

84-#793-12964
9/85

Report on the
Swakum Mountain Property
Nicola Mining Division
50° 16' North Latitude - 120° 43' West Longitude
British Columbia
on behalf of
Mag-Ty Resources Ltd.
by
John R. Poloni, B.Sc., P.Eng.
July 21, 1984

**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

12,964

John R. Poloni & Associates Ltd.
1512B - 56th Street
Delta, B. C.
V4L 2A8

JOHN R. POLONI P. Eng.
Consulting Geologist

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1.0 Summary and Conclusions

The Mag-Ty property located on Swakum Mountain near Merritt, British Columbia, has been known since approximately the turn of the century.

Limited production of silver, lead, zinc mineralization with gold and copper was achieved during the 1920-30's from quartz veins in andesite and replacement bodies in limestone in a contact metamorphic environment in Nicola Group volcanics. Recent surveys have indicated that the limestone horizon is more extensive than previously believed.

Detailed exploratory surveys of geology, geochemistry, geophysics with dozer trenching and drill testing are necessary to evaluate the economic potential of the property.

2.0 Introduction

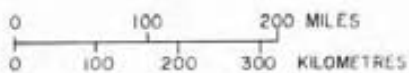
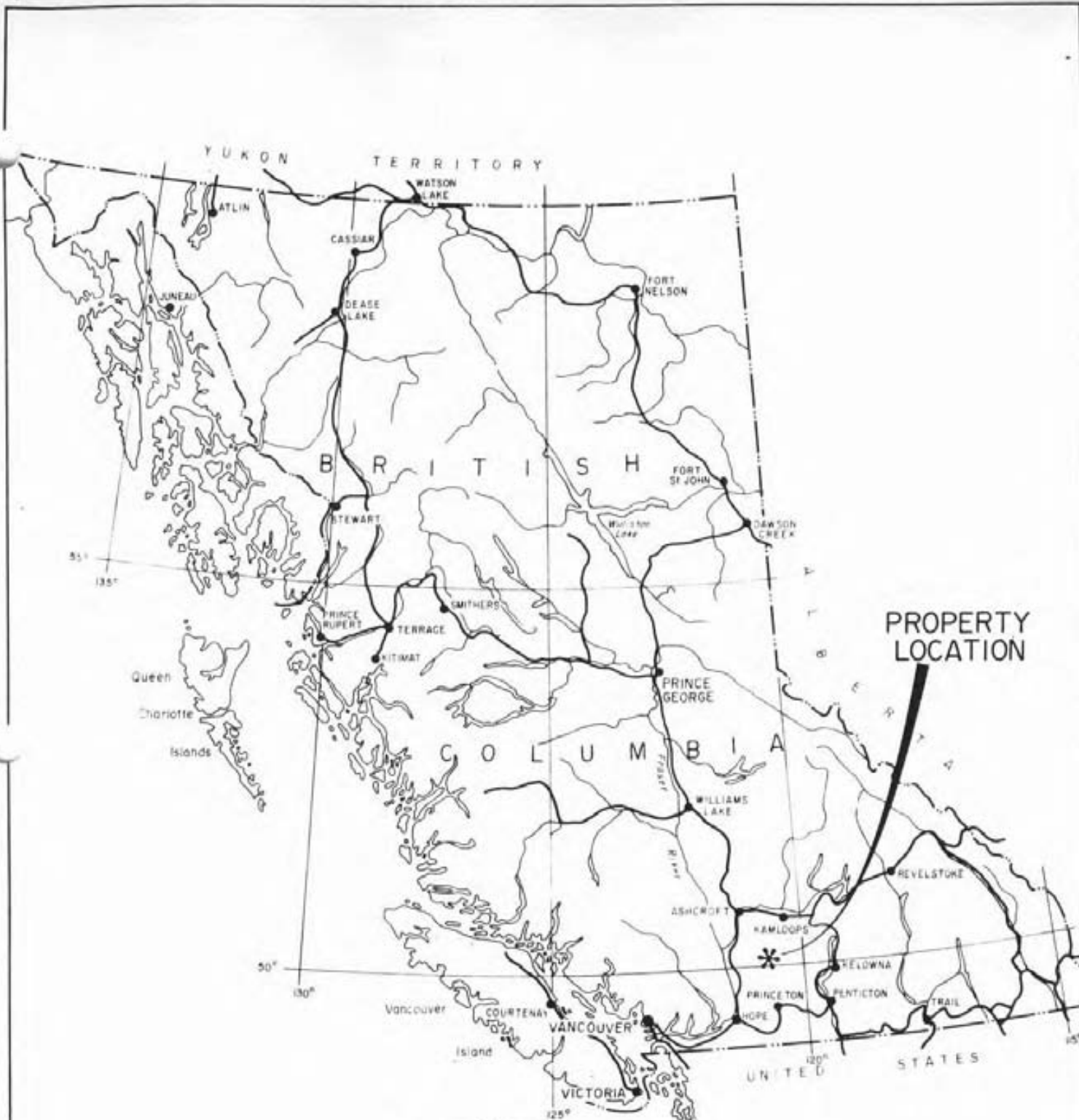
The Swakum Mountain property of Mag-Ty Resources Ltd. located approximately 20 kilometers north northeast of Merritt, British Columbia, consists of four Crown Granted Claims.

