

GEOCHEMICAL REPORT

- on the -

HAPPY DAYS #3 CLAIM

KAMLOOPS MINING DIVISION

BRITISH COLUMBIA

**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

- for -

12,698

K.D. RESOURCES INC.

#206 - 310 NICOLA STREET,

KAMLOOPS, B.C. V2C 2P5

COVERING: Happy Days Claim #3 (8 metric units)
WORK PERFORMED: August, 1984.
LOCATION: (1). $50^{\circ} 35'N$ Latitude $120^{\circ} 39'W$ Longitude
(2). NTS Map 92I/10E
(3). Near Greenstone Mountain,
16 miles WSW of Kamloops

Prepared by:

KERR, DAWSON & ASSOCIATES LTD.,

#206 - 310 Nicola Street

Kamloops, B.C.

V2C 2P5

DOUGLAS A. LEISHMAN, B. Sc.

August 30, 1984.

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SUMMARY

A limited soil sampling survey was run over the Happy Days #3 Claim Group. The purpose of this survey was to test the potential for concentrations of gold mineralization within or adjacent to the Roper Lake Stock. A total of 98 soil samples were collected with only 4 samples returning values over 35 ppb gold. The erratic distribution of the higher values is probably a function of poor soil development and a thin veneer of glacial fill that covers the property. It is suggested any further sampling in this area be completed with a small plugger to sample the till/bedrock interface.

INTRODUCTION

This report describes the work completed on the Happy Days #3 Claim Group during August, 1984. The purpose of this programme was to test the potential for gold mineralization that might be associated with the mineralized (Molybdenum) Roper Lake Stock and adjacent Nicola volcanics.

