87-497 -16321 5/88

PRELIMINARY RECONNAISSANCE

and

LITHOGEOCHEMICAL SURVEY

of the

BACON CLAIM

Nanaimo Mining Division - British Columbia

FILMED

Lat. 49° 58' N.

Long. 125° 37' W.

N.T.S. 92 F/13E

OWNER: MR. R. TESSOLINI

SESSMENT REPO

bу

Douglas J. Brownlee, Geologist

July 20, 1987

Vancouver, B.C.

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SUMMARY

A preliminary survey of the Bacon claim, owned by Mr. R. Tessolini was conducted by Mr. D. J. Brownlee, Mr. S. Sawiuk and Mr. R. Gosse from May 1st to 3rd, 1987.

The property is underlain by Triassic and/or Jurassic limestone and andesitic volcanic rocks which have been intruded by granodiorite, quartz diorite of the Coast Intrusions. Skarns have formed at the contact of the intrusive and limestone.

The purpose of the survey was to locate Argonaut Mines Ltd.'s diamond drill holes from the 1950's and to confirm the reported presence of cobalt mineralization. One possible drill site was located during the survey (Figure 4). A sample of magnetite with erythrite assayed 1.06% cobalt and 0.67 ounces per ton gold, confirming the presence of cobalt with the magnetite as reported.

INTRODUCTION

A preliminary exploratory reconnaissance and minor lithogeological survey was conducted on the Bacon claims of Mr. R. Tessolini from May 1st to 3rd, 1987. This survey was conducted by D. J. Brownlee, geologist, with the assistance of Mr. M. Sawiuk, geologist, and Mr. R. Gosse, geologist. The purpose of the survey was to determine the presence of cobalt mineralization within the magnetite skarn as reported by Argonaut Mines Ltd.

LOCATION AND ACCESS

The Bacon claim is located some 40 kilometres west of Campbell River, B.C., at approximately 125° 37' W. longitude and 49° 58' N. latitude and is covered by N.T.S. sheet 92 F/13E (Figure 1).

Access to the claims is by truck along Highway 28 from Campbell River to upper Campbell Lake and thence by year-round logging roads.

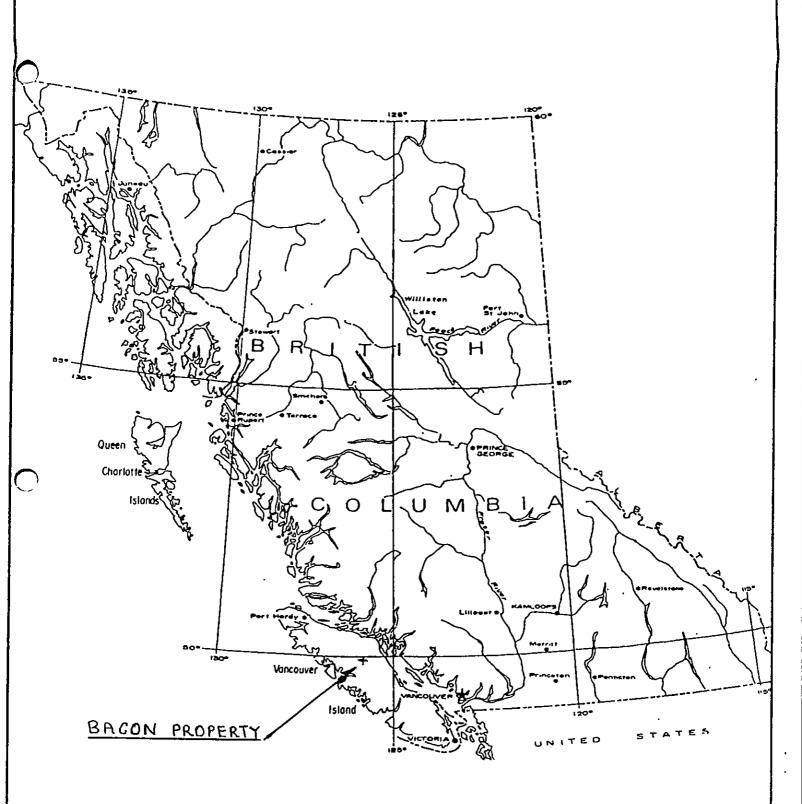


FIG. 1

LOCATION MAP

SCALE Km 100 50 0 100 200 300 400 Kr

CLAIM DATA

The property consists of one 4-post mineral claim called the "Bacon" and is 12 units in size. It is recorded at the Nanaimo Mining Division Office under record number 2366. Mr. R. Tessolini of Lake Louise, Alberta, is the owner of record. The expiry date is May 16, 1988 (Figure 2).

