

85-658-
14556

DONALD E. AGUR

DIAMOND DRILLING ASSESSMENT REPORT

KATHLEEN MINERAL CLAIMS GROUP
KATHLEEN MOUNTAIN - TROUT CREEK AREA
SIMILKAMEEN MINING DIVISION
BRITISH COLUMBIA

10/86

North Latitude: 49° 45' West Longitude: 120° 07'

Mineral Claim Map 92H/16E

Geological Survey:	Field: William J. Weymark, P.Eng. Office: William J. Weymark, P.Eng.
Diamond Drilling:	Adam Diamond Drilling Ltd. Princeton, British Columbia
Chemical Analysis:	Bondar Clegg, Pemberton Avenue North Vancouver, B.C.

FILMED

WEYMARK ENGINEERING LTD.

1063 Balfour Avenue
Vancouver, B.C.

(604) 736-6812

**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

P/3

14,556

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Annex A Excerpt GSC Memoir 243 by Rice 1960
Annex B Geological Log DDH-85-1
Annex C Geological Log DDH-85-2
Annex D Cost Distribution

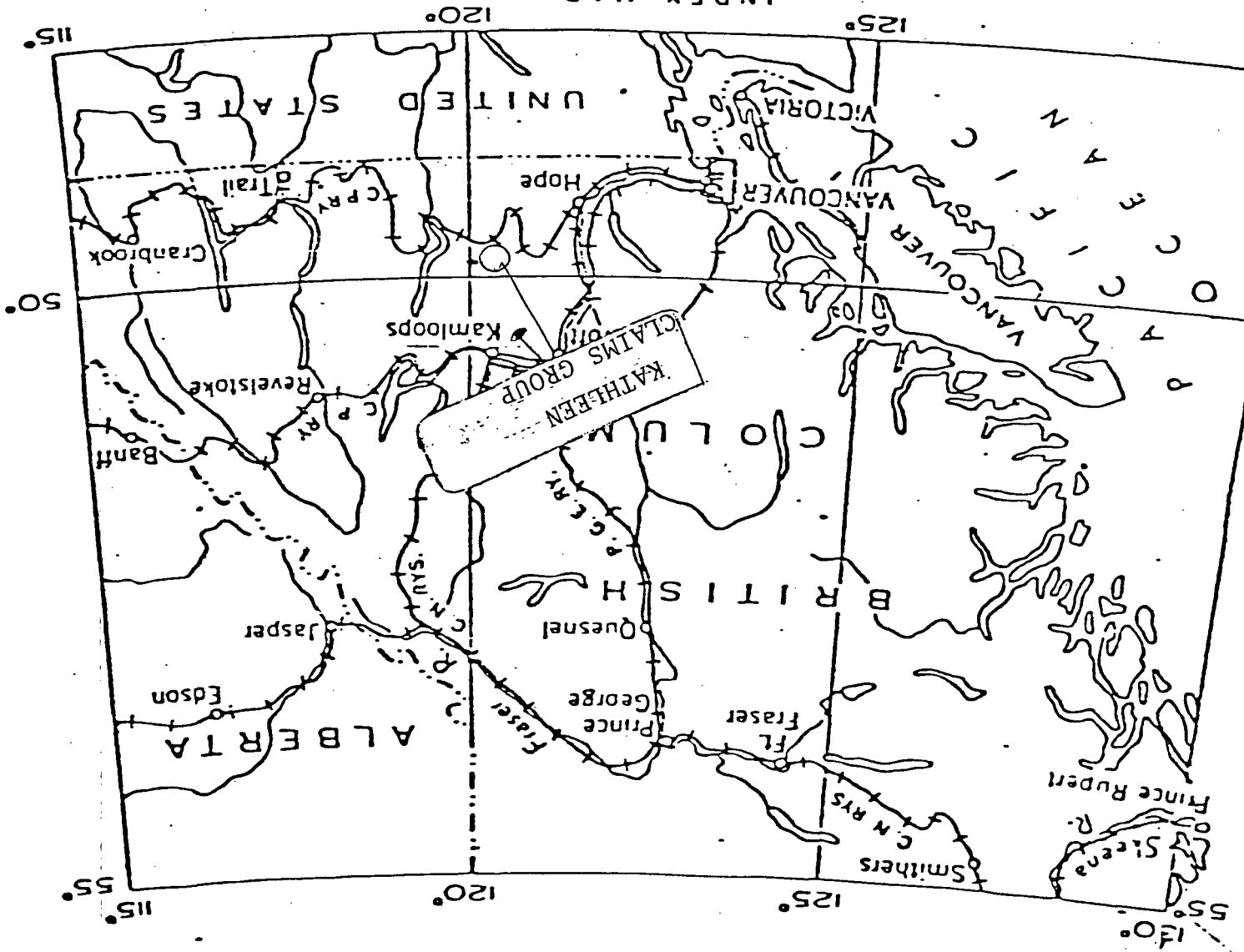
ILLUSTRATIONS

Figure 1 Frontispiece
Figure 2 Claims Location
Figure 3 Access - Topography
~~Figure 4 Regional Geology~~
Figure 5 Drill Hole Locations

