

86-853-15607

REPORT ON  
PRELIMINARY GEOPHYSICAL  
WORK CONDUCTED ON  
THE BEE 2 AND 3 MINERAL CLAIMS  
GREENWOOD M.D., BRITISH COLUMBIA  
NTS 82E2W  
by

Douglas Wood, B.Sc.

DECEMBER 22, 1986

49°05' 118°58'

Owner : Arizeo Resource Corp.  
Operator: Silver Falls Resources Corp.  
Leonard Wong

**GEOLOGICAL BRANCH  
ASSESSMENT REPORT**

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## INTRODUCTION

Pursuant to a request from the directors of Silver Falls Resources Ltd., a preliminary magnetometer survey was completed over the Bee 2 and 3 mineral claims between December 6 and 9, 1986.

The purpose of this report is to present the results of this survey and to relate them to known silver mineralization on the property.

## LOCATION AND ACCESS

The Bee 2 and 3 claims are accessed by the all weather east Kettle Valley road 4 km north of Rock creek, B.C. (Figure 1).

The claims are located at approximately 49 degrees 05' North latitude and 118 degrees 50' West longitude.

## TOPOGRAPHY AND CLIMATE

The Bee claims are within an area of moderate terrain in the South Central Interior region of the B.C. The property is situated on the east side of The Kettle River.

Out exposure on the property is on the order of 10% to 15%, although much of this was covered by snow at the time that this survey was conducted.

The climate in the area of the Bee 2 and 3 claims is typical of that found within the rain shadow of the Coast Ranges of British Columbia with dry hot summers and mild winters. Rainfall is generally less than 60 centimeters per year and usually occurs as snow during the winter months.

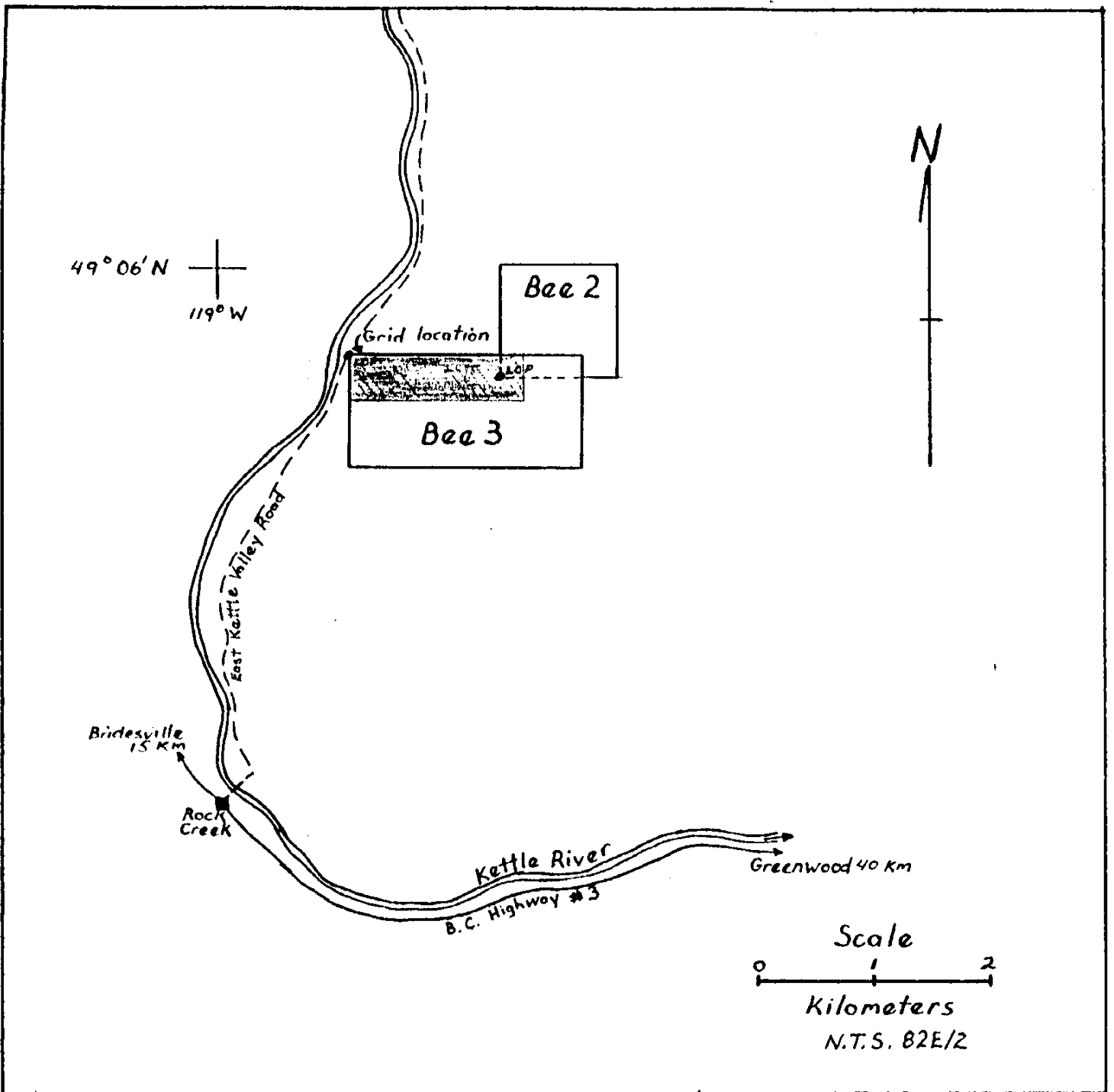
Vegetation on the claims consists of open stands of pine, fir, and bunch grass.