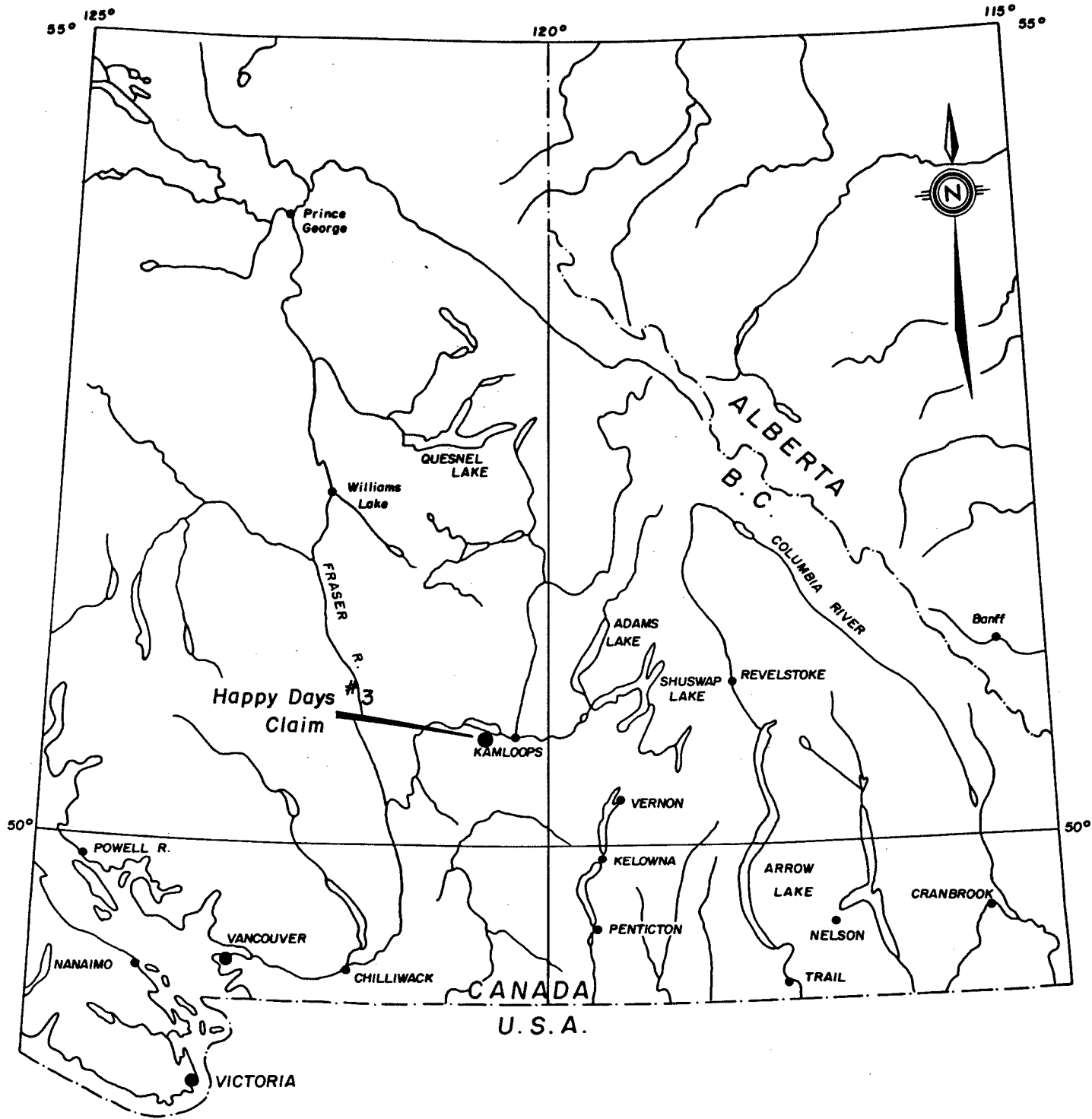
LOCATION AND ACCESS

The property is located in south-central British Columbia, about 26 kilometers west - southwest of the City of Kamloops. The approximate geographic center of this claim is at 50° 35' north latitude and 120° 39' west longitude. (Fig. 14-1)

The claim is accessible by road from Kamloops as follows; 18 kilometers west on Trans-Canada Highway to Dominic Lake turnoff, 21.5 kilometers to the junction on Greenstone Mountain and thence about 5 kilometers to the vicinity of Dominic Lake and Roper Lake. (Fig. 14-2)

A number of drill site roads and cat trails provide easy access to most parts of the claim group.

The property is snow free from May through November and all roads can be negotiated by two-wheel drive vehicles.



K. D. RESOURCES INC.

LOCATION MAP
HAPPY DAYS #3 CLAIM

KAMLOOPS MINING DIVISION, B. C.

Technical Work By: Kerr, Dawson and Assoc. Ltd.	Scale: 1:2,500,000 (1cm=25km)
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Date: Aug. 1984.	Drawn By: W.G.	Fig. No. 14-1
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PROPERTY

The property consists of one 8 unit metric claim as follows:

