

GEOCHEMICAL AND GEOPHYSICAL REPORT
ON THE
24K GROUP
NTS 82E/5

Osoyoos Mining Division

Latitude 49° 19'

Longitude 119° 55'

for

Mr. Moore Schram

R.R.#1 Site 75

Keremeos, B.C.

VOX 1N0

FILMED

**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

14,530

September 16, 1985
3501 - 16th Street
Vernon, B.C. V1T 3X7

Roy Kregosky
BSc. Geology

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SUMMARY

The 24K Group, located in the ~~Cariboo~~ Mining Division, is comprised of 32 units in two contiguous claims. These claims are registered to Mr. M. Schram of Ollala, B.C.

The property is underlain by triassic metasedimentary and metavolcanic rocks which have been intruded by the Cretaceous Nelson Plutonic rocks.

Exploration programs to date have included limited geochemical and geophysical surveys.

The geochemical survey has outlined a coincident silver/gold anomaly which is approximately 300 X 250 meters and is open to the east, west and south.

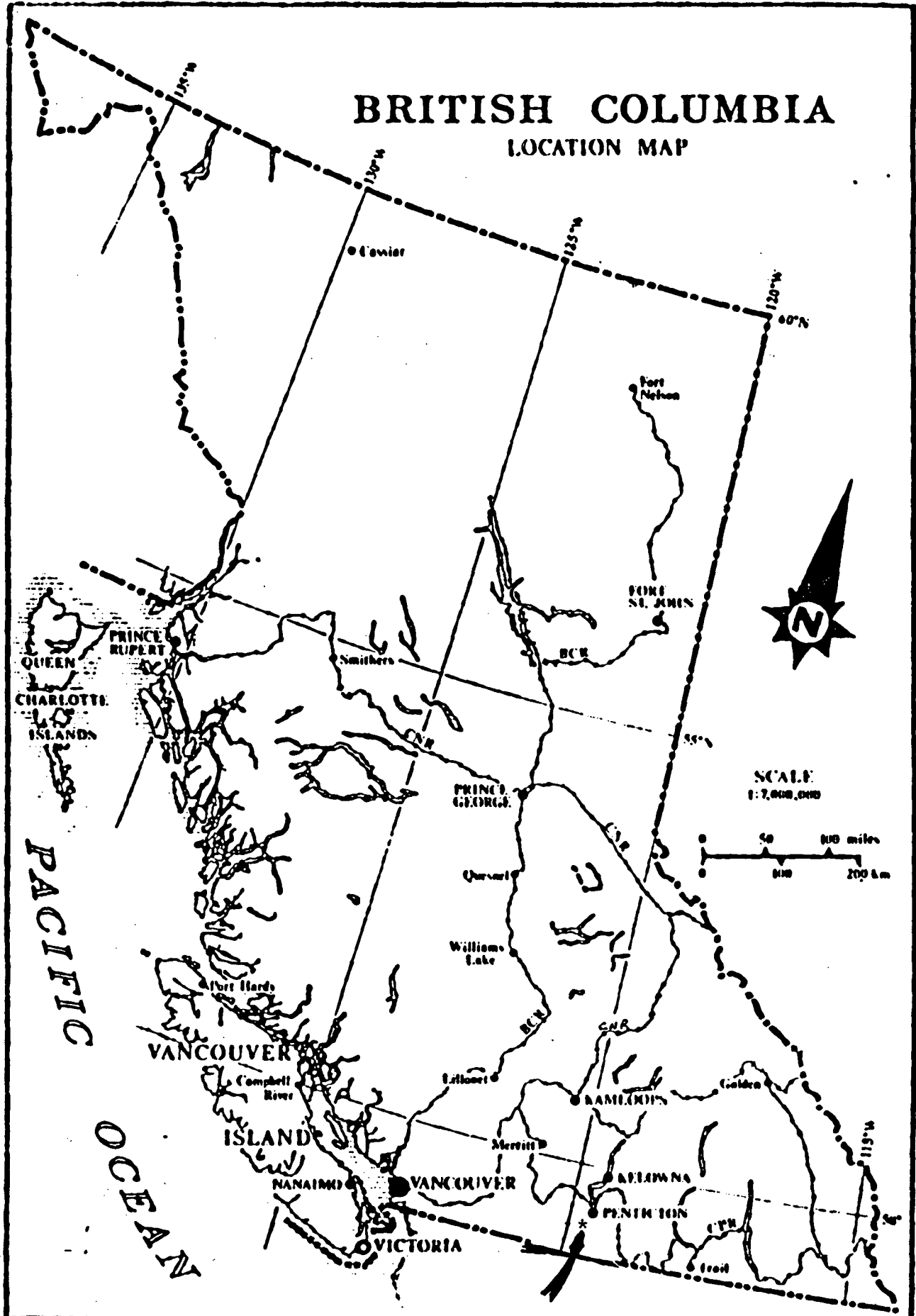
The geophysical survey has delineated an anomalous zone in the northern portion of the grid. This zone is approximately 450 X 50 meters and is open to the west and north.

Assay samples indicate significant precious metal mineralization in shear structures associated with the metasedimentary/plutonic contact.

Based on the favourable results obtained during the exploration program, it is recommended that the claims undergo a more detailed geochemical, geophysical and geological examination.