## PROPERTY

The Bee claims consist of two mineral claims, the Bee 2 (rec.#2581) and Bee 3 (rec.# 2582). The Bee 2 consists of 4 metric units and the Bee 3 is 8 units. Both claims are registered in the name of Arizco Resource Corp. and are currently under option to Silver Falls resources Ltd.

## HISTORY

Mineralization on the Bee claims is associated with silver and gold bearing lead zinc veins on the adjacent Kelly and Imperial groups. Development on the Kelly and Imperial between 1944 and 1949 resulted in shipments totaling 763 metric tonnes of ore averaging 2.73 g/t gold, 378.3 g/t silver, 1.32% lead, and 1.73%



SILVER FALLS RESOURCES LIMITED

Bee Claims

Figure 1 : Location Map

zinc.

### GENERAL GEOLOGY

The property is underlain by greenstone and meta-sediments of the Anarchist group. These rocks are intruded by highly altered ultramafic dikes.

Mineralized veins are associated with north striking shear zones.

Mineralization occurs as pyrite, galena, and sphalerite within quartz and breccia.

### SURVEY PROCEDURES

A magnetometer survey was carried out in conjunction with the establishment of a chain and compass survey grid over portions of the property.

The grid was established from legal corner post (L.C.P.) of the Bee 3 claim. A north-south base line was run due south of the L.C.P. for 400 meters. All east-west grid lines were tied into the base line.

Data stations were established at 50 meter intervals on all east-west grid lines where readings were taken in gammas relative to an arbitrary 6000 gamma base station reading.

A Sharp model MF-1 fluxgate magnetometer was used to obtain all magnetic flux readings.

All data lines were looped for correction of diurnal drift and a base station was maintained at station 0+00E on Line 1S.