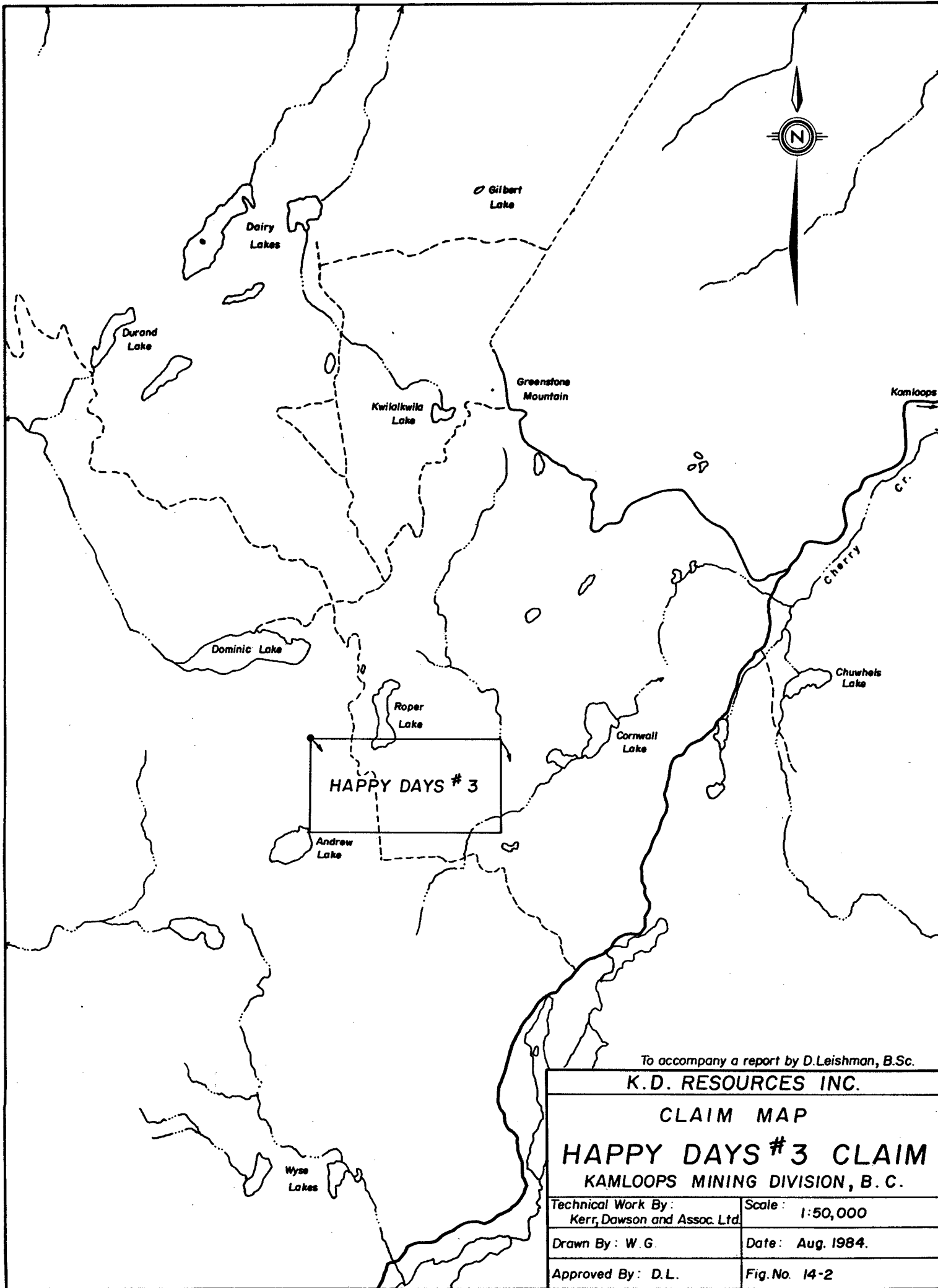
<u>Claim Name</u>	<u>Record No.</u>	<u>Tag No.</u>	<u>Expiry Date</u>
Happy Days # 3	^{DAL} 1113	43542	Dec. 30, 1984

The registered owner of this claim group is K. D. Resources Inc., # 206 - 310 Nicola Street, Kamloops, B.C.

PHYSIOGRAPHY AND VEGETATION

The claim is located on parts of the gentle south slope of Greenstone Mountain. Topography is gently rolling and maximum relief is in the order of 300 feet (100 metres). Elevations vary from less than 4,800 feet A.S.L. (1,555 metres) in the south-east corner of the claim block to about 5,100 feet A.S.L. (1,460 metres) at the north-western boundary.

The property is forested with a mature growth of pine, spruce and fir. Recent logging activity has left several large cleared areas devoid of mature growth. A mantle of glacial till is fairly evenly spread over the area and averages from 10 to 15 feet deep. Because of the lack of relief and the layer of till little bedrock is exposed with the exception of the northern part of the claim group.



To accompany a report by D. Leishman, B.Sc.

