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FILE NO:

A Report on
Geochemical and Physical Exploration Work

on the

AU Claim Group

Aspen Grove Area
Nicola Mining Division

Latitude: 49° 57' N
Longitude: 120° 23' W
NTS Sheet 92H 15E

By

David A. Heyman

Dated

April 27, 1992

GOVERNMENT AGENT'S OFFICE
RECEIVED

MAY 19 1992

NEW WESTMINSTER, B. C.

Field Work Carried Out
Between July 3, 1991 and August 15, 1991

**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

22,305

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1.0 INTRODUCTION

1.1 Terms of Reference and Scope

This report is intended as a summary of a program of soil and rock sampling and physical work conducted on the AU Group between July 3, 1991 and August 15, 1991. The report is submitted in support of a Statement of Work filed on the claims on March 10, 1992.

Trenching and sampling was carried out on the AU 2 Claim and a re-evaluation of existing magnetic data was carried out over a portion of the AU Claim.

1.2 Claims and Ownership

The AU property comprises five metric grid system claims totalling twenty claim units. Pertinent claim data are as follows:

Claim Name	Record No.	Tag No.	New Expiry Date
AU 1	236977	35219	April 20, 1994
AU 2	236978	37467	April 25, 1994
AU 4	236979	37469	April 25, 1994
FLIM	237129	85026	May 15, 1994
FLAM	237130	85034	May 15, 1994

All claims are held in the name of David A. Heyman of Burnaby, B.C.

1.3 Location, Access and Physiographic Setting

The AU Claims are located in the Pothole Lake area, some 12 km east of the community of Aspen Grove and are accessible by a gravel road leading easterly from Highway 5 between Princeton and Merritt and northerly from Highway 97C.

The property is depicted on NTS Sheet 92H 15E at 49° 57' North latitude and 120° 23' West Longitude.

The claim area is flat to gently rolling upland characterized by open grassy rangeland and scattered patches of coniferous forest. Local relief is to the order of about 150 m with elevations varying between 1,000 m and 1,150 m above sea level. The northern part of the claim group is traversed by Quilchena Creek and the valley of Pothole Creek lies just to the south of the claim group.

1.4 Previous Work

Gold was first discovered by prospectors testing soils in the claim area during the 1930's. Very little development work appears to have been done until 1974 when New Pyramid Gold Mines conducted a copper exploration project in the area. Their work included trenching of the mineralized showings and drilling of two diamond drill holes. In 1983 Imperial Metals drilled two additional holes and, in 1986, Algo Resources Limited carried out geological, magnetometer and IP surveys in the Claim area.

2.0 GEOLOGY

2.1 Regional Setting

The AU Group lies within the eastern belt of the Nicola Group, a Triassic assemblage of volcanic and sedimentary rocks which dominates the geology of the south-central interior of B.C. In the general vicinity of the AU Claims, the Nicola Group is represented by a sequence of well-bedded westerly dipping volcanoclastic rocks, including volcanic siltstone, sandstone, coarse volcanic agglomerates and massive laharic breccia.

2.2 Property Geology

The gold mineralization occurring on the AU Claims is associated with zones of narrow quartz-filled fractures cutting dacitic tuff and cherty argillite. Gold occurs both in the native form and in intimate association with sulphides, including pyrite, chalcopyrite, pyrrhotite and arseno-pyrite. The main showing, also known as the "Nesbit Showing", has produced a number of assay values in the 0.3 to 0.6oz/ton range and one sample, assayed in 1975, ran 2.66oz/ton in gold. Work to date, however, has not delineated the mineralized system.

3.0 PHYSICAL WORK AND GEOCHEMICAL SAMPLING

3.1 Physical Work

The physical work conducted during the 1991 field program consisted of road clearing, trail and line cutting, preparation of a survey grid, blasting, trenching and sampling on the AU 2 Claim. In addition, a total of twenty seven soil samples were taken and sent to Acme Analytical Laboratories, of Vancouver, B.C., for analysis. Samples were tested using standard ICP methods and results given in PPB Au are plotted in Figure 3. Assay results for nine rock samples taken from a trench in the central part of the grid area are also shown. Data were reported in PPB Au and oz/ton Au but were converted to gm/tonne for presentation.