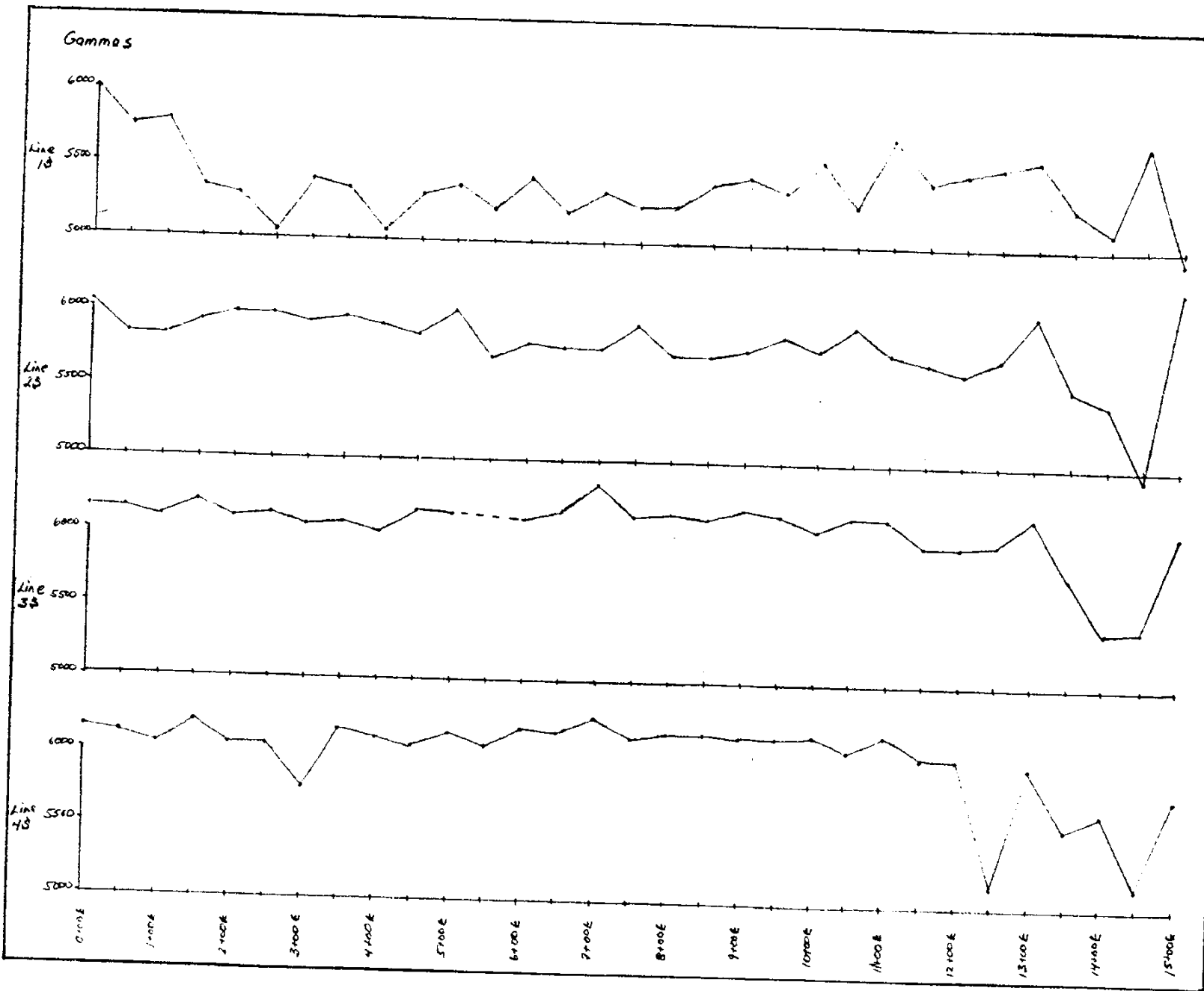
### GEOPHYSICS

The magnetometer survey on the Bee Claims is presented in this report as figures 2 (magnetic line profiles) and figure 3 (magnetic data map).

Although values for magnetic flux were corrected for diurnal drift, difficulties were encountered reducing and matching data between survey lines. It is assumed that these problems resulted from improper calibration. Due to this difficulty no attempt was made to contour corrected data.

An examination of the magnetic line profiles (figure 2) reveals several NNE trending magnetic fluctuations, the most noticable of which can be seen at the eastern edge of the grid where fluctuations are in the range of 1000+ gammas. It was noted in the field that these fluctuations correlated with a narrow valley between two NNE trending terraced ridges.

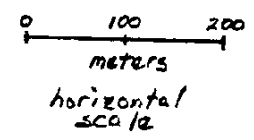
Other fluctuations are much less obvious, but do appear to



Silver Falls Resources Ltd.