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KATHLEEN MINERAL CLAIMS GROUP
SIMILKAMEEN MINING DIVISION
BRITISH COLUMBIA

INDEX MAP



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Consulting Engineers

3310 WESTMOUNT ROAD
WEST VANCOUVER, B.C.
CANADA

TELEPHONE
922-1536

October 1, 1985

Mr. Donald E. Agur
Box 930
Summerland, B.C.
VOH 1Z0

Sir:

Re: Diamond Drilling Assessment Report
Kathleen Mineral Claims Group
Similkameen Mining Division
British Columbia

I am pleased to submit for your information, this Assessment Report on the results of the Diamond Drilling programme carried out on the Kathleen Mineral Claims Group on the 12th of August through 20th September, 1985 and the subsequent review of the available information relating to the property.

The purpose of this Report is to record the results of the Diamond Drilling programme carried out on the Kathleen Mineral Claims Property August - September, 1985. The expenditures involved in these works exceeded \$13,000, Annex D. The property now merits more detailed investigation in order to further assess its subsurface Gold-Silver-Manganese-Copper metallic mineralization potentialities.

1.0 PROPERTY

The Kathleen Mineral Claims property consists of 6 located mineral claims viz:

<u>Name</u>	<u>No. Units</u>	<u>Record No.</u>	<u>Date of Record</u>
Disco-2	2 units	804 (11)	1 November 1979
Disco-3	4 units	852 (11)	15 November 1979

The reference Mineral Claims Map is 92H/16E of the B.C. Department of Mines, see Fig. 2. The claims are currently in good standing with respect to Assessment Work Requirements of the B.C. Department of Mines. The Geographical Coordinates are 49°45' North latitude and 120°7' West longitude.

The claims are within the Similkameen Mining Division with recording office in Princeton, British Columbia and the Kamloops Land District with Registry in Kamloops, British Columbia.

2.0 ACCESS AND LOCATION

The claims are readily accessible by automobile from Princeton, British Columbia over the partially paved Osprey Lake Road to Mazama 20 miles distant then over logging roads for four miles. Alternatively, the claims may be reached from Peachland via the westerly Brenda Mine - Trout Creek Thirsk Lake Road, - a distance of some 20 miles, Fig. 3.

There are several logging roads on the claims area which provide access to most of the claims area.

The claims are accessible year-round except in heavy snow and fire-peril periods.

3.0 CLIMATE

Climatic conditions on the claims area are designated Central Interior with dry summers and cold winters. Precipitation averages about 12" per year with 24" of snowfall. Work may be carried out on the claims area year round except in fire and heavy-snowfall periods.

4.0 PHYSIOGRAPHY

The relief of the claims area is moderately rugged being the southern slope of Kathleen Mountain. Most of the area is covered with Glacial Till and Gravels with bedrock outcrop being scanty and only occurring on the slopes of the ridges. Depths of overburden range to over 20 feet.

The area has been extensively logged and now secondary-tertiary growth stand - both of coniferous and deciduous growth. Elevations on the claims are of the order of 5,000 feet above sea level, see Fig. 3.

Kathleen Creek provides the drainage system being a tributary of the Trout Creek - Okanagan basin.

Rights to the use of water and timber resources have to be obtained from the B.C. government.

5.0 DESCRIPTION - HISTORY

Historical reference to the claims-area proper is scanty, the main source being page 110 Memoir 243, Geological Survey of Canada, Geology and Mineral Deposits of the Princeton Map Area, 1960 - Annex A. There are old workings - including

two adits now caved, debris filled trenches which probably relate to prospecting in the area, 1900-1983 periods.

Part of the claims were held by Excel Exploration, 1972-1973. During this period Geochemical-Geophysical Surveys were conducted. Several anomalous zones were indicated, - Copper-Silver and Magnetometer from these Surveys. Some of these records are available in Assessment Report 4896M, 1973. It is recorded therein that a drill hole intersected, some 60 feet down dip, returned weighted average assays across a true width section of ten feet, Gold 0.16 oz. per ton, Silver 2.92 oz per ton and 0.32% Copper, see Fig. 5.

Several anomalous areas were revealed, the significant ones are shown on Fig. 5. The mineral-anomalous zones are located within the claim boundaries as staked.

6.0 RESOURCES

There is an abundance of resources needed for Mining-Exploration-Development-Operation within the claims area. These include power-water-timber-construction materials. Support facilities of labour-equipment-transportation-telecommunications as well as accommodation are available in Princeton-Peachland and Vancouver. Railroad facilities are accessible within four miles at Mazama, Fig. 3.