3.2 Geophysical Evaluation

The field work conducted during November and December of 1986 included a proton precession magnetometer survey over part of the AU 1 Claim. The survey was carried out employing two GSN8 proton precession magnetometers. One unit was connected to a base station recorder to permit corrections for diurnal and micro-pulsation variations. Data were plotted and contoured and included in a report prepared by White Geophysical Inc., for Algo Resources Ltd. (Freeze and White, 1986). In 1991, the existing magnetometer data in the general vicinity of the geochemical anomalies associated with the gold mineralization were re-contoured in an effort to incorporate a geological bias into the interpretation of the results. The re-contoured data is depicted in Figure 2.

4.0 OBSERVATIONS AND CONCLUSIONS

4.1 Geochemical Results; AU 2 Claim Area

Analytical results from the sampling conducted in the vicinity of the 1991 trenching on the AU 2 Claim indicate a strong northeast/southwest trending anomaly which is open at both ends. Maximum value obtained was 1560.0 PPB Au.

Analytical results from grab samples taken from a northeast trending trench, about 30 m long located on Line 35E between 0+75 and 1+00N, produced values ranging from 1.1 gm/tonne to 170.2 gm/tonne (4.9 oz/ton). Average value of nine samples was 66.1 gm/tonne (1.9 oz/ton).

The preliminary work to date on the AU 2 showing area indicates an undelineated zone of gold mineralization. Further prospecting, soil sampling and trenching appears to be justified.

4.2 Geophysical Results

In order to evaluate the results from the 1986 survey work conducted by Algo Resources, the magnetometer data were re-contoured using contour intervals and a geological bias which differed slightly from the original plot.

Figure 2 indicates that the principal gold occurrence on Line 1800S at Station 4+50 to 5+00W lies within a broad northwest trending magnetic low (<500 gamma) characterized by several sub-parallel discontinuous strong lows (<250 gamma). These features may be associated with the contact between the dominantly sedimentary and volcanoclastic rocks in the showing area and the andesitic and basaltic lavas to the west.

They may imply the existence of a structure which could influence mineral deposition.

4.3 Conclusions and Recommendations

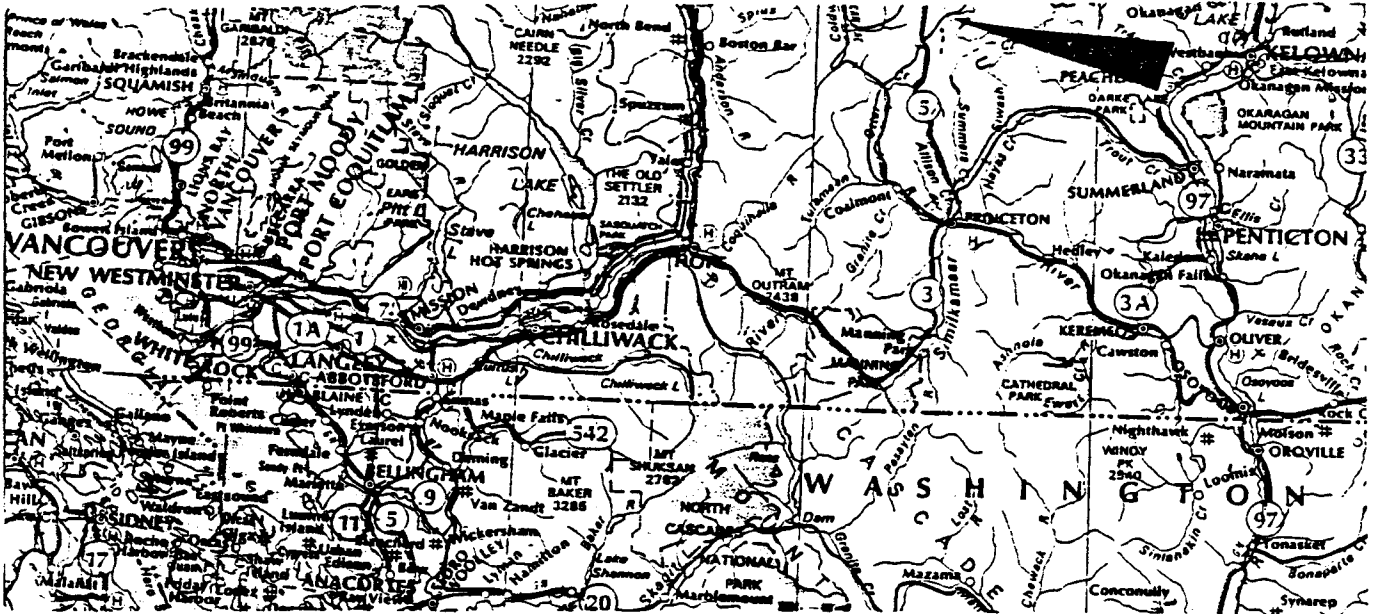
Re-interpreted geophysical data on the AU 1 Claim may be useful as a guide for further prospecting along the general strike of the contact between the dominantly volcanoclastic/sedimentary rocks in the eastern part of the Claim and the andesites and basalts to the west.