Reported smelter shipments principally from the Thelma and Bernice claims during the period 1926-1928 were approximately 70.6 tons averaging 0.018 Au oz/ton, 39.2 Ag oz/ton, 2.88% Pb and 5.02% Zn.

The property visit was made by the author on June 11, 1983, along secondary logging roads using an automobile, as access is excellent. This entailed an examination principally of the Crown Granted claims.

Location Map

Plan No. 1



MAG-TY RESOURCES LTD.		
PROPERTY LOCATION PLAN		
SWAKUM MOUNTAIN		
BRITISH COLUMBIA		
JOHN R. POLONI & ASSOCIATES LTD.		
Drawn	J.R.P.	Checked J.R.P. Plan No.
Scale	As shown	Date: July 21, 1984 1

3.0 Location and Accessibility

The four Crown Granted claims and two located claims (20 units) are situated on Swakum Mountain, part of the Nicola Plateau at an elevation of approximately 5,100 feet above sea level.

Merritt, situated about 20 kilometers to the south, south west is the center of ranching, logging and mining for the area.

Access from Vancouver to Merritt is via highways No. 1 and No. 8 through Spences Bridge, or highways No. 3 and No. 5 through Hope and Princeton. The property is reached from Merritt by travelling east along highway No. 5 to Nicola and then northerly along mine access and logging roads to Swakum Mountain leaving Nicola along Mill Creek Road.

4.0 Claim Information

The four Crown Granted Claims were initially located near the turn of the century with the first mineral discovery in the area being made prior to 1900 by Thomas Hunter. The located claims were staked between July 23 - 26, 1983. Claim data is shown on plans No. 2 and No. 4, appended.

<u>Name</u>	<u>Claim No.</u>	
<u>Crown Granted Claims</u>		
Thelma	L 4510	
Bernice	L 4502	
Old Evelyn	L 4511	
Old Complex	L 4892	
<u>Located Claims</u>		
Dartt 1 (10 units)	1446	<u>Record Date</u> Aug. 24, 1983
Dartt 2 (10 units)	1447	Aug. 24, 1983

Claim data was supplied by the Company.

5.0 Physical Features

The claims cover moderate upland terrain of the Nicola Plateau of the Interior Plateau Region of the Province, east of the Cascade Mountains. Open park-like forest at higher elevations with excellent grazing and timber are typical.

Precipitation in the area occurs as summer thundershowers and winter snowfall with snow depths approximating 6 - 8 feet.

Access to the mineral showings and old workings is via secondary gravel road, easily passable by two-wheel drive vehicles.

6.0 History

The first mineral discovery made on Swakum Mountain was by Thomas Hunter who located the Peacock Group prior to 1900. The Last Chance claim was staked by O.A. Schmidt in 1916 with small shipments being made to smelter in 1917.

Thelma Mines Ltd. was formed about 1927 to work the property. Exploration and development continued until 1930-31. In 1934 Sheffield Gold and Silver Mines took over the claims carrying prospecting and development until 1940.