7.0 GEOLOGY

The main Geological Reference of the Claims is Memoir 243, Geological Survey of Canada, Geology and Mineral Deposits of the Princeton Map Area, British Columbia by H.M.A. Rice, 1960 - Map 888A, Fig. 4. Other references are included in the Annual Reports of the B.C. Department of Mines.

The age chronology of the Geological sequence is recorded on Fig. 4 where it is evident that the predominant formation is Cretaceous-Tertiary Intrusives - Granite-Grando-diorites and Coast Intrusives - Granites-Quartz Diorite-Porphyry. There are local bodies of Meta-volcanics and sediments of the Nicola Group.

Structurally the area has been subjected to considerable faulting-shearing and fracturing related to intrusive activity, especially the Guichon Batholith. The trends of these vary from North-westerly to North-easterly. Dips are generally to the East. Accompanying these structural movements there has been a considerable influx of Quartz-Carbonaceous-Chloritic material with Argilic alteration including Metallic Mineralization of Copper-Gold-Silver-Manganese-Molybdenum.

Detailed geological mapping is required of the claims area.

8.0 MINERAL ZONES, WORKS AND ASSAYS

The main mineralized zone strikes northerly and dips steeply to the west and averages about nine feet in width. It

exhibits Magnetite-Manganese-Copper mineralization and staining. It has been traced for over 500 feet. Other minerals present are Carbonates, Quartz, Sphalerite, Pyrite, and other sulphics. The location of the drill holes drilled by others is shown on Fig. 5.

9.0 DIAMOND DRILLING PROGRAMME

A contract was given to Adams Diamond Drilling Ltd. of Princeton, British Columbia for 600 feet of B.Q. sized core. Two holes were drilled 85-1 (150 feet) and 85-2 (450 feet), the locations of which are shown on Fig. 5 and the geological logs in Annex B and C. The costing of the programme is given in Annex D.

10.0 RESULTS

Geochemical (Gold and Silver) assays of the sludge recovered in each hole is given on Annex B and C. See Annex B and C and Fig. 5.

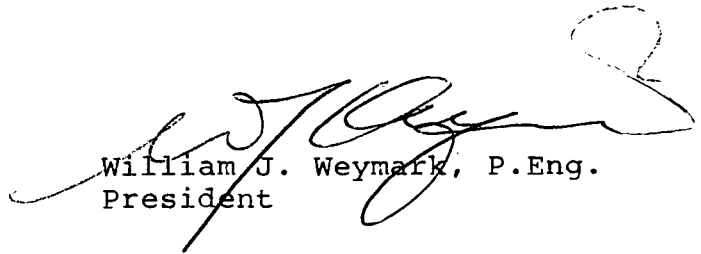
Several interesting mineralogical intersections were revealed. The cost of the Drilling Programme is given in Annex D.

11.0 OPINION

On the basis of the results obtained, I am of the opinion that further Diamond Drilling and Geo Surveys should be

undertaken to assess the Commercial Metallic mineral significance of this property, however, it is to be noted that no ore zones have been located on the claims to date. Commercial grades have been recorded.

Respectfully submitted,



William J. Weymark, P.Eng.
President

P/3

CERTIFICATE

I, William J. Weymark, P.Eng., Consulting Engineer, President of Weymark Engineering Ltd., of the District of West Vancouver, of the Province of British Columbia, hereby certify that:

1. I am a graduate of Mining Engineering of Queen's University Kingston, Ontario, B.Sc. 1940 and have been practising my profession for thirty-five years.
2. I am a member of the Association of Professional Engineers of the Province of British Columbia, the Consulting Engineers Division of the Association of Professional Engineers of British Columbia, and the Association of Consulting Engineers of Canada.
3. I am a practising Consulting Engineer and reside at 3310 Westmount Road, West Vancouver, British Columbia.
4. I am a member of the Canadian Institute of Mining and Metallurgy and of the American Institute of Mining, Metallurgical and Petroleum Engineers and of the American Geophysical Union.
5. I have no direct or indirect interest whatsoever in Argonex International Ltd. or in the Kathleen Mineral Claims Group, nor do I expect any interest, direct or indirect in this organization or property or any affiliate or any security of the company.
6. The findings of the accompanying report are based on my personal examination of the Kathleen Mineral Claims Group on August - September, 1985 and of the Princeton - Kathleen Mountain Brenda Mine area Geological Features at previous times, 1960-1983.

Dated at West Vancouver, British Columbia this 1st day of October, 1985.


William J. Weymark, P.Eng.
President
Weymark Engineering Ltd.

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APPENDICES

Kathleen Mountain Property (15)

The Kathleen Mountain property is at an elevation of some 5,000 feet on the east side of upper Trout Creek, about 2 miles north of Mazama. There the Trout Creek body of the Otter intrusions cuts the Osprey Lake granodiorite body.