Geochemical and assay data from the AU 2 Claim suggest that additional mineralization may be present beneath a northeast/southwest trending soil anomaly.

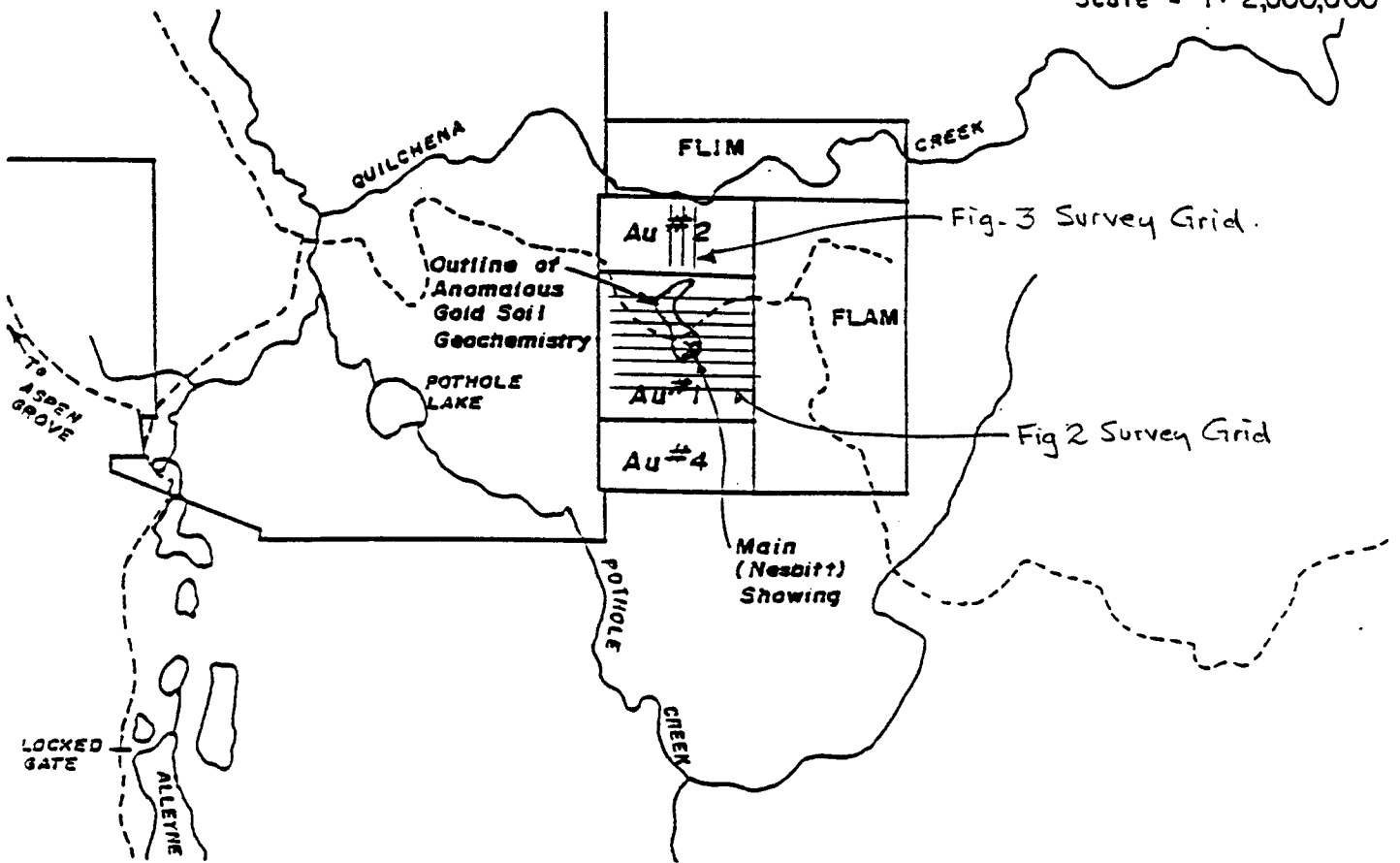
Additional detailed prospecting and sampling is considered worthwhile in both areas.