BRITISH COLUMBIA

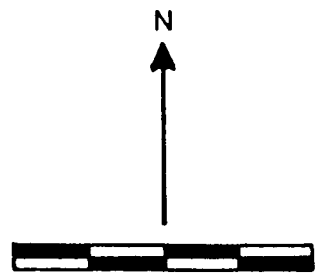
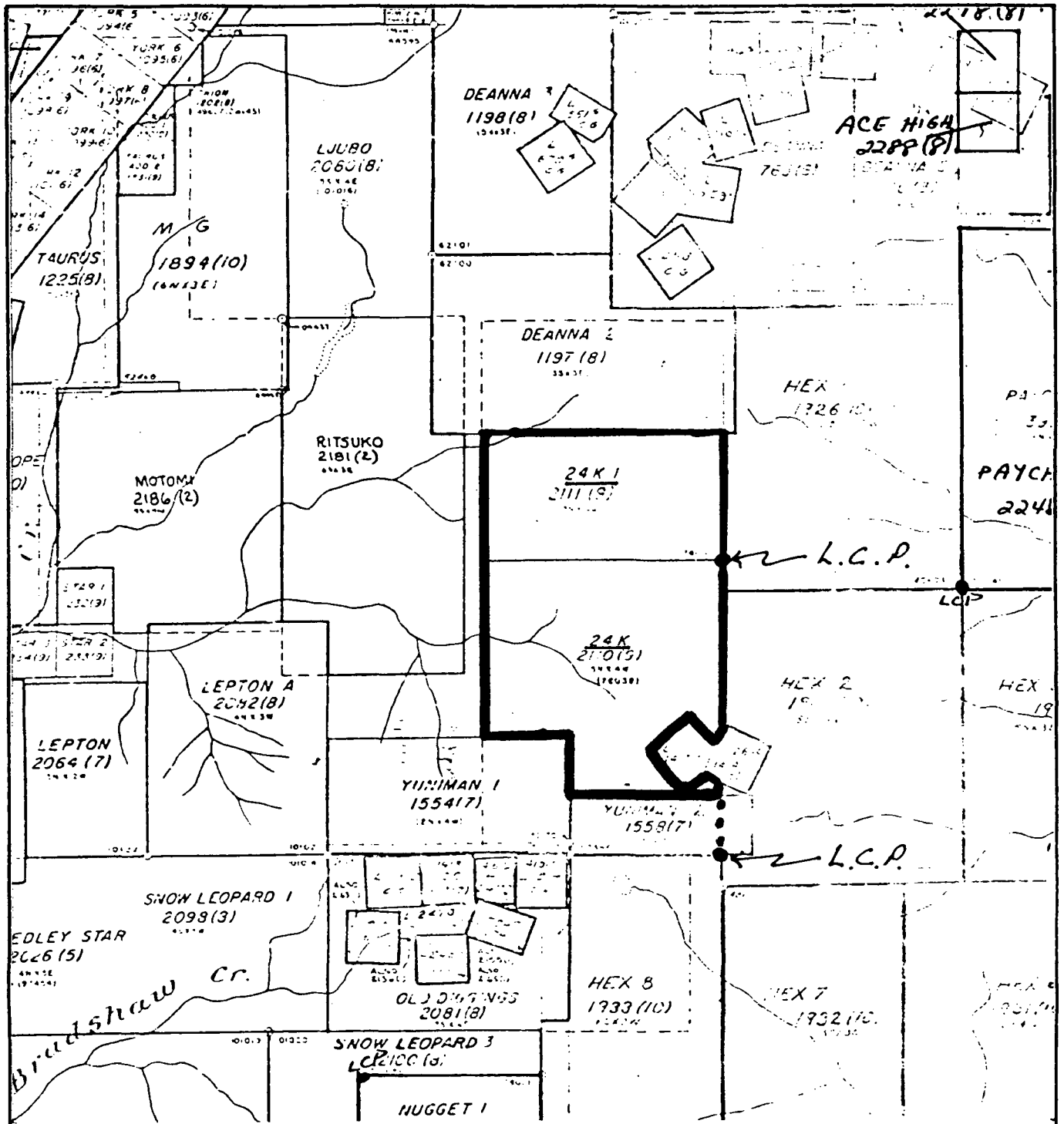
LOCATION MAP