At one place where a tongue of Trout Creek granite cuts the granodiorite the latter has been fractured and silicified. Close to the contact are small irregular bodies of a manganese-bearing carbonate carrying small specks of chalcopyrite. A hundred feet or so from the contact an adit 200 feet long has been driven northerly to follow a strong, silicified and sheared zone exposed at the surface. There it is 15 or 20 feet wide, and consists of brecciated and silicified granodiorite sealed with sugary and vuggy quartz. No sulphides could be seen. Quartz veins occur in the fracture only near the portal of the adit and crosscuts to both sides fail to disclose anything but relatively unaltered granodiorite. On the opposite side of a small gully on or very close to the contact with the Trout Creek granite, several open-cuts have explored the carbonate deposits referred to above, but no copper ore of commercial grade was seen. A spectrographic analysis failed to reveal the presence of any unusual elements.

Jessie Claim (16)

Reference: Ann. Rept., Minister of Mines, B.C., 1928, p. 264.

The Jessie claim, owned by E. H. Holes and Dan McDonald of Coalmont, is near the Kettle Valley Railway just east of Thirsk. The showings consist of one or more quartz veins in the Osprey Lake granodiorite. Workings consist of an open-cut and two short adits, all probably on a single quartz vein that varies from an inch to 8 inches in width and carries pyrite, chalcopyrite, sphalerite, and galena. The following assays are reported by the Resident Engineer:

Gold	Silver	Copper	Zinc	—
Oz. a ton	Oz. a ton	Per cent	Per cent	
0.56	0.70	0.30	54	Picked sample from lower adit
Tr.	1.20	1.8	10 (about)	General sample from lower adit

Hematite Claim (35)

Reference: Ann. Rept., Minister of Mines, B.C., 1928, p. 263.

The Hematite claim, owned by W. C. Wilkins and associates of Penticton and Princeton, is about 1 mile up Finnigan Creek, which flows into Hayes Creek about 6 miles from Jellico Siding on the Kettle Valley Railway. Here a zone of fracturing in the Osprey Lake granodiorite carries hematite and some galena and sphalerite. The extent of the fracture zone is not known, but an exposed area of some 30 feet by 40 feet of sheared granodiorite carries hematite.

Independence Group (18)

References: Ann. Repts., Minister of Mines, B.C.: 1906, p. 180; 1907, p. 144; 1908, p. 132; 1913, p. 237; 1924, p. 139; 1926, pp. 196-197; 1927, p. 208; 1928, p. 227. Camsell, 1913, pp. 166-168. Cairnes, 1924, pp. 160-163.

The Independence group, owned by Y. Holmes of Princeton, is situated on the west edge of the map-area near the headwaters of Lawless Creek. The camp is at an elevation of some 5,400 feet on the divide between Lawless Creek and Coldwater River, and is reached either by a short steep trail from Coquihalla Siding on the Kettle Valley Railway or by a more gently graded trail, roughly paralleling Lawless Creek, from Tulameen River.

The deposits were discovered in 1901, and explored by a New York syndicate. In 1906, the property was optioned by the Granby Company of Phoenix who excavated more than 1,000 feet of adits and drifts, 265 feet of shafts, and numerous

DIAMOND DRILL HOLE RECORD

ANNEX - B

MINE.....KATHLEEN CLAIMS GROUP

DATE.....30 Sept 1985

HOLE No. 85 - 1 SIZE BQ.....

Co-ordinates of Collar

LOCATION.....Disco Claims.....

0± 80 West

DIRECTION.....VERTICAL 90°

N.....E.....

DEPTH 150 Feet DIP 90°

STARTED 14 August 19

POSITION SURFACE ELEV. COLLAR 5000 Ft ABSL

FINISHED 17 August 19

SECTION			LOG	ASSAY		
FROM	TO	RECY		NUMBER		
0	9.0		Casing			
9.0	68.0		Granodiorite, Greyish medium grained some breccia feldspar phenocrysts to 1/4 inch; Rusty seams, sheared, sulphide mineralization hematite and manganese slip stained			
68.0	90.0		Diorite porphyritic finer grained, sheared and heavy sulphides 75 - 85			
90.0	150.0		Granodiorite, sheared darker grey, variable sized phenocrysts, some breccia sulphides and rusty slips			
150.0			END OF HOLE			

TOTAL 141' 94° Recovery
 REMARKS: Good drilling

DRILLERS.....Adam Diamond Drillers.....
 EXAMINED BY.....Princeton, B. C.....
 ASSAYER.....Bondar Clegg.....DATE.....
 North Vancouver B C. (OVER)