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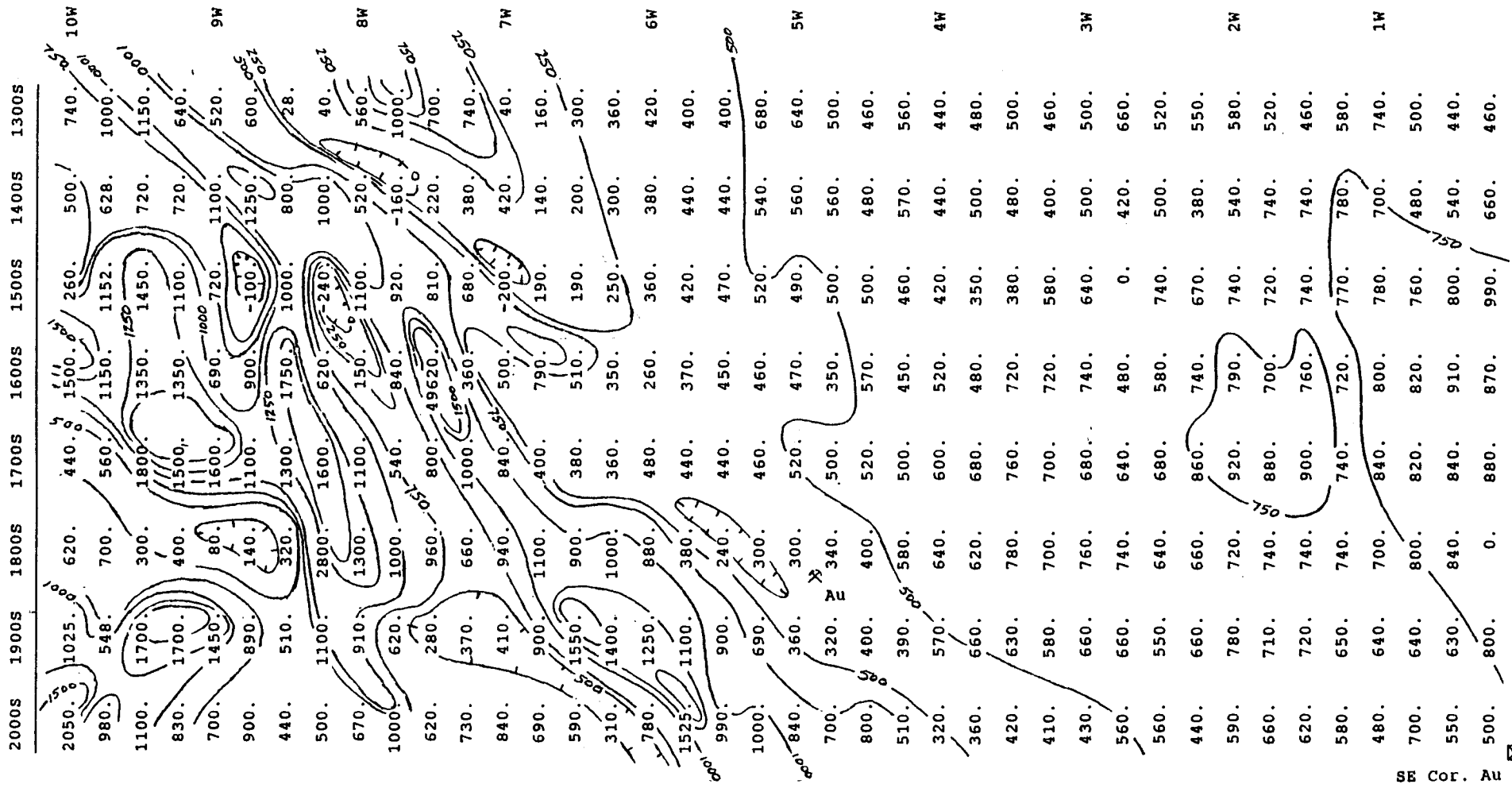
Scale = 1: 2,000,000