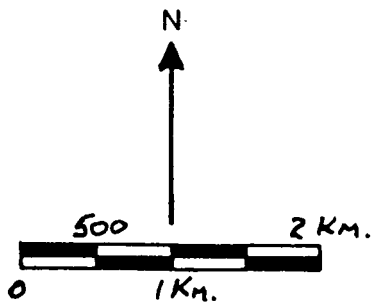
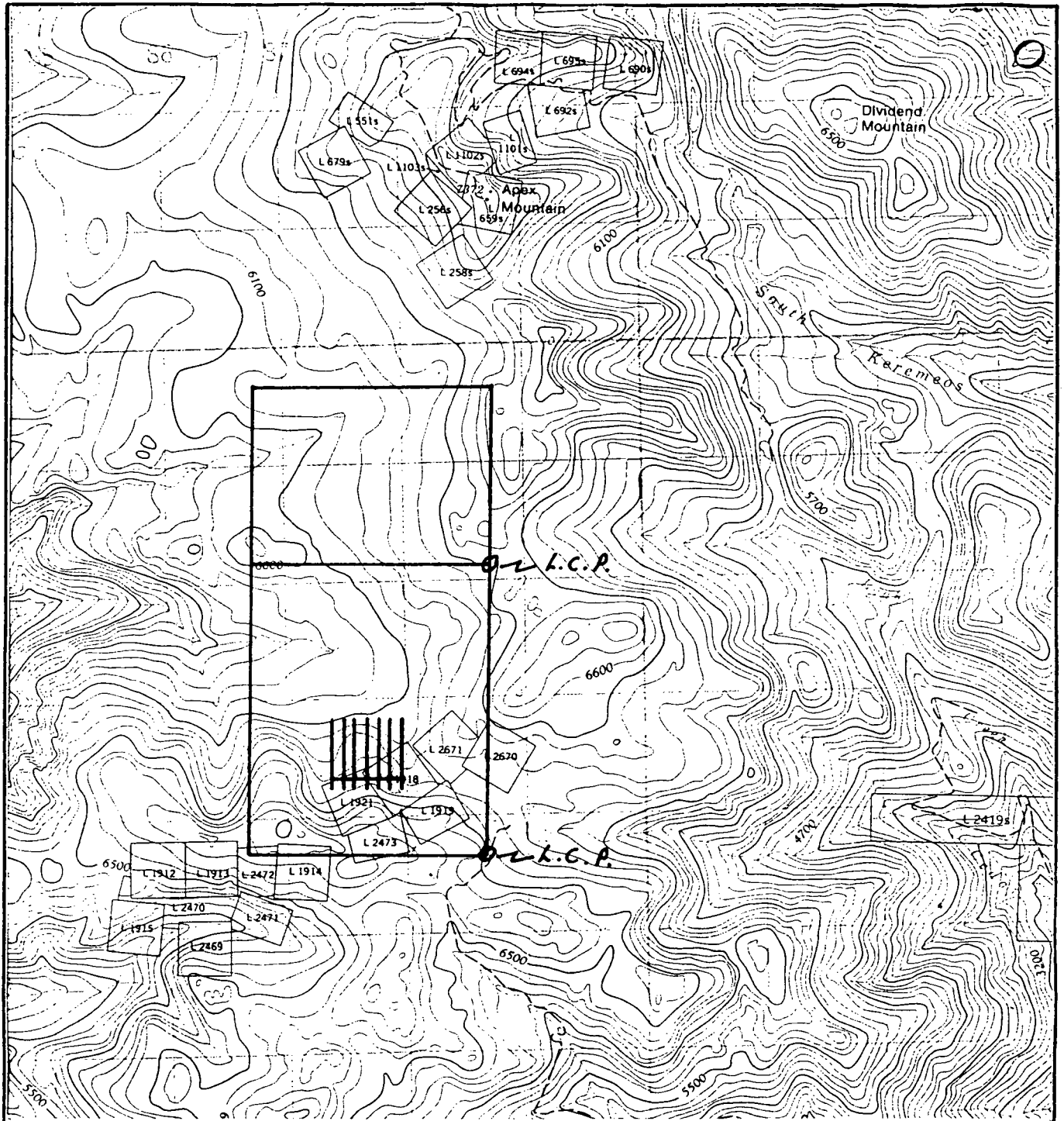
Monashee
Geological
Services