LOGGED: William J. Weymark P. Eng

REPORT: 125-2341

PROJECT: KATHLEEN

PAGE 1

SAMPLE NUMBER	ELEMENT UNITS	Ag PPM	Au PPB
X2 KATHLEEN 95 (PREFIX)			
X2 SAMPLE #1-0-10		0.9	<5
X2 SAMPLE #2-10-20		1.2	25
X2 SAMPLE #3-20-30		1.6	160
X2 SAMPLE #4-30-40		1.0	95
X2 SAMPLE #5-40-50		1.3	55
X2 SAMPLE #6-50-60		0.6	30
X2 SAMPLE #7-60-70		4.0	240
X2 SAMPLE #8-70-80		7.6	160
X2 SAMPLE #9-80-90		8.4	440
X2 SAMPLE #10-90-100		1.2	30
X2 SAMPLE #11-100-110		0.5	30
X2 SAMPLE #12-110-120		1.0	15
X2 SAMPLE #13-120-130		0.8	15
X2 SAMPLE #14-130-140		0.7	20
X2 SAMPLE #15-140-150		13.0	220

CERTIFIED AS TO PROCUREMENT

WILLIAM J. WEYMARK P. ENG

DIAMOND DRILL HOLE RECORD

MINE.....KATHLEEN CLAIMS GROUP

DATE 30 September 1985

HOLE No. 85 - 2 SIZE BQ

Co-ordinates of Collar

LOCATION 250 Westerly DDH #85-1

DIRECTION Southeasterly

N. E.

DEPTH 450 Feet DIP - 50°

STARTED 19 August 85

POSITION Surface ELEV. COLLAR 5000 ft ABSL

FINISHED 29 Aug 1985

SECTION			LOG	ASSAY			
FROM	TO	RECY		NUMBER			
0	7.0		Casing				
7.0	129.0		Granodiorite - Whitish to Grey; medium to fine grained Felspar pheno, some alteration 10-40' sulphides				
129.0	360.0		Otter Rhyolite Porphyry, breccia in places medium to coarse grained - whitish pink greyish altered 190 - 250, ground, silicified sulphides, hematite, manganese, calcite slips				
360.0	450.0		Granodiorite - medium to fine grained whitish grey some alteration - andesitic dykes sulphides, hematite, manganese slips Ground 400. - 450				
450			End of Hole				

TOTAL 440' % 97.7%

REMARKS:

DRILLERS Adam Diamond Drillers

Princeton, B. C.

EXAMINED BY W. J. Weymark P. Eng

ASSAYER DATE

Bondar Clegg Chemists (OVER)



REPORT: 125-2646

PROJECT: KATHLEEN

PAGE 1

SAMPLE NUMBER	ELEMENT UNITS	Ag PPM	Au PPB	SAMPLE NUMBER	ELEMENT UNITS	Ag PPM	Au PPB
Z2 PREFX KATHLEEN-85-2-				Z2 40-390-400		1.4	170
Z2 1-0-10		35.0	15	Z2 41-400-410		2.8	120
Z2 2-10-20		10.0	3400	Z2 42-410-420		1.3	62
Z2 3-20-30		12.0	520	Z2 43-420-430		0.9	35
Z2 4-30-40		>50.0	460	Z2 44-430-440		1.0	30
Z2 5-40-50		7.3	90	Z2 45-440-450		0.6	20
Z2 6-50-60		12.0	40				
Z2 7-60-70		8.3	65				
Z2 8-70-80		11.0	30				
Z2 9-80-90		6.8	15				
Z2 10-90-100		6.4	10				
Z2 11-100-110		7.2	20				
Z2 12-110-120		2.0	10				
Z2 13-120-130		2.5	15				
Z2 14-130-140		2.1	5				
Z2 15-140-150		1.8	<5				
Z2 16-150-160		1.6	5				
Z2 17-160-170		2.3	<5				
Z2 18-170-180		1.6	5				
Z2 19-180-190		7.1	10				
Z2 20-190-200		3.4	30				
Z2 21-200-210		14.0	4400				
Z2 22-210-220		8.8	2800				
Z2 23-220-230		4.3	1700				
Z2 24-230-240		3.0	1350				
Z2 25-240-250		2.8	1100				
Z2 26-250-260		0.8	260				
Z2 27-260-270		1.0	600				
Z2 28-270-280		0.7	280				
Z2 29-280-290		1.4	150				
Z2 30-290-300		0.5	75				
Z2 31-300-310		0.5	50				
Z2 32-310-320		0.4	30				
Z2 33-320-330		0.4	40				
Z2 34-330-340		0.5	50				
Z2 35-340-350		0.5	35				
Z2 36-350-360		2.2	140				
Z2 37-360-370		7.2	280				
Z2 38-370-380		7.8	200				
Z2 39-380-390		2.4	380				