Scale = 1: 50,000

— AU CLAIMS —
LOCATION AND CLAIM MAP

Figure 1.



MAGNETIC CONTOUR MAP OF THE NESBIT SHOWING AREA
 AU CLAIMS, NICOLA MINING DIVISION, B.C.

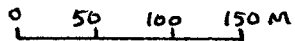


Figure 2

Note: Stations at 25 m intervals.
 Recontoured from Algo Resources Data (Freeze: 1986).

SE Cor. AU 1



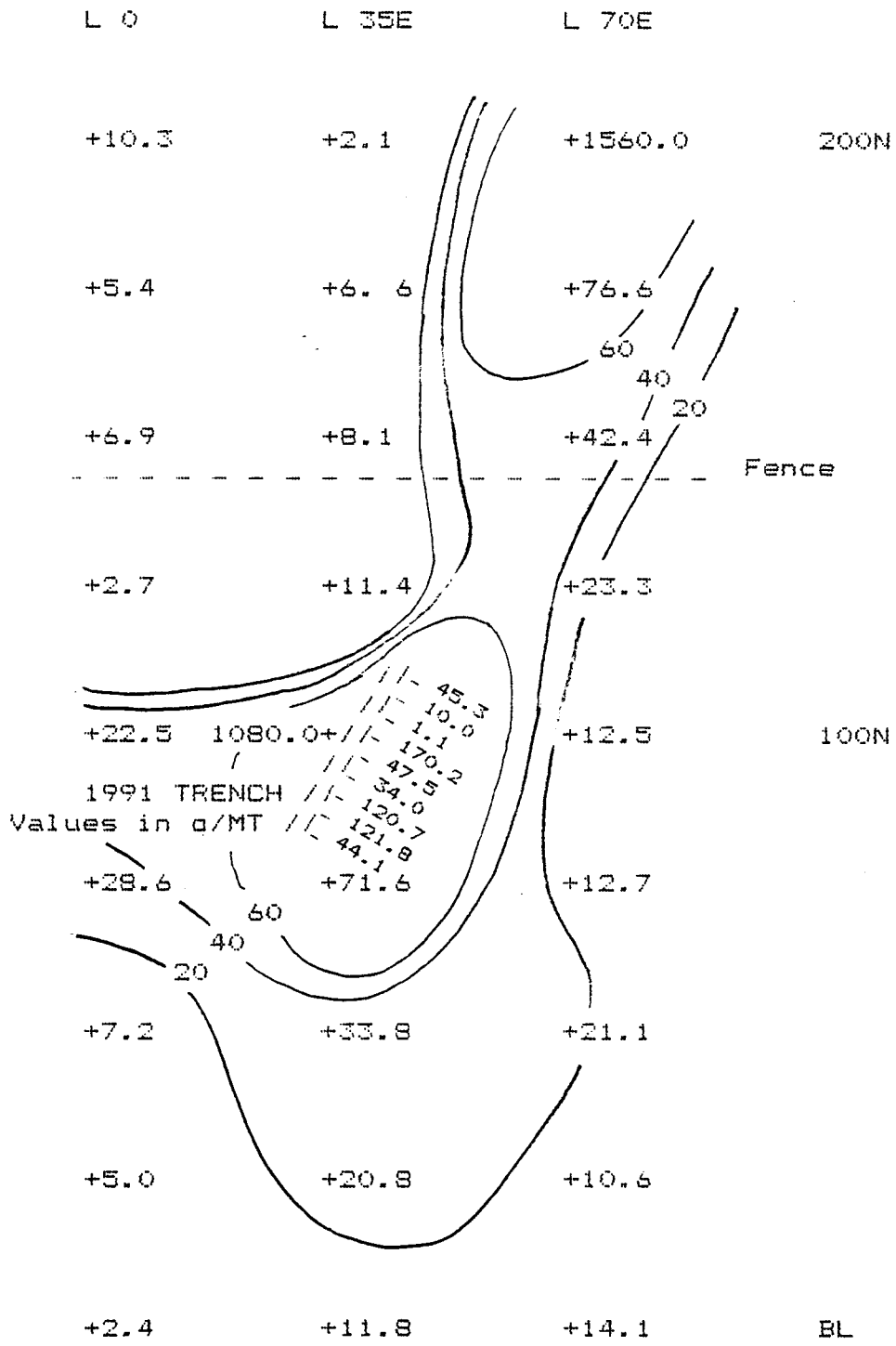
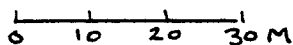