Small shipments were made during these periods (1926-1928) approximately 70.6 tons averaging 0.018 Au oz/ton, 39.2 Ag oz/ton, 2.88% Pb and 5.02% Zn. British Columbia Department of Mines records show production of 26 tons from the Lucky Mike, yielding 2 ounces of gold, 137 ounces of silver, 1,932 pounds of copper, and 1,753

6.0 pounds of lead; whereas the Thelma produced from 89 tons of ore, 1 ounce of gold, 7,419 ounces of silver, 9,683 pounds of lead, and 10,237 pounds of zinc; and the Almeda yielded from 3 tons of ore, 1 ounce of gold, 52 ounces of silver, and 576 pounds of lead.

Recent work was completed by B. Fraser in 1979 as reported by Mr. L.S. Trenholme, P.Eng. on August 20, 1979, consisting of detailed geological mapping of the Crown Granted claims area.

7.0 Geology

Swakum Mountain is underlain by Upper Triassic Nicola Group, greenstone, andesite, basalt, agglomerate, breccia, tuff, with minor argillite, limestone and conglomerate.

As mapped by Fraser, B., 1979, the immediate claim area covers the contact environment between Nicola Group andesite, limestone, and conglomerate. The sedimentary units within the volcanic sequence strike north-south and dip steeply to the east. Mineralization consisting of pyrite, galena and sphalerite containing gold-silver values, occurs as tabular to lenticular replacement zones in the limestone and as quartz vein deposits in the andesites near the volcanic sedimentary contact. Minor copper values are reported.

Skarn deposits typical of contact metamorphic environments have been drill tested for tungsten content on the Last Chance claim on the northern slopes of Swakum Mountain.

8.0 Exploration Potential

The property covers the contact zone between sedimentary limestone and conglomerate units and andesite of the Nicola Group volcanic sequence, known to contain silver-lead-zinc replacement mineralization with minor gold and copper values.

Ore shoots mined in the past were small but recent geological mapping has shown that the limestone horizon is much thicker than previously known, presenting the possibility that more consistent lenses of sulfides could be encountered by a systematic exploration program.

9.0 Recommendations

The property warrants detailed exploratory surveys of geology, geochemistry, geophysics with dozer work and drill testing as success contingent undertakings.

Additional claims should be located to cover extensions of the zone of contact geological environment, where possible to the south.

Appendix A

Estimated Cost of the Recommended
Surveys

Cost Estimate

Phase 1

1.0	Living Costs - food and accommodations	\$ 4,000.00
2.0	Transportation - 4 X 4 vehicle, fuel, etc.	4,000.00
3.0	Claim Staking - 20 units, if possible	3,000.00
4.0	Survey grid - area of Crown Grants, initially	3,500.00
5.0	Geochemical Soil Survey - Collection, assaying (400 Samples)	8,000.00
6.0	Geological Mapping - Sampling	8,000.00
7.0	Geophysical Surveys - Mag - E.M.	8,000.00
8.0	Consulting - Engineering	5,000.00
9.0	Contingencies	6,000.00
	Total Phase 1	<u>\$ 49,500.00</u>

Phase 2

Phase two surveys are success contingent on preliminary results but will include additional geophysical surveys of Induced Polarization, dozer trenching, and drill testing.



Appendix B

References

References

- 1.0 Cockfield, W.E. Memoir 249 G.S.C. Geology and Mineral Deposits of Nicola Map - Area British Columbia. 1961.
- 2.0 Bacon, W.S. Nov. 10, 1926. The Thelma Mines Camp.
- 3.0 Bacon, W.S. Sept. 10, 1928. Thelma Mines.
- 4.0 Bacon, W.S. July 10, 1933. Report on Sheffield Diversified Properties. Swakum Mountain.
- 5.0 Bacon, W.S. April 10, 1934. Sheffield Gold and Silver Properties.
- 6.0 Kent, G.A. 1928. Thelma Mines Ltd. Property.
- 7.0 Trenholme, L.S. 1979. A Report on the Potential for Silver, Lead and Zinc Deposits, Vicinity of Swakum Mountain.