HISTORY

A magnetite bearing skarn was first discovered in the claim area early 1950's. Argonaut Mines Ltd. conducted a magnetometer survey over the property and diamond drilled the property during the mid to late 1950's. Minor work was done on the property during the early 1960's, but apparently was not recorded. No further recorded work was done on the property until it was staked by Mr. R. Tessolini.

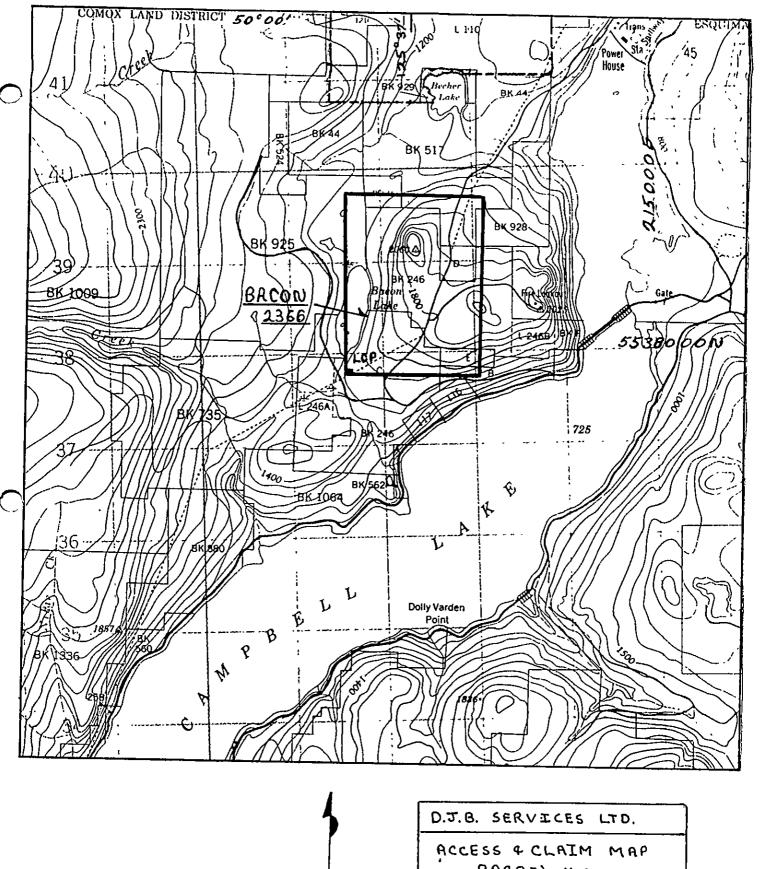
WORK PROGRAM

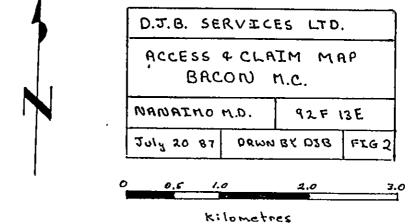
A one day traverse was conducted on the property to try and locate the Argonaut drill sites and to verify the presence of cobalt with magnetite skarn.

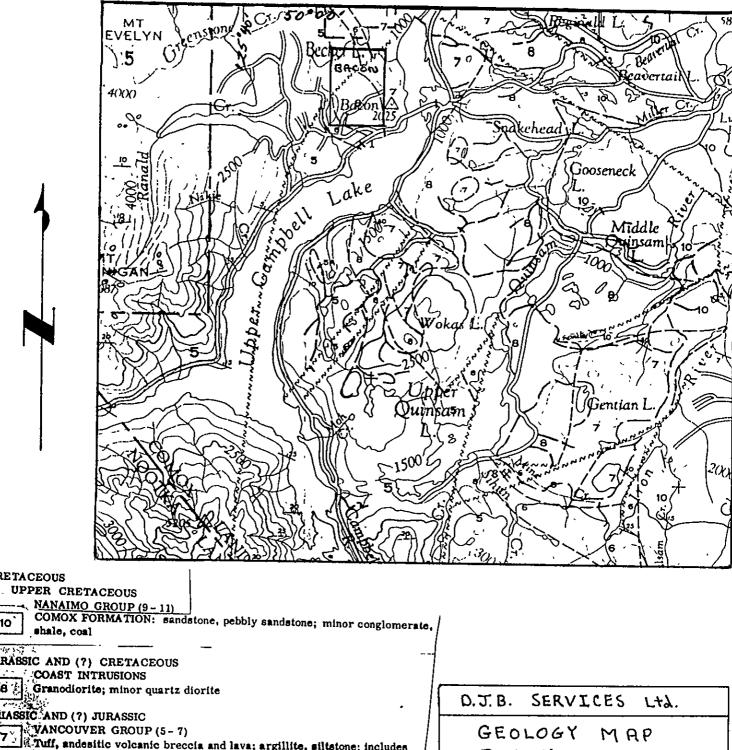
A few possible drill locations were found along a semi-overgrown logging road which traverses the east side of Bacon Lake (Figure 4). An outcrop of massive magnetite was found just west of the old road which, in one area of approximately 1 metre by 2.5 metres, showed a considerable amount of erythrite (cobalt bloom) along weathered surfaces and fractures.