K. D. RESOURCES INC.

CLAIM MAP

HAPPY DAYS # 3 CLAIM
KAMLOOPS MINING DIVISION, B. C.

Technical Work By:
 Kerr, Dawson and Assoc. Ltd.

Scale: 1:50,000

Drawn By: W. G.

Date: Aug. 1984.

Approved By: D. L.

Fig. No. 14-2

EXPLORATION HISTORY

The Happy Days #3 Claim Group was originally part of a claim group staked for Keda Resources in 1976 and acquired by Cominco in 1978. The original Happy Days property was staked to cover a calc-alkaline intrusive stock with associated molybdenum mineralization.

The stock and the adjacent volcanics have been actively explored since 1959 with extensive geophysical and geochemical surveys, diamond and percussion drilling as well as geological mapping. Kennco Exploration was the first company to perform extensive work on the ground covered by the Happy Days claim in 1960. Since that time extensive work has been performed over areas of the intrusive and adjacent volcanics with molybdenum mineralization being the prime economic target.

Cominco has outlined a sub-economic deposit of molybdenum mineralization just north of the Happy Days # 3 Claim Group (within the original Happy Days claim group). However, due to financial considerations they were forced to drop the Happy Days # 3 Claim Group and it was returned to Keda Resources (now K.D. Resources Inc.) in 1984.

REGIONAL AND PROPERTY GEOLOGY:

The Happy Days #3 property is located in the southern part of the Quesnel Trough, a fault bounded graben in which the oldest rocks are the marine volcanics and sediments of the Upper Triassic Nicola and Takla groups. A large number of Cu, Mo and Au deposits are associated with these volcanics and coeval intrusions. In the Greenstone Mountain area at least two stocks are known with which interesting mineralization is associated. The most westerly of these is the Durand Lake stock. This stock is lithologically similar to known alkaline bodies in southern B.C. and has associated copper mineralization only. The Roper Lake stock occurs about 3 km southeast of the former. The latter contains abundant quartz, is probably calc-alkaline and has associated molybdenum with only traces of copper.

The Roper Lake Stock is a north-northwesterly trending, elliptically-shaped intrusion approximately 1,600 metres long by about 800 metres wide; a small outlier of this body lying northeast of the main outcrop area of the stock may be on the up-thrown side of a northwesterly-trending fault.

The composition of the Roper Lake Stock approximates a quartz monzonite; however, primary textures vary throughout the body and in places later alteration further complicates the picture. A crude zoning was noted in the intrusive with a core of "quartz-eye porphyry" grading outward to a medium to fine grained quartz monzonite, slightly porphyritic in part.