Appendix C

Certificate

Certificate

I, John R. Poloni, of 5502 - 8B Avenue, in the Municipality of Delta,
in the Province of British Columbia,

DO HEREBY CERTIFY THAT:

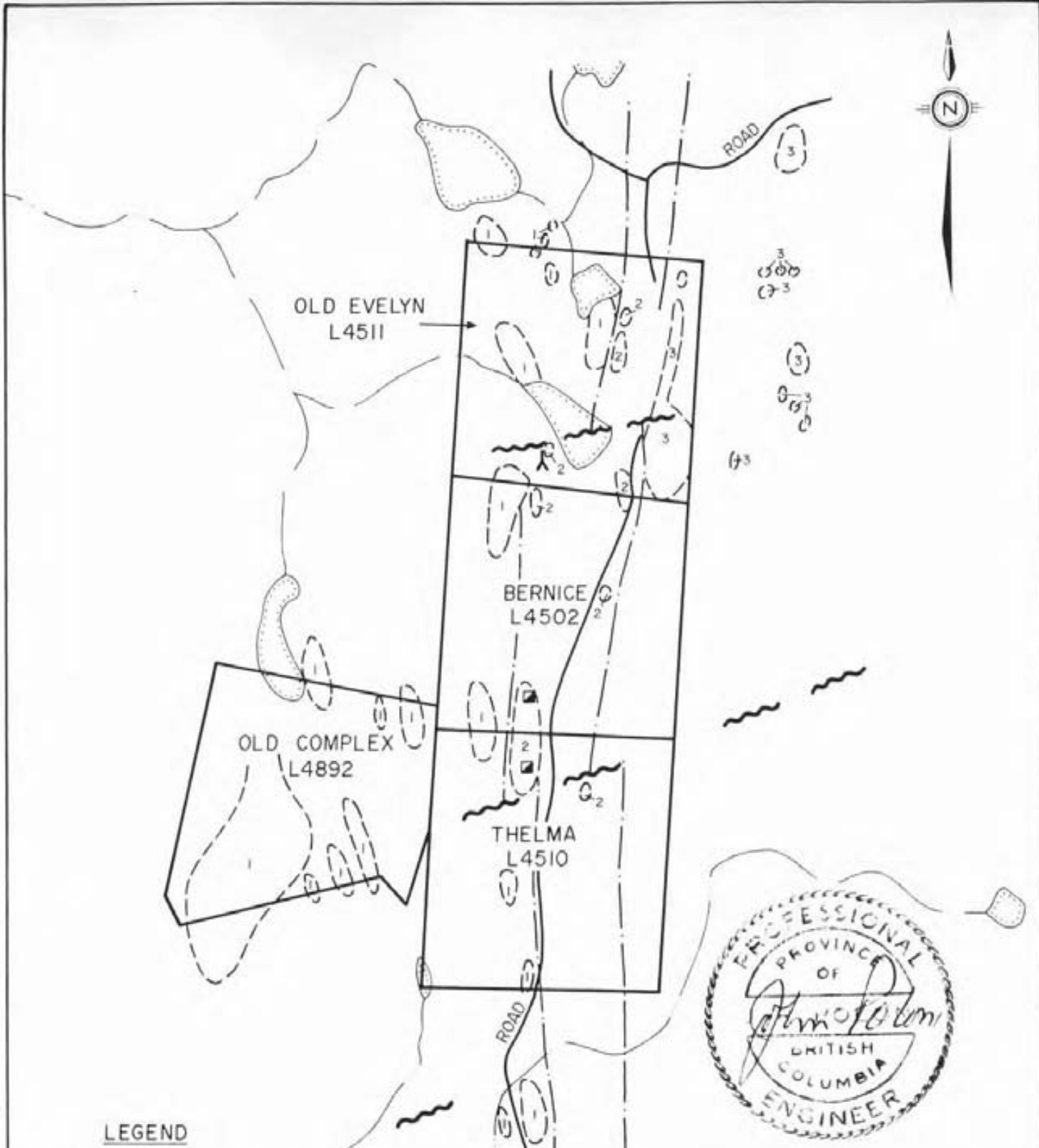
1. I am a Consulting Geologist.
2. I am a graduate of McGill University of Montreal, Quebec,
where I obtained a B.Sc. Degree in Geology in 1964.
3. I am a registered Professional Engineer in the Geological
Section of the Association of Professional Engineers of the
Province of British Columbia.
4. I have practiced my profession since 1964.
5. I am a Fellow of the Geological Association of Canada and a
member of the Canadian Institute of Mining and Metallurgy.
6. I have personally visited the Swakum Mountain property of
Mag-Ty Resources Ltd. on June 11, 1983.
7. I have no interest in the properties or securities of Mag-Ty
Resources Ltd. nor do I expect to receive or acquire any.
8. I consent to the use of this report by Mag-Ty Resources Ltd.
in a submission to the Vancouver Stock Exchange and/or the
British Columbia Superintendent of Brokers, and to distribute
all or parts of the report to shareholders or other interested
parties provided that the meaning is not altered by partial
quotes.