24K GROUP
OSOYOOS MINING DIVISION

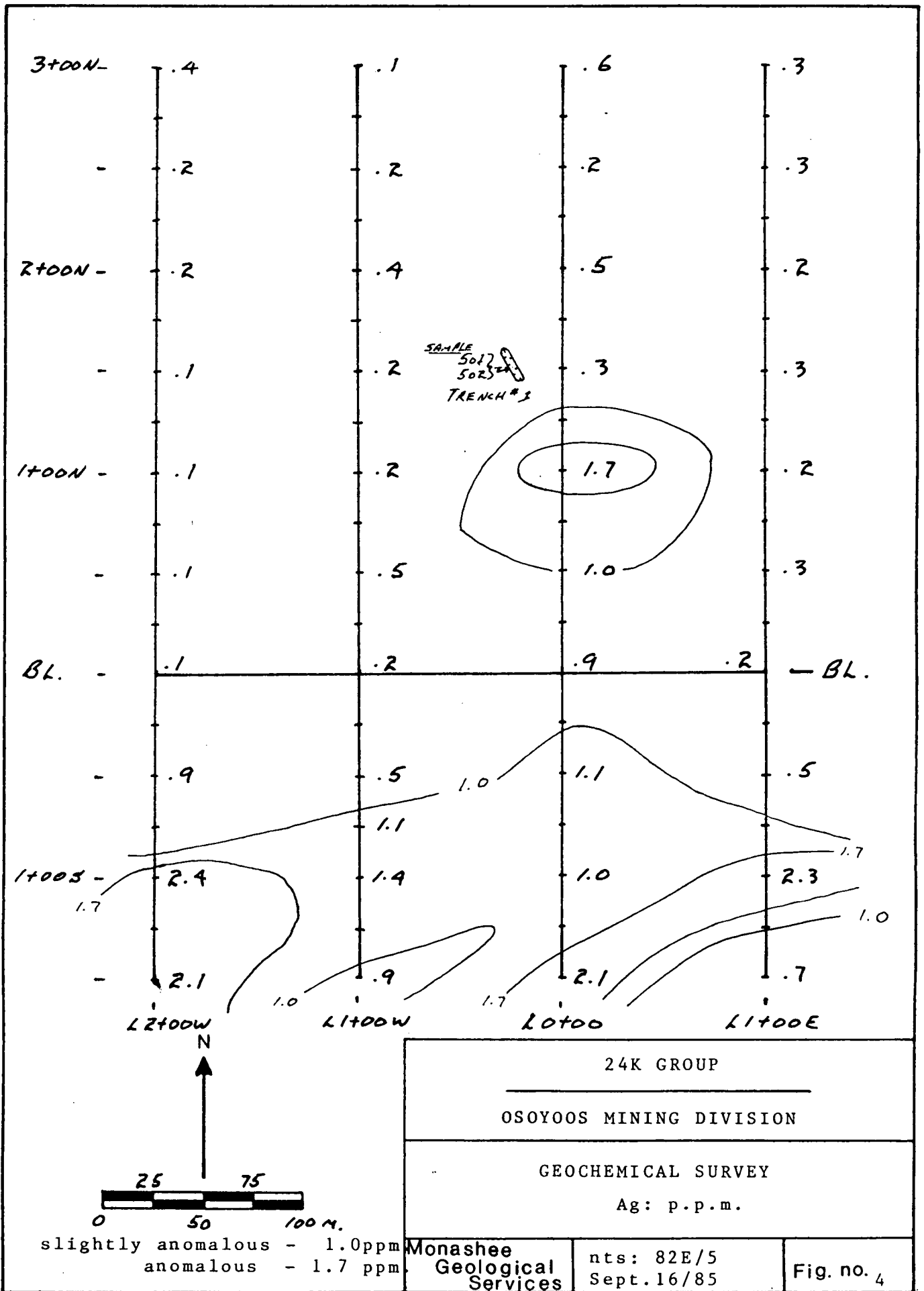
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Sept. 16/85
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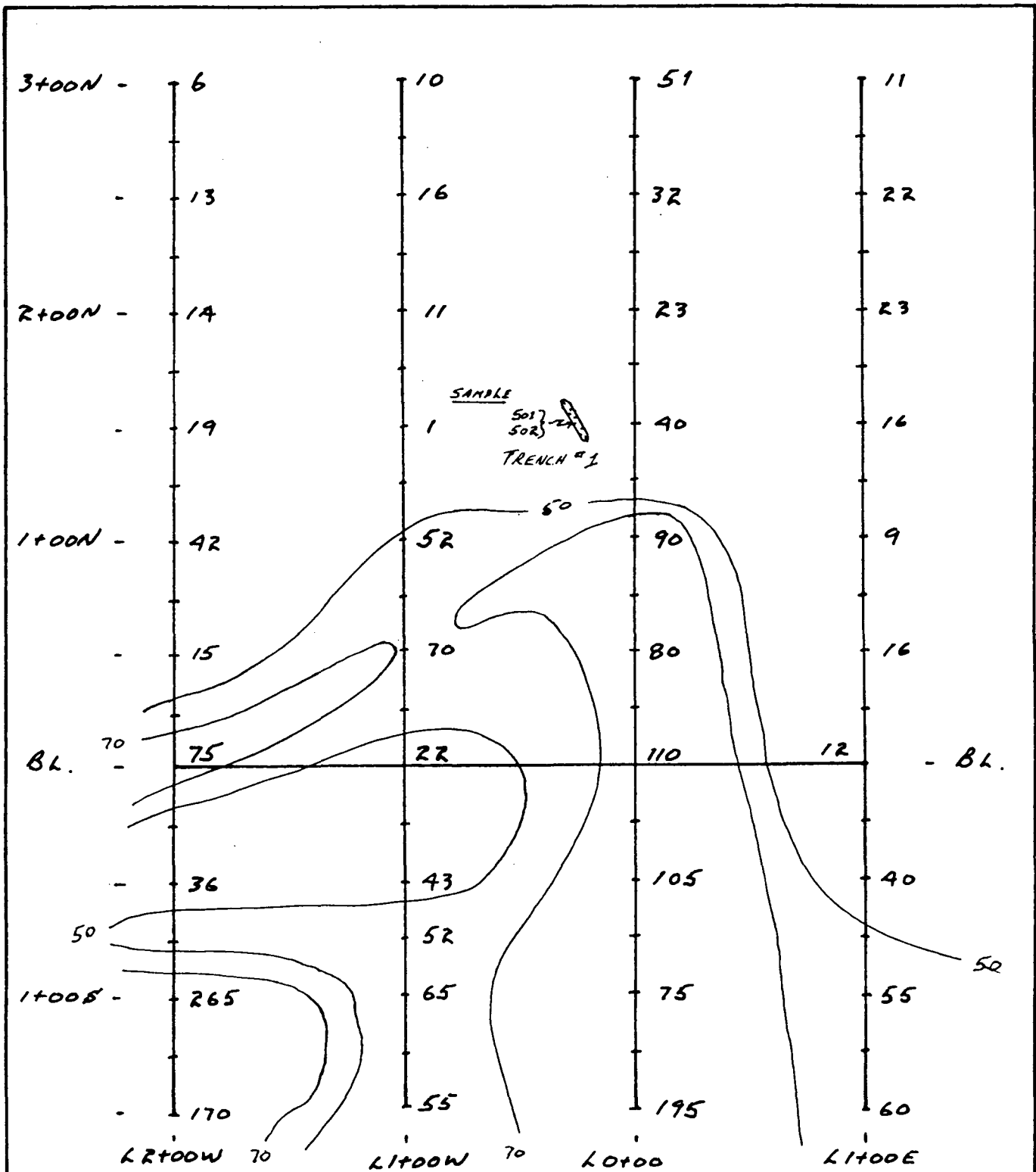


24K GROUP		
OSOYOOS MINING DIVISION		
CLAIM LOCATION MAP		
Monashee Geological Services	nts: 82E/5 Sept. 16/85	Fig. no. 2