Figure 3. GOLD SOIL GEOCHEMICAL PLOT OF PART OF THE AU 2 CLAIM POTHOLE LAKE AREA, NICOLA M.D. (Values in PPB Au)

Scale- 1:1000



January 1992

APPENDIX A

STATEMENT OF EXPLORATION COSTS

SOIL SAMPLING AND PHYSICAL WORK

Labour	
2 men @ \$150/diem for 13 days	3,900.00
Transportation	
Vehicle (4WD) 13 days @ \$75/day	975.00
Miles @ \$0.35/km	308.00
Fuel & Oil	475.90
Highway Tolls	40.00
Field Equipment Rentals	
Rock Drill Chain Saws	868.00
2-man tent camp	425.00
Meals	495.00
Assays	
38 ICP tests @ \$4.81/ea	182.78
Dynamite and Caps	292.50
Miscellaneous Field Supplies (Maps, Flagging Tapes, Etc.)	98.50
Report Preparation and Geological Consulting Services	<u>1,284.00</u>

TOTAL

\$9,344.94

Appendix B: Analytical Certificates

ACME ANALYTICAL LABORATORIES LTD.		852 E. HASTINGS ST. VANCOUVER B.C. V6A 1R6		PHONE (604) 253-3158 FAX (604) 253-1716																											
AA		GEOCHEMICAL ANALYSIS CERTIFICATE				AA																									
Teck Exploration Ltd.		File # 91-2926		Page 1																											
1100 - 1199 W. Hastings St., Vancouver BC V6E 2K5																															
SAMPLE#	Mo	Cu	Pb	Zn	Ag	Ni	Co	Mn	Fe	As	U	Au	Th	Sr	Cd	Sb	Bi	V	Ca	P	La	Cr	Mg	Ba	Ti	B	Al	Na	K	W	Au*
	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	%	ppm	ppm	%	ppm	%	%	%	%	%	ppm	ppb
A 108505	13	42	1	59	40.7	9	11	481	9.14	231	5	41	1	114	1.3	11	64	83	.49	.133	3	8	.24	153	.09	2	1.89	.07	.24	1	45300
A 108506	9	72	18.2	9	14	703	8.85	105	5	10	1	134	1.7	2	21	86	.49	.168	4	4	.29	140	.09	2	2.16	.07	.24	1	10000		
A 108507	5	100	2.2	10	11	1191	3.57	.46	5	4	1	85	.5	2	2	57	.66	.170	5	8	.27	136	.08	2	2.08	.03	.14	1	1130		
A 108508	16	136.3	5	8	198	12.82	325	5	163	1	171	3.1	25	153	87	.36	.140	2	1	.19	184	.09	2	1.55	.16	.41	2	170200			

.500 GRAM SAMPLE IS DIGESTED WITH 3ML 3-1-2 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 SR CA P LA CR MG BA TI B W AND LIMITED FOR NA K AND AL. AU DETECTION LIMIT BY ICP IS 3 PPM.
 ASSAY RECOMMENDED FOR CU PB ZN AS > 1%, AG > 30 PPM & AU > 1000 PPM.
 SAMPLE TYPE: P1 SOIL P2 ROCK AU* ANALYSIS BY ACID LEACH/AA FROM 10 GM SAMPLE.