Dated this 21st day of July, 1984.

John R. Poloni, B.Sc., P.Eng.

Appendix D

1)	<u>Maps</u>	<u>Scale</u>
	Plan No. 2 - Claim Map - Geology	1" = 1,000'
	Plan No. 3 - Regional Geology	1" = 4 mls.
	Plan No. 4 - Claim Map - Crown Granted and located claims	1:50,000
2)	Smelter Shipment Data	
3)	Claim Data	



LEGEND

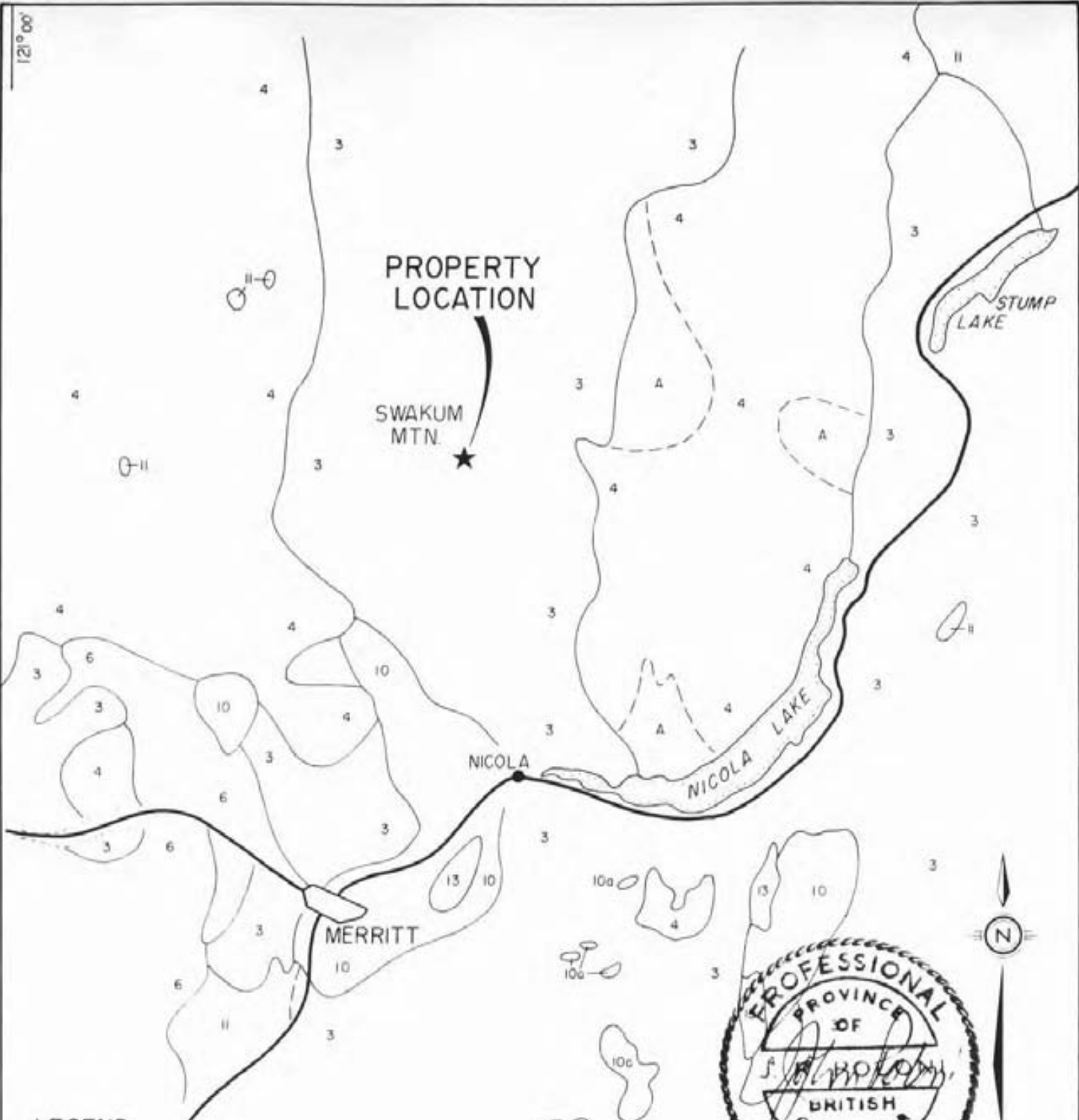
NICOLA GP

- 3 CONGLOMERATE
- 2 LIMESTONE
- 1 ANDESITE
- ~~~~~ FAULT
- Y ADIT
- ▣ SHAFT



MAG-TY RESOURCES LTD.		
CLAIM MAP-GEOLOGY		
SWAKUM MOUNTAIN		
CROWN GRANTED CLAIMS		
NICOLA MINING DIVISION BRITISH COLUMBIA		
JOHN R. POLONI & ASSOCIATES LTD.		
Drawn : J.R.P.	Checked : J.R.P.	Plan No.
Scale : 1" = 1000'	Date : July 21, 1984	2

121°00'



50°00'

LEGEND

TERTIARY

- 13 VALLEY BASALT
- 11 KAMLOOPS GP - RHYOLITE, ANDESITE BASALT
- 10 COLDWATER BEDS - CONGLOMERATE, SANDSTONE, SHALE

CRETACEOUS

- 6 RHYOLITE, ANDESITE, BASALT, TUFFS, BRECCIAS

JURASSIC

- 4 COAST INTRUSIONS

TRIASSIC

- 3 NICOLA GP ANDESITE, BASALT, AGGLOMERATE TUFF, BRECCIA, ARGILLITE, LIMESTONE
- A CHLORITE SCHIST

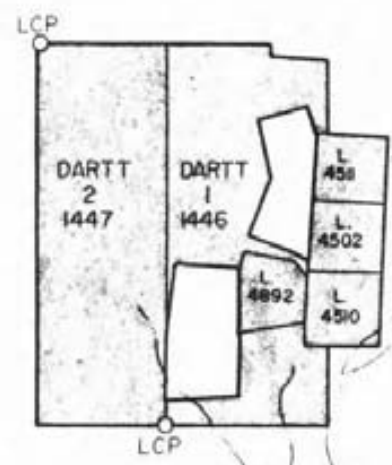
REF CANADA DEPT OF MINES, MAP 886A



MAG-TY RESOURCES LTD.		
REGIONAL GEOLOGY		
SWAKUM MOUNTAIN		
NICOLA MINING DIVISION		
BRITISH COLUMBIA		
JOHN R. POLONI & ASSOCIATES LTD		
Drawn : J R P	Checked : J R P	Plan No.
Scale : 1" = 4 Miles	Date : July 21, 1984	3

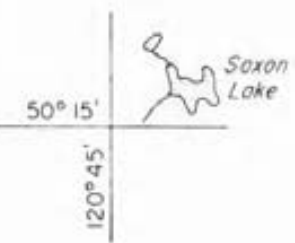


SWAKUM MTN



MAG-TY RESOURCES PROPERTY
(SHADED AREA)

Kirby Ck



MAG-TY RESOURCES LTD.		
CLAIM MAP		
LOCATED-CROWN GRANTED		
NICOLA MINING DIVISION		
BRITISH COLUMBIA		
JOHN R. POLONI & ASSOCIATES LTD.		
Drawn: J.R.P.	Checked: J.R.P.	Plan No.
Scale: 1 = 50,000	Date: July 21, 1984	4

(5)

SMEALTER RETURN NO. 1
CONSOLIDATED MINING & SMELTING CO.

Tadanac, B. C.