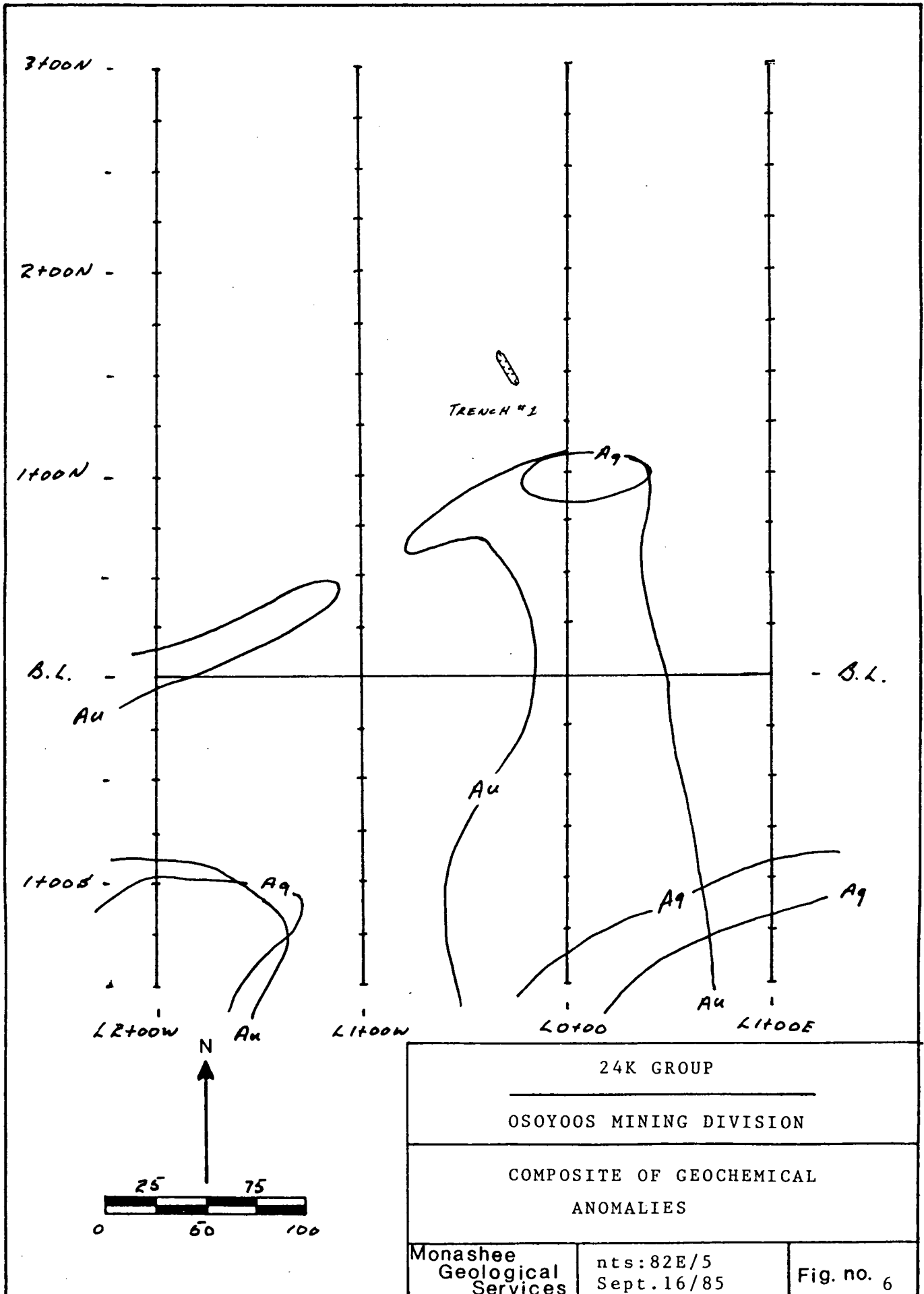
24K GROUP		
OSOYOOS MINING DIVISION		
SURVEY LOCATION MAP		
Monashee Geological Services	nts:82E/5 Sept. 16/85	Fig. no. 3

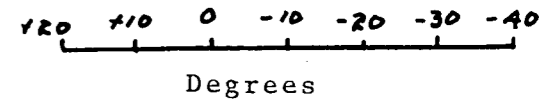
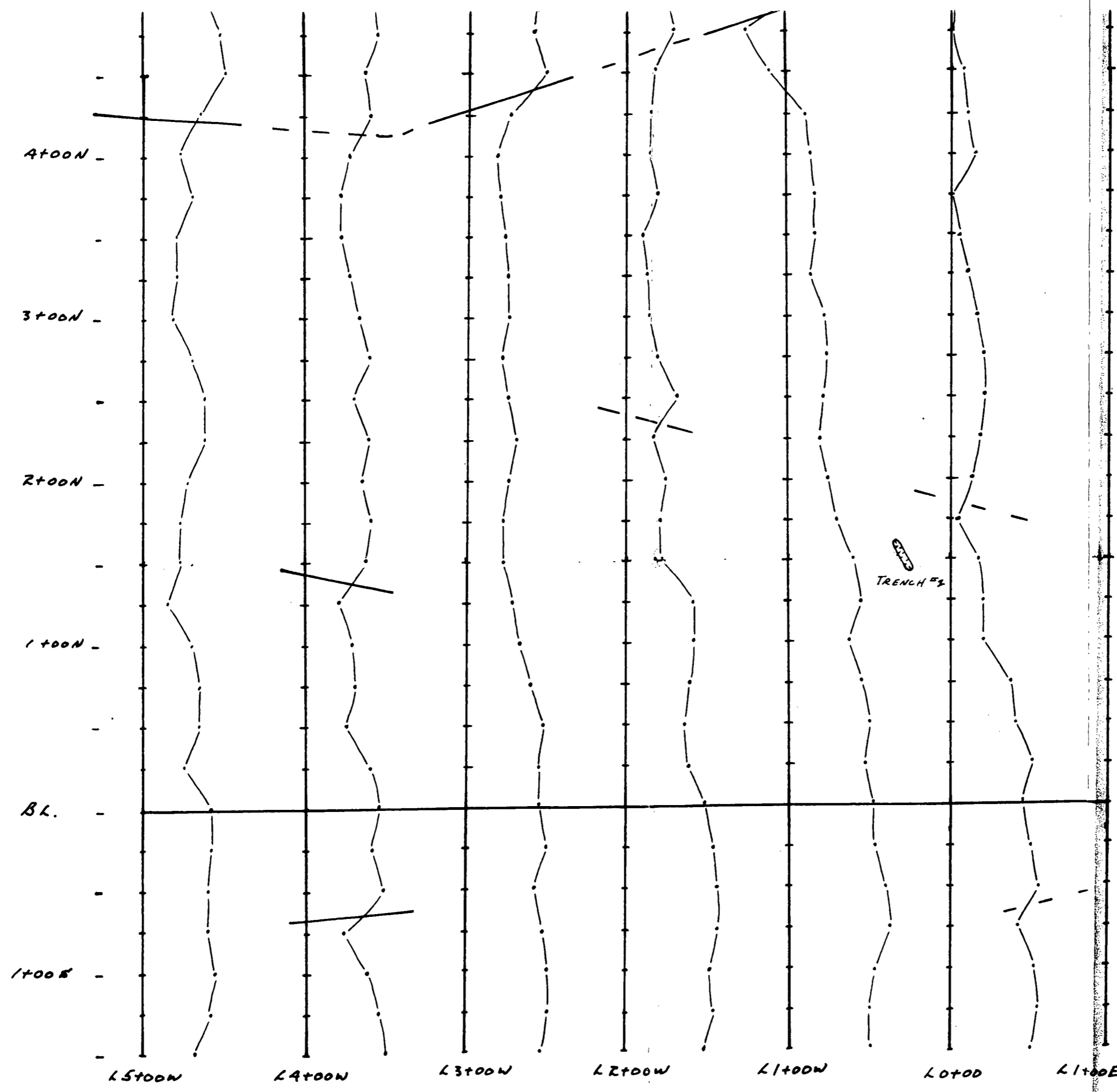