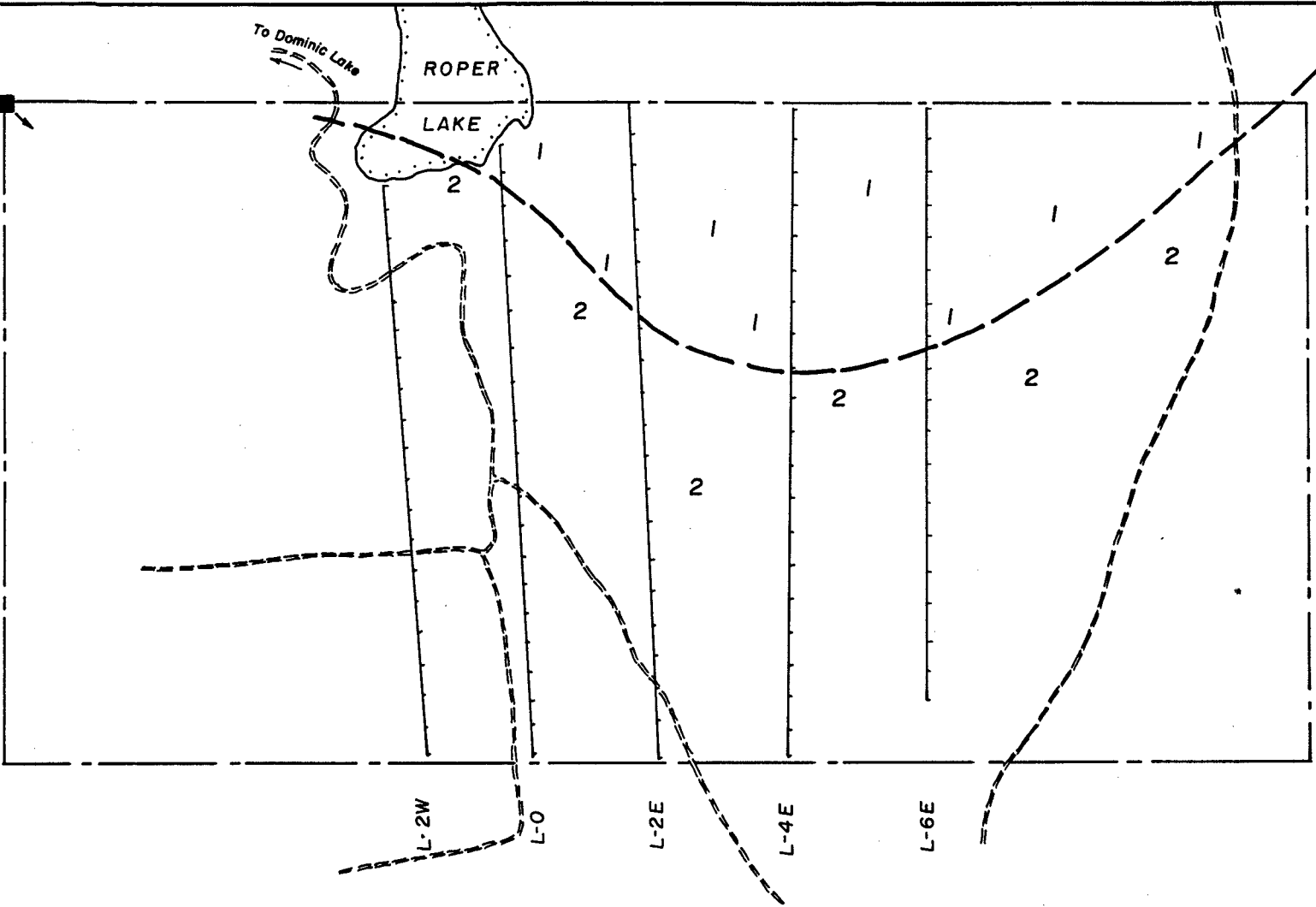
In the vicinity of the Roper Lake Stock, the Nicola rocks are baked to a hard, flinty, hornfelsic rock and pyrite is abundant. One outcrop of volcanoclastic sediments was noted near the southwest corner of Roper Lake. Here, poorly sorted, coarse volcanic wacke with some interbeds of argillite outcrops near the intrusive contact. These rocks strike roughly east-west and dip steeply north.

L.C.P.

To Dominic Lake

ROPER

LAKE



ROAD

CLAIM BOUNDARY

GRID LINE WITH SAMPLE LOCATIONS

1 ROPER LAKE INTRUSIVE

2 NICOLA VOLCANICS

K. D. RESOURCES INC.	
CLAIM OUTLINE AND GRID	
HAPPY DAYS 3 CLAIM	
KAMLOOPS MINING DIVISION, B. C.	
Technical Work By: Kerr, Dawson and Assoc. Ltd.	Scale: 1:10,000
Drawn By: W. G.	Date: August, 1984.
Approved By: D.L.	Fig. No. 14-3

To accompany a report by D. Leishman, B.Sc.

GEOCHEMICAL SURVEY:

A total of 98 soil samples were taken during the 1984 programme. Samples were taken on lines 200 metres apart with samples taken every 50 metres. (Figure 14-3).