Figure 2

Magnetic Line Profiles



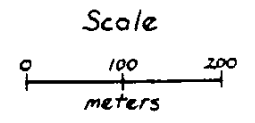
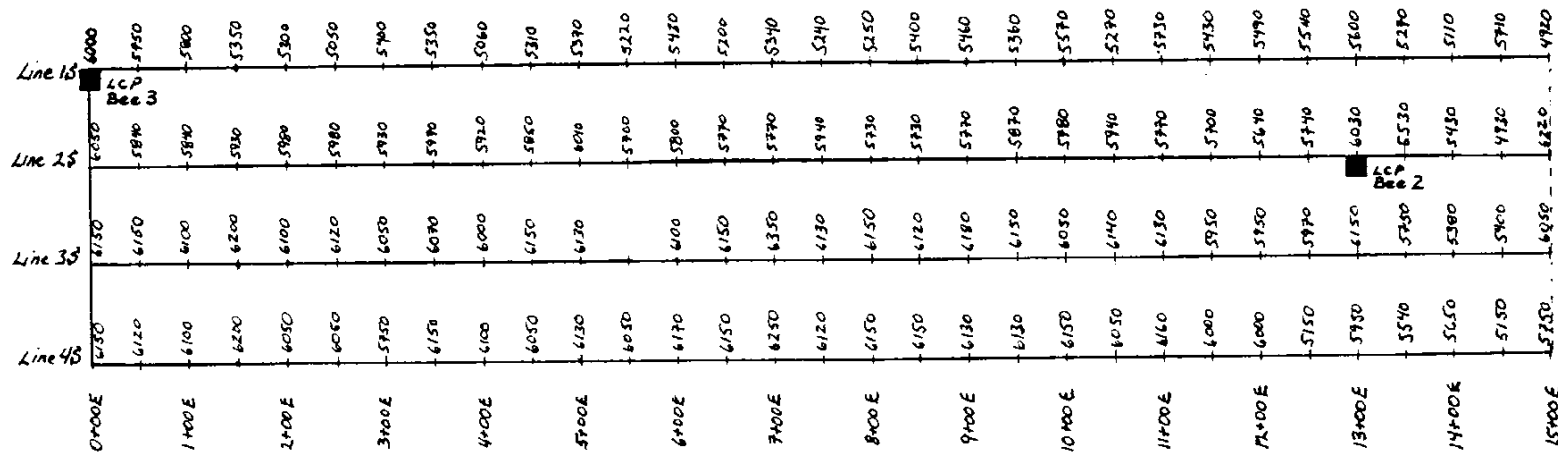
Dec. 1986

D.H. Wood

Silver Falls Resources Ltd.

Figure 3

Magnetic Data Map



Dec. 1986

D.H. Wood

follow a roughly NNE trend between grid lines, such as those between Line 1S-10+50E and Line 2S-10+00E, between Line 1S-6+50E and Line 4S-3+00E, and between Line 1S-2+50E and Line 2S-1+00E.

The most probable source of these phenomena are either the presence of geological boundaries between rock units or the presence of shear zones underlying the grid area.



## CONCLUSIONS AND RECOMMENDATIONS

The results of the preliminary magnetometer survey on the Bee Claims indicate the possibility that the claims are underlain by NNE trending shear zones, particularly at the eastern edge of the grid area covered by this survey.

Mineralization adjacent to the Bee Claims is associated with North trending vein systems and it is probable that one or more of the structures outlined by this survey may represent similar mineralized vein systems.

The success of this survey in outlining structures indicates that an expanded geophysical program including some 40 km of magnetometer and VLF-EM surveys, as recommended by Mr. E.N. Larabie, P.Eng. in his March 1986 report on the Bee, Kelly, Imperial and Enid claims, would be helpful in outlining potential economic mineralization on these claims.

Due to calibration and correlation problems encountered during this survey, it is suggested that further magnetometer surveys be conducted using a proton procession magnetometer such as the Scintrex model MP-2, and that a continuous base station with a chart recorder be used to maintain control of diurnal and other variations.

Respectfully submitted,



Douglas H. Wood, B.Sc.

December 22, 1986

## REFERENCES

Publications and reports, public and private, available to the writer and containing information pertinent to the property area and subject of this report are as follows:

Bacon, W.R. (1978)

Lode gold deposits in Western Canada, CIM Bulletin, Vol. 71, July 1978, p 96-104

Barr, D.A. (1980)

Gold in the Canadian Cordillera, CIM Bulletin, June 1980, p 59-76

Larabie, E.N., P.Eng. (March 1986)

Evaluation Report on the Bee, Kelly, Imperial and Enid Claims for Silver Falls Resources Ltd.