0 25 50 100 M.
 slightly anomalous- 50 ppb.
 anomalous- 70 ppb.

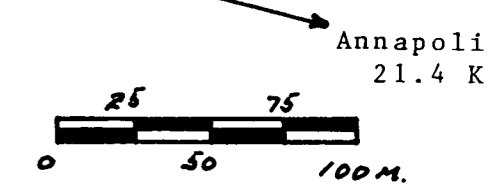
24K GROUP		
OSOYOOS MINING DIVISION		
GEOCHEMICAL SURVEY		
Au: p.p.b.		
Monashee Geological Services	nts:82E/5 Sept.16/85	Fig. no. 5





**GEOLOGICAL BRANCH
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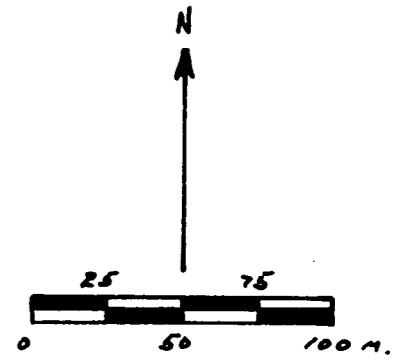
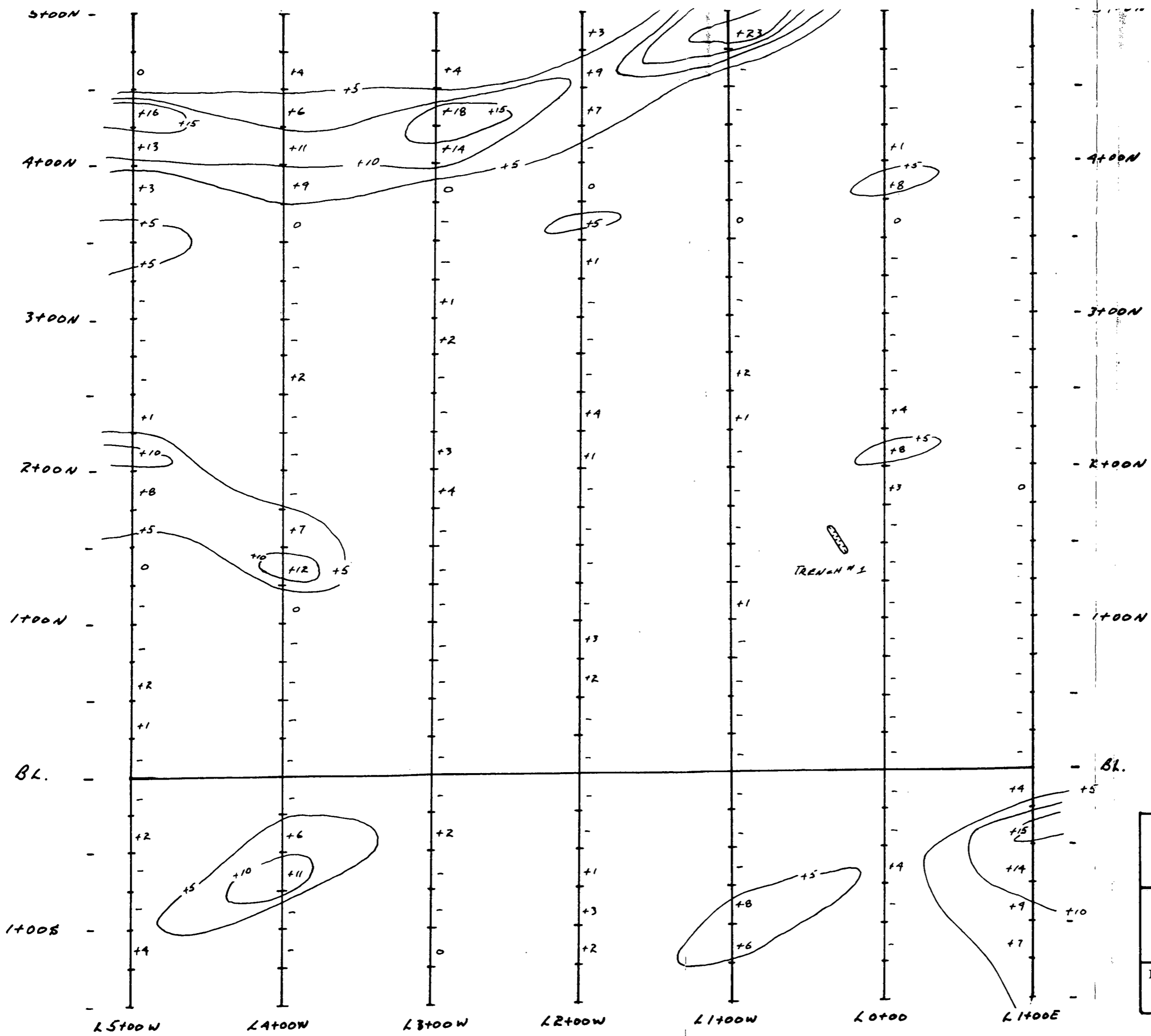