GEOLOGY

The property is underlain by Upper Triassic limestone and calcareous shales of possibly the Quatsino Formation. Overlying this







10 shale, coal JURASSIC AND (?) CRETACEOUS COAST INTRUSIONS 3 Granodiorite; minor quartz diorite MESOZOIC TRIASSIC AND (?) JURASSIC NOUVER GROUP (5 - 7) 7 Tuff, andesitic volcanic breccia and lava; argillite, siltstone; includes some rocks of unit 6 TRIASSIC -UPPER TRIASSIC r'Limestone, calcareous shale; skarn near intrusive contacts 5" Massive, partly amygdaloidal, basalt, pillow basalt, pillow breccia; minor tuff, volcanic breccia

5A: limestone, calcareous siltstone, shale, interbedded in 5

Geological boundary, approximate Bedding (horizontal, inclined, overturned).... Bedding (observed from distance or from air photos)......

Fault, assumed

Schistosity....

CRETACEOUS

BACON M.C. NANAIMO M.D. 92F 13 July 20 87 DRWN BY DIR. FIG 3

After J.E. Muller 1964 Map 2-1965

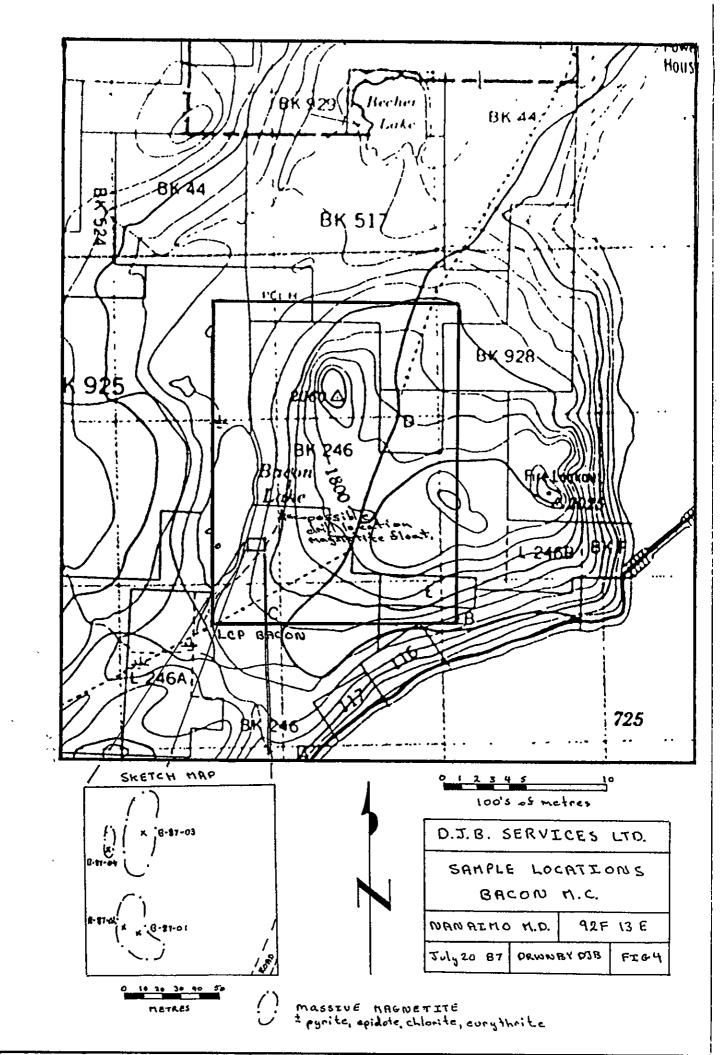
unit is Triassic and/or Jurassic tuff, andesitic volcanic breccia and lava with interbeds of argillite, siltstone and limestone. These are intruded by Jurassic and/or Cretaceous granodiorite, quartz diorite of the Coast Intrusions (Figure 3).