All samples were analysed for gold by Acme Analytical Laboratories Ltd., located at 852 East Hastings Street, Vancouver, B.C.

Sample Method:

Samples were taken with a maddock to a depth of 10 to 20 centimetres (B Horizon). Sample colour and particle size was noted. Samples were then placed in waterproof kraft envelopes with the grid co-ordinates marked on the bags.

Laboratory Method:

Upon receipt of the samples by Acme they were dried (60°C) and sieved to obtain a -80 mesh fraction. Then 10.0 gram samples are heated overnight to 600°C and digested with hot dilute aqua regia with the clear solution obtained extracted with Methyl Isobutyl Ketone. Gold (in ppb) is then determined in the MIBK extract by Atomic Absorption using a background correction. (Detection Limit = 5 ppb direct AA and 1 ppb graphite AA).

Discussion of Results:

The values obtained in the analytical data were low and erratically distributed, (Figure 14-4). This should be expected in glacial terrain. On L 2+00E, 5+00S a value of 95 ppb Au was obtained within a poorly developed soil horizon of relatively high organic content. A value of 85 ppb Au was found in L 4+00E, 4+00S. This sample site contained numerous fragments of pyriteferous intrusive rock which are probably derived from the underlying bedrock. With the exception of 2 samples on the north end of line 4+00E (55 + 65 ppb respectively) only 9 other samples returned values from 10 - 35 ppb.

CONCLUSIONS AND RECOMMENDATIONS:

The low values and erratic distribution of gold in the soils and till indicate it is unlikely any zones of economic gold mineralization exist within the Happy Day #3 claim group.

However, there does seem to be some concentration (surficial at least) in some samples near or within the intrusive. It is recommended that further sampling be done with a small plugger to sample the till/bedrock interface. This sample control would allow a better interpretation of the gold content of the underlying bedrock.

Respectfully submitted:

KERR, DAWSON & ASSOCIATES LTD.

Douglas A. Leishman

Douglas A. Leishman, B. Sc.
GEOLOGIST

August 30, 1984.

Kamloops, B.C.

REFERENCES:

- Bruaset R.V., March 1979, Happy Days Claims, 1978 Year End Report, Cominco Ltd., Western District.
- Bruaset R.V., February 1981, Summary Report 1980, Roper Lake Property, Greenstone Mountain Area, Cominco Ltd., Western District.
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- Stevenson R.W., November 17, 1960. Assessment Report 325. Kennco Exploration (Western) Ltd., Report on Geological, Geochemical and Geophysical Surveys DRG 1-76.
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APPENDIX A
GEOCHEMICAL RESULTS

Aug 29/84

GEOCHEMICAL ASSAY CERTIFICATE

SAMPLE TYPE : SOIL - DRIED AT 60 DEG C. , -80 MESH.
AU# - 10 GM, IGNITED, HOT AQUA REGIA LEACHED, MIBK EXTRACTION, AA ANALYSIS.

ASSAYER *D. Toye* DEAN TOYE, CERTIFIED B.C. ASSAYER

KERR DAWSON PROJECT# 14 FILE# 84-2330

PAGE# 1

SAMPLE	AU# PPB
2W 1+50S	5
2W 2+00S	5
2W 2+50S	5
2W 3+00S	5
2W 3+50S	5
2W 4+00S	10
2W 4+50S	5
2W 5+00S	5
2W 5+50S	5
2W 6+00S	5
2W 6+50S	5
2W 7+00S	5
2W 7+50S	10
2W 8+00S	5
2W 8+50S	5
2W 9+00S	5
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0W 7+00S	5
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0W 8+00S	5
0W 8+50S	5
0W 9+00S	10
0W 9+50S	5