April 17, 1926.

Shipment--1,990 Pounds.

CONTENTS:

Gold, .029 oz. at \$20.00 per oz., for 90%.....\$.56
Silver, 369.76 oz. at .65771 per oz., for 95%..... 231.03
Lead, 397 lbs. at .05541 per lb., for 90%..... 19.78

ASSAY:

Moisture Gold Silver Lead Zinc Sulphur Silica Iron Lime
per oz. oz. per per per per per per per
cent cent cent cent cent cent cent cent cent
2.4 .03 380.8 21.7 12.0 10.8 32.6 4.5 3.
Serial No. 1494 "K.P"
Chief Chemist

SMEALTER RETURN NO. 2
CONSOLIDATED MINING & SMELTING CO.

Tadanac, B. C.
Sept. 10, 1928.

Shipment--77,377 Pounds.

.929 oz. Gold
1129.7 oz. Silver
503. lb. Lead
The Gross Value was---\$621,39

ASSAY:

.024 oz. Gold
29.2 oz. Silver
1.3 % Lead
3.9 % Zinc

SMEALTER RETURN NO. 3
CONSOLIDATED MINING & SMELTING CO.

Tadanac, B. C.
July 26, 1928.

Shipment--61,734 Pounds.

Wt. lbs. LEAD CONCENTRATES
6% 3704 Oz. Silver % Lead % Zinc Total
448.8 40.2 15.1 \$490.41
ZINC CONCENTRATES
6.9% 4260 122.6 3.2 51.6 161.99
Gross Value..... \$652.40

ASSAY:

.01 oz. Gold per ton
40.7 oz. Silver " "
3.5 % Lead " "
6.2 % Zinc " "

DART 2- 10 CLAIMS-

STAKED BY S. HANCOCK

23-25 July/83

Fme.

Recorded Aug 24/83

Record No 1447

DART 1- 10 CLAIMS-

S. B. F. HANCOCK

July 25-26-1983-

Recorded Aug 24/1983

Record No 1446

C. J. Naughian
5720 Macdonald St.
Vancouver, B. C. V6N 1C8
July 12, 1984.

REGISTERED

Ministry of Mines, Energy
and Petroleum Resources
Parliament Buildings
Victoria, B. C.

TO: Chief Gold Commissioner

Sirs:

RE: DRAFT 2 Mineral Claims - Record No. 1447(8)
Nicola Mining Division

This is to correct inadvertent errors made in locator sketches and information at time of registration of the above claims.

The corrected sketch on location map is enclosed showing correct location of claims staked.