LITHOGEOCHEMISTRY

A total of four rock samples were collected from the magnetite skarn and analysed for copper, cobalt, iron, silver and gold (Figure 4). These samples were collected so as to give an indication of mineralization within different portions of the skarn. A description of the rock samples are as follows:

Sample No.	Description
B-87-001	Massive magnetite with eurythrite and possible cobaltite.
B-87-002	Massive magnetite with minor pyrite $\underline{+}$ chalcopyrite and no erythrite.
B-87-003	Epidote-diopside-chlorite skarn with minor magnetite, pyrite + chalcopyrite and no erythrite.
B-87-004	Massive pyrite with epidote, chlorite, minor magnetite, and no erythrite.

Sample No. B-87-001 confirmed the presence of cobalt in appreciable amounts (1.08%) along with gold (0.67 oz/ton). The other samples (Nos. B-87-002 and B-87-003) indicate that the cobalt is localized by some mechanism and possibly may be secondary to the magnetite (cobalt valves range from 22 to 186 ppm). These samples also show a potential good correlation between cobalt and gold (B-87-002 - 186 ppm Co, 180 ppb Au; B-87-003 - 78 ppm Co, 40 ppb Au; B-87-004, 22 ppm Co, 5 ppb Au).



CONCLUSION

While this preliminary survey did not locate the Argonaut diamond drill locations, the presence of cobalt and associated gold was demonstrated (B-87-001 - 1.06% Co and 0.67 oz/t Au).

On the basis of this result, a program of geochemical and magnetic surveys along with geological mapping should be carried out. Should results be successful, then a follow-up program of trenching and diamond drilling would be warranted.

Douglas & Brownlee

REFERENCES

Muller, J. E. G.S.C. Map 2-1965, Comox Lake Area.

Open Files Selected company reports, B.C. Ministry of Energy, Mines and Petroleum Resources, Geological Division, Open Files 92F.

AUTHOR'S STATEMENT OF QUALIFICATIONS

- I, Douglas J. Brownlee, do hereby certify that:
 - 1. I live at 101-2615 Lonsdale Avenue, North Vancouver, B.C.
 - I hold a B.Sc. (Spec. Geology) 1980 from the University of Alberta, Edmonton, Alberta.
 - 3. I have practised my profession as a geologist since 1980.
 - 4. I conducted the work outlined in this report from May 1st to 3rd, 1987.

Douglas J. Brownlee Geologist

Hoveflas & Brownler

ROSSBACHER LABORATORY LTD.

CERTIFICATE OF ANALYSIS

2225 S. SPRINGER AVENUE BURNABY, B.C. V5B 3N1

TEL: (604) 299 - 6910

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614-850 W. HASTINGS STREET

VANCOUVER B.C.

PROJECT: GUERRA

TYPE OF ANALYSIS: GEOCHEMICAL

CERTIFICATE#: 87194

INVOICE#:

7602

DATE ENTERED: 87-05-07

FILE NAME:

A&M87194

PAGE # :

RE IX	SAMPLE NAME	PPM Cu	PPM Co	% Fe	PPM Ag	PPM Zn	–	PPM Cd
.	B-87-001 B-87-002 B-87-003 B-87-004 ST-87-001	600 730 26	13200 186 78 22	20.0 36.5 16.4 35.0	3.2 8.0 1.0 0.8		21500 280 40 5	
	ST-87-002 ST-87-003 ST-87-004 G-87-001	28400 23600			12.4 16.4	32400 264 8900 20000	200 20 80 130 5	<u>364</u>

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TYPE OF ANALYSTS

CERTIFICATE#: 87194.A

INVOICE#: 7619

DATE ENTERED: 87-05-21

FILE NAME:

A&M87194.A

TYPE OF	ANALYSIS: ASSAY		,	PAGE # :	1
PRE FIX	SAMPLE NAME	oz/t Au	% Co	- 245253523525	1
А		0.627		. — — — — — — — — — — — — — — — — — — —	——————————————————————————————————————
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CERTIFIED BY :

STATEMENT OF COSTS

Personnel: Mobilization and Fieldwork						
D. J. Brownlee, Geologist May 1-3, 1987	3	days @ \$150/day	\$450.00			
M. Sawiuk, Geologist May 2, 1987	1	day @ \$150/day	150.00			
R. Gosse, Geologist May 2, 1987	1	day @ \$150/day	150.00			
Field Expenses						
Ferry		vehicle, 3 people trips @ \$29/trip	\$ 58.00			
Accommodations	2	nights @ \$56/night	112.00			
Meals	5	man-days @ \$25/day	125.00			
Vehicle rental	3	days @ \$30/day	90.00			
Fuel			63.00			
Lithogeochemistry						
4 analysis for 4 elements @ \$3.70 1 geochem for Au @ \$4.00 1 Au assay and 1 Co assay @ \$6 4 preparations @ \$3)		14.80 4.00 12.00 12.00			
Report						
Preparation and typing			\$150.00			

Hamplas A Brownler

GRAND TOTAL \$1,390.80