SAMPLE	AU* PPB
0W 10+00S	5
0W 10+50S	5
0W 11+00S	5
2E 0+00S	5
2E 0+50S	5
2E 1+00S	5
2E 1+50S	5
2E 2+00S	5
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4E 2+00S	5
4E 2+50S	5
4E 3+00S	5
4E 3+50S	5
4E 4+00S	85
4E 4+50S	5
4E 5+00S	25
4E 5+50S	35
4E 6+00S	5

SAMPLE	AU*	FPB
4E 6+50S	5	
4E 7+00S	5	
4E 7+50S	5	
4E 8+00S	5	
4E 8+50S	5	
4E 9+00S	5	
4E 9+50S	5	
4E 10+00S	20	
6E 0+00S	5	
6E 0+50S	5	
6E 1+00S	5	
6E 1+50S	5	
6E 2+00S	5	
6E 2+50S	5	
6E 3+00S	5	
6E 3+50S	5	
6E 4+00S	5	
6E 4+50S	5	
6E 5+00S	5	
6E 5+50S	5	
6E 6+00S	5	
6E 6+50S	5	
6E 7+00S	5	
6E 7+50S	5	
6E 8+00S	15	
6E 8+50S	5	
6E 8+90S	5	

APPENDIX B

PERSONNEL

PERSONNEL TIME DISTRIBUTION

W. Gruenwald, B.Sc.	August 29	1 day
D. Leishman, B.Sc.	August 22, 23, 24, 27, 29, 30	4 days

APPENDIX C

STATEMENT OF EXPENDITURES

APPENDIX D

WRITER'S CERTIFICATE

KERR, DAWSON AND ASSOCIATES LTD.

Consulting Geologists and Engineers

No. 206 - 310 NICOLA STREET • KAMLOOPS, B.C. V2C 2P5 • TELEPHONE (604) 374-0544

C E R T I F I C A T E

I, DOUGLAS A. LEISHMAN of Kamloops, British Columbia, Do Hereby Certify
That:

- (1). I am a geologist employed by Kerr, Dawson and Associates Ltd.,
of Suite 206, 310 Nicola Street, in the City of Kamloops, in the
Province of British Columbia.
- (2). I am a graduate of the Northern Alberta Institute of Technology,
Exploration Technology (Minerals Option) 1971, Edmonton, Alberta.
- (3). I am a graduate of the Imperial College of Science and Technology,
Royal School of Mines, London, England, B.Sc.(Hons) Mining Geology
1981. I have been actively involved in mineral exploration since
1971.
- (4). I am the author of this report which is based on an examination
of all data collected and 2 days field work on the Happy Days #3
Claim Group.

KERR, DAWSON & ASSOCIATES LTD.,

Douglas A. Leishman

Douglas A. Leishman, B.Sc. (Hons.)

GEOLOGIST

Kamloops, B.C.

August 30, 1984.

Werner GRUENWALD, B. Sc.

Geologist

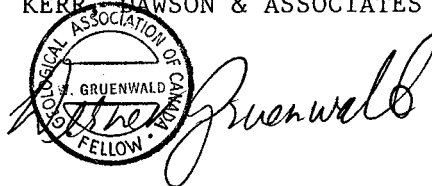
#6 NICOLA PLACE, 310 NICOLA ST., KAMLOOPS, B.C. V2C 2P5 • TELEPHONE (604) 374-0544

C E R T I F I C A T E

I, WERNER GRUENWALD OF KAMLOOPS, BRITISH COLUMBIA, DO HEREBY CERTIFY
THAT:

- (1). I am a geologist employed by Kerr, Dawson and Associates Ltd.,
of Suite 206, 310 Nicola Street, in the City of Kamloops, in the
Province of British Columbia.
- (2). I am a graduate of the University of British Columbia, B. Sc.
in Geology (1972) and am a fellow of the Geological Association
of Canada. I have practised my profession for 12 years.
- (3). The work on this exploration programme was carried out under my
supervision.

KERR, DAWSON & ASSOCIATES LTD.,



Werner Gruenwald, B. Sc.,
GEOLOGIST

Kamloops, B.C.

August 30, 1984.