Information re Legal Corner Post should read: "approximately 500 metres North of N. E. edge of Revelle Lake at drainage."

These claims have been correctly staked, and only the filing information as noted above was in error.

Will you please confirm that these corrections have been made to the records.

Thank you for your attention to this matter.

Yours truly,

C. J. Naughian.

c.c. Gold Commissioner, Merritt, B.C.



Mining Division NICOLA

GERALDINE J. HAUGHIAN
5720 MacDonalda St.
Vancouver, B.C.
V6N 1C8

JUNE 11/84

Dear Sir:

Re: DARTT 2 ~~Post~~/Mineral Claims(s)

Record No(s). 1447 (8)

The above mentioned claim(s) has (have) been plotted on our mineral reference map in accordance with the locator's sketch(es) and the information given in the application(s). This plotting indicates that you have located, partially or wholly, land formerly held by

you as the DARTT I

claim(s), record no(s). 1122 (8)

which forfeited 82.08.04

This overlap contravenes Section 27(2) of the Mineral Act as this section does not permit a free miner, when a claim he holds forfeits, to hold a claim over the same land for a period of one year after that forfeiture.

Our maps are drawn using the locator's sketch and claim description, however, the true location of the claim(s) on the ground is the governing factor. This notice is intended to inform you of the possibility that your claim(s) did not acquire the mineral rights of the area you indicated. If no further information is received from you that will alter the situation, then the claim(s) will remain plotted indicating that no mineral rights have been acquired on the lands contravened.

Yours truly,

Cathy Law

for Chief Gold Commissioner

*ls

cc/ Gold Commissioner

HERRITT - 378-6141 - [Handwritten initials]