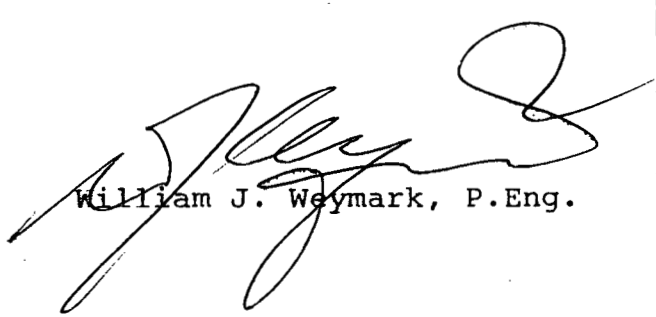
CERTIFIED AS TO PROCUREMENT

W. J. WEYMARK P. ENG.

ANNEX D

COST DISTRIBUTION

1.	Diamond Drilling, 600 feet Adam Diamond Drilling Ltd. P.O. Box 1691 Penticton, B.C.	\$ 8,450.00
2.	William J. Weymark, P.Eng. Field: August, September, 1985 Office: September 9-20, 1985 Automobile: 1,200 miles @ \$0.30	 1,000.00 1,700.00 360.00
3.	Weymark Engineering Ltd. Assembly of Field Data, Collation, Fair Drawing, Preparation and Finalization of Report Maps and Reproduction Printing	 200.00 82.60 150.00
4.	Bondar Clegg, 130 Pemberton Avenue North Vancouver, B.C. Chemical Analysis	 <u>1,886.50</u>
		<u>\$13,829.10</u>


William J. Weymark, P.Eng.

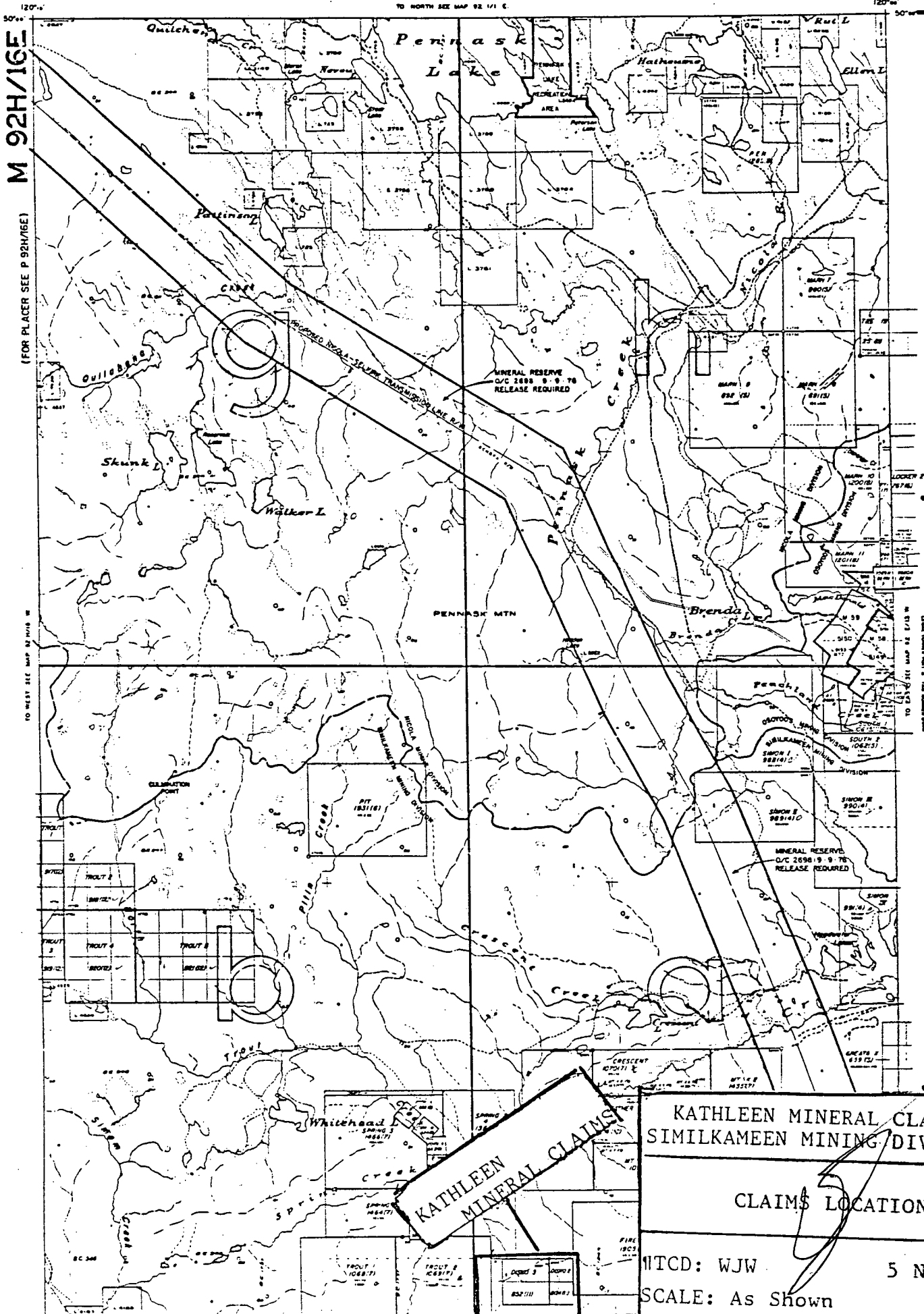
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ILLUSTRATIONS

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M 92H/16E

(FOR PLACER SEE P 92H/16E)

TO WEST SEE MAP 92 H/16 W

TO NORTH SEE MAP 92 1/1 E.