Primary Conductors ———
Secondary Conductors - - -

24K GROUP		
OSOYOOS MINING DIVISION		
VLF-EM SURVEY		
DIP ANGLE		
Monashee Geological Services	Sept. 16/85	Fig. 7

**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

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contour interval - +5

24K GROUP		
OSOYOOS MINING DIVISION		
VLF-EM SURVEY FILTERED DIP ANGLE		
Monashee Geological Services	Sept. 16/85	Fig. 8

SAMPLE#	PB PPM	ZN PPM	AG PPM	AU* PPB
24K 5W	9	50	.4	5
24K 4W	10	70	1.0	75
24K 3W	20	115	.4	65
24K 2W	10	37	.8	45
24K 1W	6	67	.6	5
24K 4W 5N	7	44	.3	5
24K 4W 4N+2S	11	25	.2	5
24K 4W 3N	7	79	.9	3
24K 4W 2N	13	29	.7	25
24K 4W 1N	13	52	.4	30
24K 5N	6	41	.2	5
24K 4N	7	38	.2	5
24K 3N	9	48	.3	45
24K 2N	5	52	.2	5
24K 1N	16	129	.6	5
24K 5N 3W	3	33	.1	5
24K 5N 2W	9	36	.2	5
24K 5N 1W	5	48	.2	5
24K 5N LCP	16	74	.5	5
STD C/AU-0.5	40	125	7.9	490

ARME ANALYTICAL LABORATORIES LTD.
800 E. HASTINGS ST. VANCOUVER B.C. V6A 1R6
PHONE 253-3158 TELEX 04-53124

DATE RECEIVED: AUG 9 1985

DATE REPORT MAILED: *Aug 13/85*

ASSAY CERTIFICATE

-
-
-
-
SAMPLE TYPE: ROCK CHIPS AU& 10 GRAM REGULAR ASSAY

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

L.M. SCHRAM FILE # 84-3092

PAGE 1

SAMPLE#	Ag	Au
	oz/t	oz/t
0501	.86	.077

ACME ANALYTICAL LABORATORIES LTD.
852 E. HASTINGS ST. VANCOUVER B.C. V6A 1R6
PHONE 253-3158 DATA LINE 251-1011

DATE RECEIVED: SEPT 6 1985

DATE REPORT MAILED: *Sept. 12/85*

GEOCHEMICAL ICP ANALYSIS

.500 GRAM SAMPLE IS DIGESTED WITH 3ML 3-1-3 HCL-HNO3-H2O AT 95 DEG. C FOR ONE HOUR AND IS DILUTED TO 10 ML WITH WATER.
THIS LEACH IS PARTIAL FOR MN.FE.CA.P.CR.MG.BA.TI.B.AL.NA.K.W.SI.ZR.CE.SN.Y.NB AND TA. AU DETECTION LIMIT BY ICP IS 3 PPM.
- SAMPLE TYPE: ROCK CHIPS AU* ANALYSIS BY AA FROM 10 GRAM SAMPLE.

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

L. SCHRAM FILE # 84-2607

PAGE 1

SAMPLE#	CU PPM	PB PPM	AG PPM	AU* PPB
0502	1419	9949	76.8	8200

INTRODUCTION

The 24K Claim Group is located approximately 25 kilometers northwest of Keremeos, B.C. (fig.1) in the Osoyoos Mining Division. Access is from B.C. Highway 3A, 7 kilometers north of Keremeos to Ollala and hence, an additional 16 kilometers west along the Ollala Creek Road.

The property (fig. 2&3) is located in the plateau region which is situated just south of Apex Mountain. Exposures are generally northerly along Yuniman ridge in the southern sectors of the claims with westerly exposures predominating throughout the remaining portions. Elevations range from 1700 meters along the west boundry to more than 1900 meters along the eastern claim boundry. The claims are covered by mixed coniferous and deciduous forests thereby providing sufficient timber resources for exploration and development purposes.

PROPERTY HISTORY

The 24K Group (fig.2&3) is comprised of 2 contiguous claims totalling 32 units as outlined below:

<u>Claim</u>	<u>Record Number</u>	<u>Units</u>	<u>Record Date</u>	<u>Expiry Date</u>
24K	2110	20	Sept. 20/84	Sept.20/85
24K#1	2111	12	Sept. 28/84	Sept.28/85

Each of the claims are owned by Mr. Moore Schram of Ollala, B.C.

PROPERTY GEOLOGY

According to H.W. Little's Geology Map 15-1961, Kettle River (west half), the property is underlain by metasediments and metavolcanic rocks of Triassic age belonging to three contemporaneous formations including the Old Tom, Shoemaker and Independence Formations. These rocks have been intruded in the Northwest portion of the claims by Cretaceous plutonic rocks belonging to the Nelson Batholith. Mineralized epithermal shear structures have been observed associated with the intrusive/metasediment contact. Mineralization consists of disseminated chalcopyrite, malachite, galena and pyrite with associated silver

and gold values. These minerals were observed in metasedimentary (cherty) rocks which have been intruded by the gangue material silica and calcite. One assay sample (fig.10) and one litho-geochemical sample (fig.11) were collected for analysis. These samples were obtained from the trench (Elev.1870 M.) located at L0+00 1+50 (fig.4-8). Both of these samples indicated encouraging base and precious metal values associated with the structure exposed in the trench. This hydrothermal zone is striking at 120° and steeply dipping at 65° in a southwesterly direction with a width of approximately 1 meter.

GEOCHEMICAL SURVEY

This Survey (fig.3-6) on the 24K Group was conducted during the period August 5 to September 5, 1985. In all, a total of 8 days were spent on the combined geochemical and geophysical surveys. The survey was conducted by Mr. M. Schram plus one field assistant.

In addition to the above surveys, Mr. Schram collected 19 soil samples (fig.9) at the identification posts along the claim boundaries during the staking of the claims. These samples were analyzed for lead, zinc, silver and gold.