STATEMENT OF COSTS

BEE CLAIMS

WAGES

D.H. Wood	(5 days @ \$200/day)	\$800.00
D. Fennings	(5 days @ \$100/day)	500.00
Vehicle Rental	(5 days @ \$ 40/day)	200.00
Vehicle Fuel		179.44
Magnetometer Rental	(5 days @ \$40/day)	200.00
Food and Accomodation		305.12
Field supplies and equipment		25.44
Report preparation		350.00

**Total Costs** **\$ 2,560.00**

Dated at Vancouver, Province of British Columbia, this 22nd day  
of December, 1986.



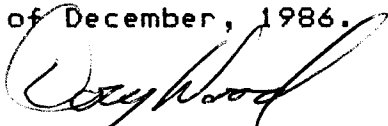
Douglas H. Wood, B.Sc.  
Consulting Geologist

CERTIFICATE

I, Douglas Harold Wood, of the city of Vancouver, Province of British Columbia, hereby certify as follows:

1. I am a Consulting Geologist with offices at 808-1844 Barclay Street, Vancouver, British Columbia, Canada.
2. I am a graduate of the University of British Columbia, where I received the degree of Bachelor of Science in Geology in May 1981 and completed one year of post graduate studies at the University of B.C. in May 1982.
3. I am an Associate in good standing of the Geological Association of Canada.
4. I worked as a Geological Assistant each summer from May 1977 to September 1981 where I received experience in mineral exploration and regional geological mapping.
5. I have worked continuously as a Geologist from May 1982 to present on numerous projects throughout Canada and the western United States.
6. This report, dated December 24, 1986, is based on field examinations made by myself between December 6th and 9th, 1986, and a study of available public and private data and reports pertaining to the area.

Dated at Vancouver, Province of British Columbia, this 22nd day of December, 1986.



D.H. Wood, B.Sc.

Consulting Geologist

APPENDIX A

MAGNETIC DATA

Base Station set @ = 6000 gammas

Line 1S

Station	Reading	Station	Reading
0+00E	6000	0+50E	5750
1+00E	5800	1+50E	5350
2+00E	5300	2+50E	5050
3+00E	5400	3+50E	5350
4+00E	5050	4+50E	5300
5+00E	5350	5+50E	5200
6+00E	5400	6+50E	5170
7+00E	5300	7+50E	5200
8+00E	5200	8+50E	5350
9+00E	5400	9+50E	5300
10+00E	5500	10+50E	5200
11+00E	5650	11+50E	5350
12+00E	5400	12+50E	5450
13+00E	5500	13+50E	5170
14+00E	5000	14+50E	5600
15 00E	4800		

Line 2S

0+00E	5800	0+50E	5600
1+00E	5600	1+50E	5700
2+00E	5750	2+50E	5750
3+00E	5700	3+50E	5750
4+00E	5700	4+50E	5640
5+00E	5800	5+50E	5500
6+00E	5600	6+50E	5580
7+00E	5580	7+50E	5750
8+00E	5550	8+50E	5550
9+00E	5600	9+50E	5700
10+00E	5620	10+50E	5780
11+00E	5620	11+50E	5550
12+00E	5500	12+50E	5600
13+00E	5900	13+50E	5400
14+00E	5000	14+50E	4800
15 00E	6100		

Line 3S

0+00E	6400	0+50E	6400
1+00E	6450	1+50E	6350
2+00E	6350	2+50E	6370
3+00E	6300	3+50E	6320
4+00E	6250	4+50E	6400
5+00E	6380	5+50E	N/A
6+00E	6350	6+50E	6400
7+00E	6600	7+50E	6380
8+00E	6400	8+50E	6370
9+00E	6430	9+50E	6400
10+00E	6300	10+50E	6390
11+00E	6300	11+50E	6200
12+00E	6200	12+50E	6220
13+00E	6400	13+50E	6000
14+00E	5630	14+50E	5650
15 00E	6300		

Line 4S

0+00E	6400	0+50E	6370
1+00E	6350	1+50E	6450
2+00E	6300	2+50E	6300
3+00E	6000	3+50E	6400
4+00E	6350	4+50E	6300
5+00E	6380	5+50E	6300
6+00E	6420	6+50E	6400
7+00E	6500	7+50E	6370
8+00E	6400	8+50E	6400
9+00E	6380	9+50E	6380
10+00E	6400	10+50E	6300
11+00E	6410	11+50E	6250
12+00E	6250	12+50E	6400
13+00E	6200	13+50E	5790
14+00E	5900	14+50E	6400
15 00E	6000		