KATHLEEN MINERAL CLAIMS

KATHLEEN MINERAL CLAIMS
SIMILKAMEEN MINING DIVISION

CLAIMS LOCATION

WJW

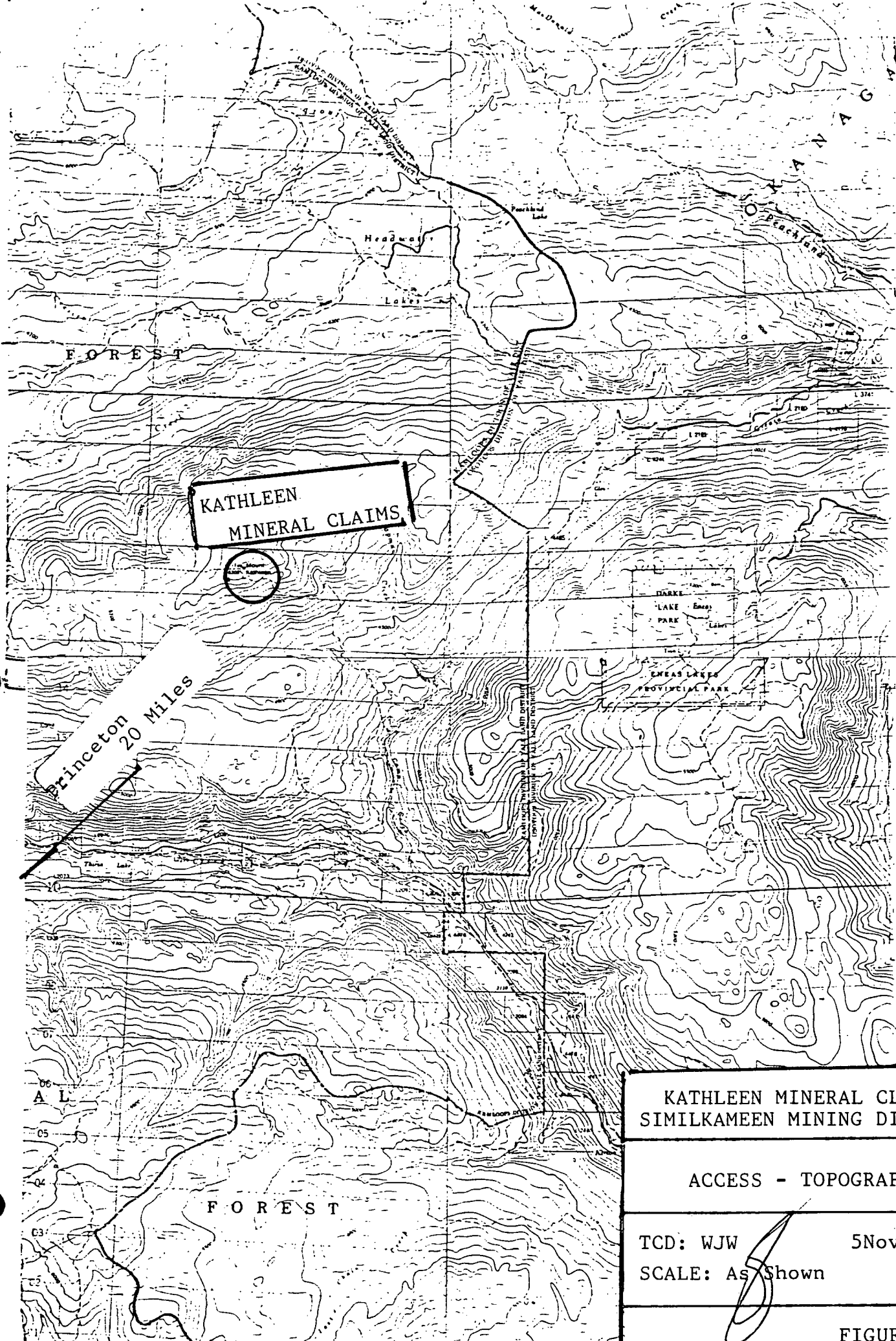
5 Nov. 1984

SCALE: As Shown

FIG: 2

MINERAL TITLES REFERENCED
DEPARTMENT OF MINES AND PETROLEUM

MEOLA, OSOYOOS & SIMILKAMEEN MINING DIVISIONS
Mining Division Boundary
Water Reservation
Historical and Placer Reserves
Crown Ownership
Registered CG Instream Claim
Partially Registered Claim



