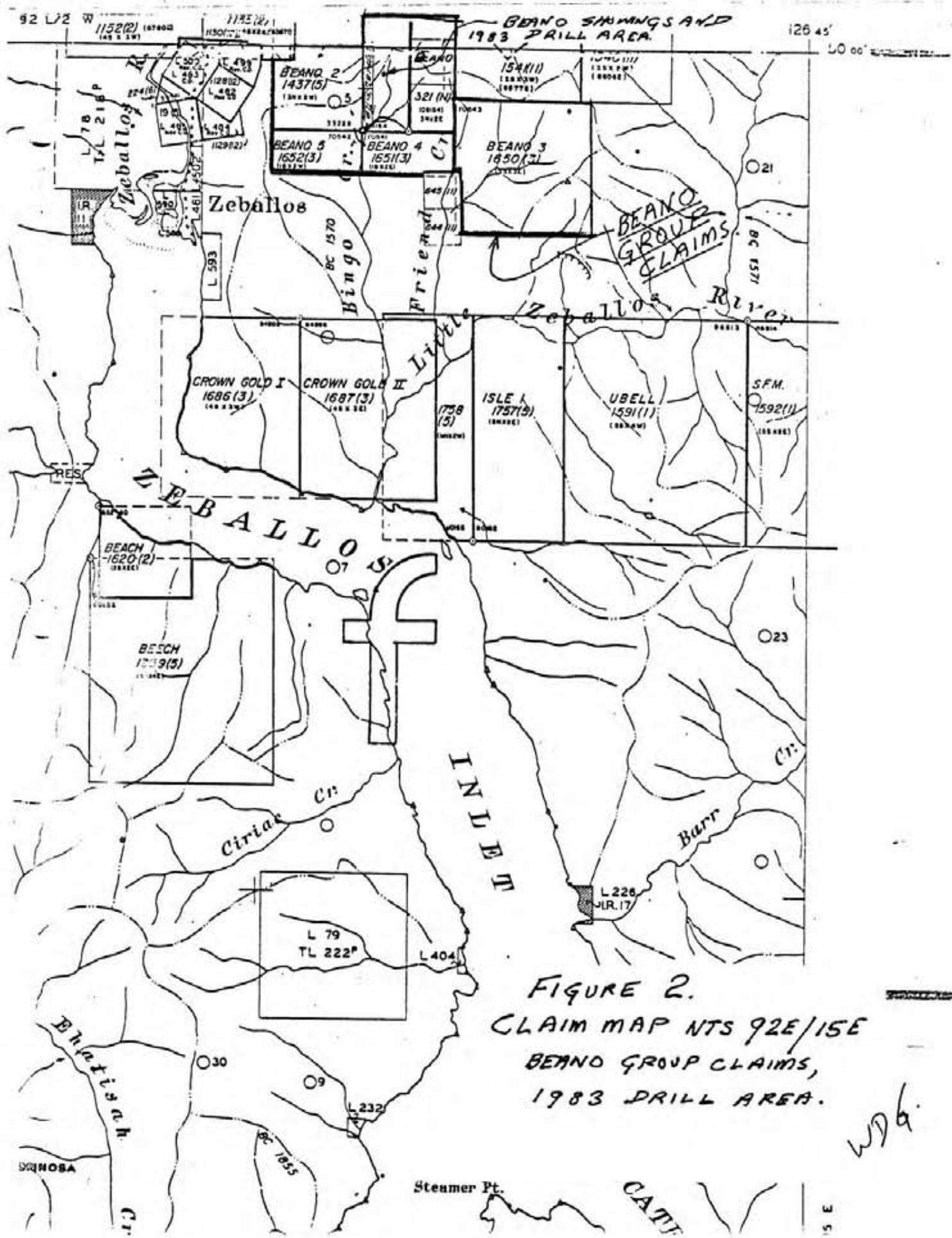


FIGURE 2.
CLAIM MAP NTS 92E/15E
BEANO GROUP CLAIMS,
1983 DRILL AREA.

wdg.

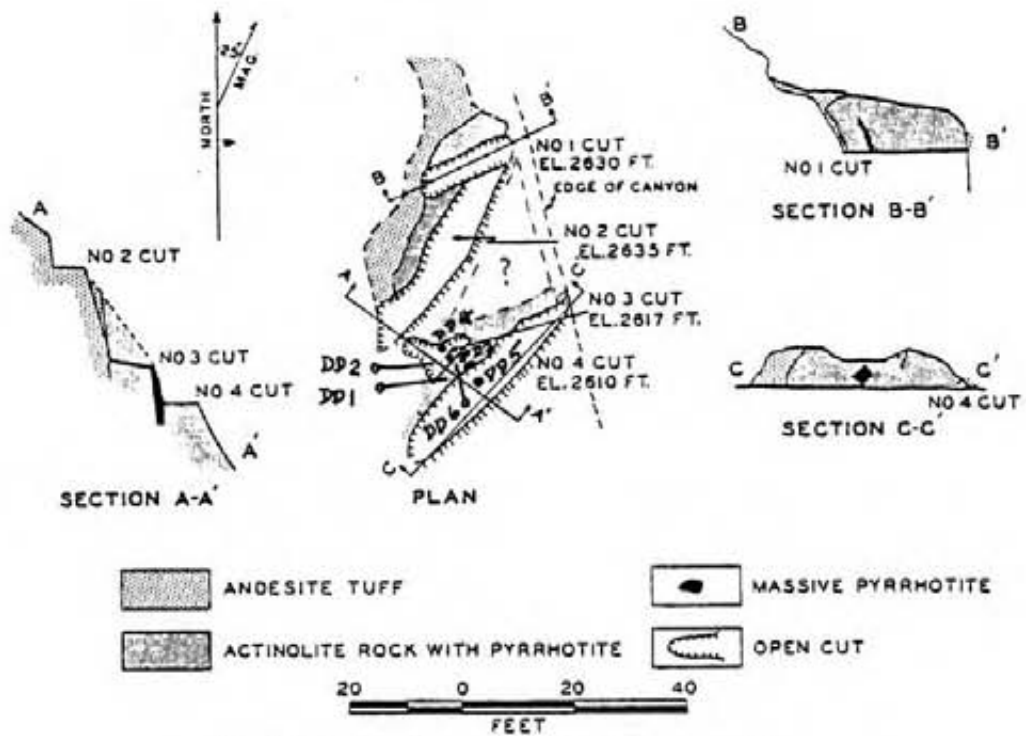


Fig. 41. Beano: Plan and sections of upper workings.

FIGURE 3.
 DETAIL OF SHOWINGS AREA,
 BEANO CLAIM, DD1-6 LOCATED.
 (MAP AFTER STEVENSON, 1950).

WDG.