The geochemical survey consisted of establishing a small grid (fig.3-6) which was centered on the trench from which samples 501 and 502 (fig.10-11) were obtained. This grid which consisted of a 300 meter long E/W baseline had crosslines at 100 meter intervals with 50 meter sampling stations. In all, a total of 41 soil samples were collected from 1.8 line kilometers.

The geochemical samples were collected from the 'B' soil horizon, hand sorted for rock and organic material, placed in numbered Kraft paper envelopes and sent to Acme Laboratories of Vancouver, B.C. The samples were analyzed for silver and gold after being dried and sieved to -80 mesh. Silver values in p.p.m. are determined from a 0.50 gram sample which is digested by hot Agua Regia and analyzed by Inductively Coupled Argon Plasma (I.C.P.). Gold values in p.p.b. are obtained from a 10 gram sample which has been analyzed by atomic absorption.

Due to the limited number of samples, all results were treated subjectively. Threshold values of silver (fig.4) was established at 1.7 p.p.m. and that of gold (fig.5) at 70 p.p.b.

GEOPHYSICAL SURVEY

This survey (fig. 7,8) was conducted on a somewhat expanded grid. In all, a total of 4.5 line kilometers were surveyed. A Sabre VLF-EM (Model 27) instrument was utilized for this survey. It was tuned to the Annapolis, Maryland transmitter which operates at a frequency of 21.4 Khz.

TECHNICAL DATA AND INTERPRETATION

The geochemical survey (fig.4-6) conducted on the 24K Group was successful in outlining an anomalous zone on the grid.

The silver values (fig.4) ranged from a low of 0.10 to a high of 2.4 p.p.m. An arbitrary threshold value of 1.7 p.p.m. was established for silver though in actuality a lower value is probably more likely. Besides the value obtained at L0+00N 1+00N which is probably associated with the structure observed in trench #1, the geochemical survey outlined a broad anomalous to highly anomalous zone which trends east-west across the grid from L2+00W to L1+00E. This 300 meter long area is still open to the east, west and south and to date has a width of approximately 125 meters.

The gold values (fig.5) ranged from 1 to 265 p.p.b. Here again, an arbitrary value of 70 p.p.b. was established for the threshold. As can be seen from fig. 5, the gold broadly outlined the same zone with which silver is associated. This broader zone has a more northerly trend as is outlined by L0+00.

The composite map (fig.6) has detailed the silver and gold anomalies. Particular areas of interest are indicated by coincident anomalous gold and silver samples at L2+00W 1+00 and 1+50S as well as L0+00 1+50S.

The VLF-EM Survey (fig. 7&8) yielded low responses on the grid. A number of locally, isolated conductors were obtained. These are of limited extent and intensity. The strongest conductor was located in the northern sector of the grid and extends from L5+00W 4+25N to L1+00W 4+90N. A strong 'cross-over' was recorded at this last location. This anomaly is approximately 450 meters long with a width of 50 meters. It is interpreted as being a dike-like structure that is trending in an east/west direction and steeply dipping to the south. This anomaly is open to the west and trending off the grid at L1+00 4+90N.

The contoured dip angle (fig.8) indicates the anomalous zones and has given them better resolution.

Except for the localized VLF-EM anomalies located at L4+00W 0+75S and L1+00E 0+50S, the geophysical results are not coincident with the strong geochemically anomalous zones outlined in the southern sector of the grid.

CONCLUSION AND RECOMMENDATIONS

The geochemical and geophysical programs carried out on the 24K Group were successful in outlining a number of anomalous zones.

The soil sampling program was particularly effective in defining a broad silver/gold anomaly situated in the southeastern portion of the grid. A number of stations were highly anomalous in both silver (up to 2.4 p.p.m.) and gold (up to 265 p.p.b.). This zone is roughly 300 meters long and 100 to 250 meters wide and trends east/west.

The VLF-EM survey outlined a strongly conductive zone in the extreme northern part of the grid which is 450 meters long and 50 meters wide.

Chip samples located from a trench on the property confirm the presence of significant precious metal mineralization.

As a result of the positive, but inconclusive data collected from the surveys, it is recommended that the 24K Group undergo a more detailed and extensive geochemical survey as well as the continuation of the VLF-EM survey to outline the anomaly located in the northern part of the grid. Particular attention should be paid to the geology on the property.

ITEMIZED COST STATEMENT

M. Schram, prospector: 10 days @ \$100.00/day.....	\$1,000.00
I. Schram, Field Assist.: 8 days @ \$60.00/day.....	\$ 480.00
Food and Accommodation: 8 days @ \$30.00/day/man.....	\$ 480.00
Transportation: Truck Rental & Mileage.....	\$ 360.00
VLF-EM Rental: 10 days @ \$25.00/day.....	\$ 250.00
19 soil samples: Pb, Zn & Ag @ \$3.50 ea.....	\$ 66.50
Au @ \$4.00 ea.....	\$ 76.00
41 Soil Samples: Ag @ \$2.00 ea.....	\$ 82.00
Au @ \$4.00 ea.....	\$ 164.00
60 Samples preparation @ \$.60 ea.....	\$ 36.00

1 litho sample Cu, Pb, Ag.....	\$	3.50
Au.....	\$	4.00
1 assay Ag. Au.....	\$	10.50
2 Rock sample preparation @ \$2.75 ea.....	\$	5.50
Sample Shipment.....	\$	12.50
Typing & Photocopying.....	\$	60.00
2 days report preparation.....	\$	400.00
		<hr/>
	TOTAL	\$3,490.50

AUTHOR'S QUALIFICATIONS

I declare, that I, Roy D. Kregosky am a practicing Geologist having graduated from the University of Calgary in 1971 with a Bachelor of Science degree in Geology.

September 16, 1985


BSc. Geology