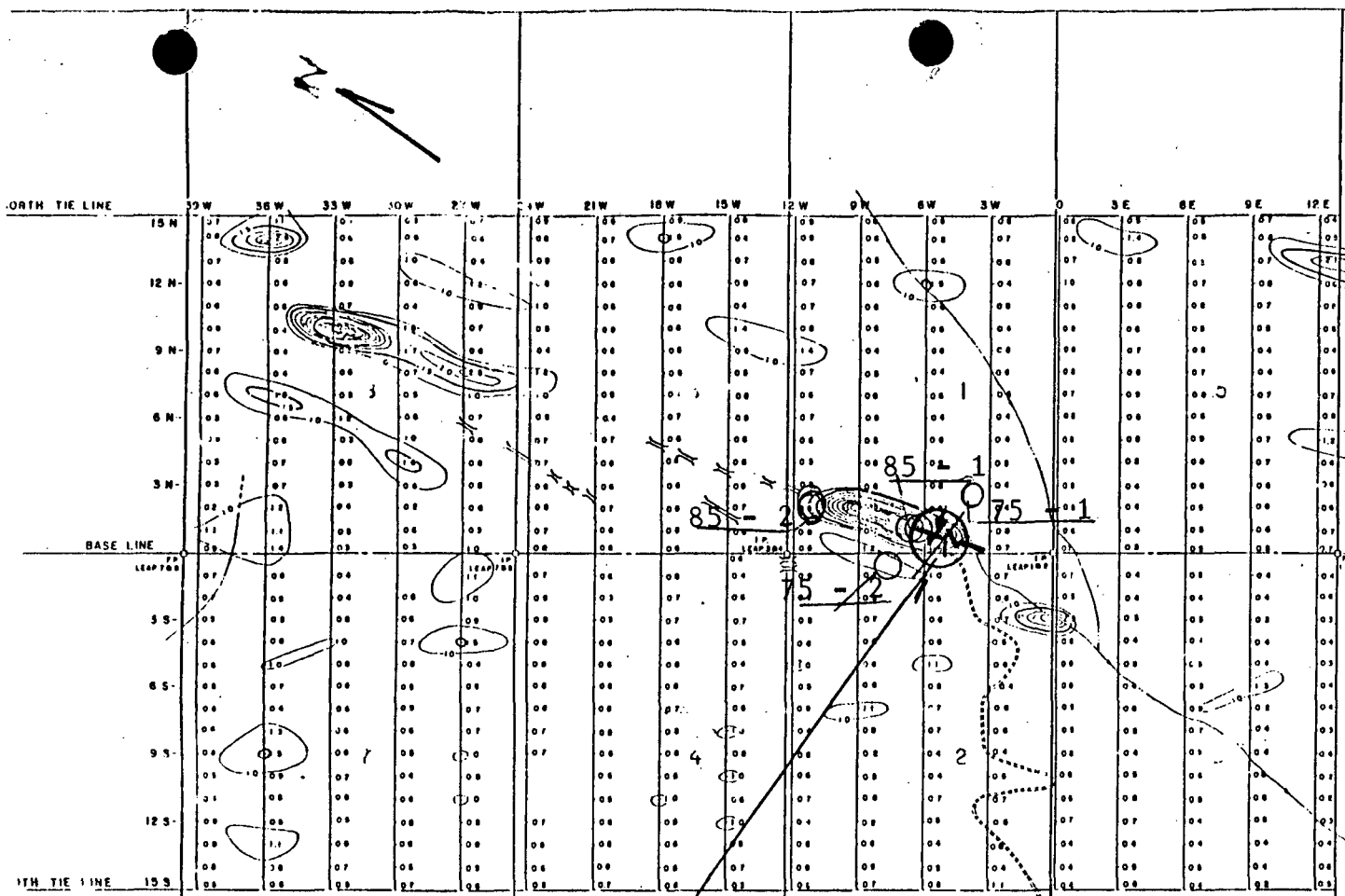
KATHLEEN
MINERAL CLAIMS

Princeton
20 Miles





KATHLEEN MINERAL CLAIMS
SIMILKAMEEN MINING DIVISION

ACCESS - TOPOGRAPHY

TCD: WJW 5Nov 1984
SCALE: As Shown



LEGEND

-  ADITS
-  GEOCHEMICAL SILVER ANOMALY
-  TRENCHES
-  DIAMOND DRILL HOLE

FOR SAMPLE ASSAYS - SEE ANNEX B

REPORT: 424-3767

SAMPLE NUMBER	ELEMENT UNITS	Au OPT	Ag OPT	An PCT
R KATHLEEN A		0.225	0.99	
R KATHLEEN B		0.212	0.69	
R KATHLEEN C		0.006	0.06	
R KATHLEEN D		0.003	0.24	
R KATHLEEN COMP				4.98

KATHLEEN MINERAL CLAIMS
SIMILKAMEEN MINING DIVISION

WORKS - SAMPLES - PROGRAM
DRILL HOLE LOCATION

DRWN: WJW 5 Nov 1984
SCALE: As Shown

FIGURE: 5