DATE RECEIVED: JUL 26 1991 DATE REPORT MAILED: Aug 1/91. SIGNED BY: C. Leung, D. TOYE, C. LEONG, J. WANG; CERTIFIED B.C. ASSAYERS

AA		GEOCHEMICAL/ASSAY CERTIFICATE				AA																												
Teck Exploration Ltd.		File # 91-2926		Page 2																														
1100 - 1199 W. Hastings St., Vancouver BC V6E 2K5																																		
SAMPLE#	Mo	Cu	Pb	Zn	Ag	Ni	Co	Mn	Fe	As	U	Au	Th	Sr	Cd	Sb	Bi	V	Ca	P	La	Cr	Mg	Ba	Ti	B	Al	Na	K	W	AU-100	NATIVE	AVG.	
	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	%	ppm	ppm	%	ppm	%	%	%	%	%	ppm	oz/t	oz/t	oz/t	
A 108501	9	194	37	7	24.0	16	4	113	3.42	33	5	49	1	9	.2	5	45	13	.05	.017	2	48	.04	17	.02	3	.16	.03	.04	1	1500	1.387	ND	1.387
A 108502	11	349	6	5	8.0	16	5	78	8.00	77	5	33	1	8	.4	5	297	7	.02	.015	2	58	.02	6	.01	2	.09	.01	.03	1	800	.991	.02	.992
A 108503	11	108	45	3	99.4	18	4	91	3.06	73	6	145	1	14	.2	6	34	9	.06	.014	2	52	.04	21	.01	2	.17	.02	.06	1	1800	3.518	.15	3.520
A 108504	8	201	62	10	64.6	13	4	94	3.88	86	5	154	1	19	.2	4	42	37	.10	.043	3	40	.11	13	.05	2	.45	.05	.05	1	2200	3.530	1.75	3.553
A 108509	10	34	32	5	24.6	15	3	74	1.73	32	5	44	1	3	.2	2	28	3	.02	.007	2	47	.01	3	.01	2	.05	.01	.01	1	2000	1.282	.17	1.285

ICP - .500 GRAM SAMPLE IS DIGESTED WITH 3ML 3-1-2 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 SR CA P LA CR MG BA TI B W AND LIMITED FOR NA K AND AL. AU DETECTION LIMIT BY ICP IS 3 PPM.
 -100 MESH AU BY FIRE ASSAY FROM 1 A.T.
 ASSAY RECOMMENDED FOR ROCK AND CORE SAMPLES IF CU PB ZN AS > 1%, AG > 30 PPM & AU > 1000 PPM
 - SAMPLE TYPE: P1 SOIL P2 ROCK

DATE RECEIVED: JUL 26 1991 DATE REPORT MAILED: Aug 1/91. SIGNED BY: C. Leung, D. TOYE, C. LEONG, J. WANG; CERTIFIED B.C. ASSAYERS

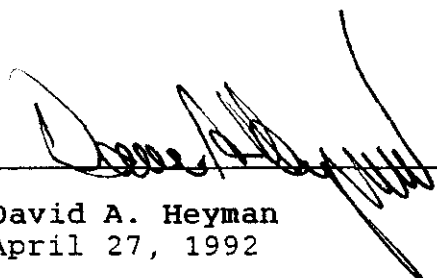
AA		GEOCHEMICAL ANALYSIS CERTIFICATE				AA																									
Cordilleran Engineering Ltd. PROJECT PROSPECTING #6		File # 91-3441		Page 1																											
1980 - 1055 W. Hastings St., Vancouver BC V6E 2E9																															
SAMPLE#	Mo	Cu	Pb	Zn	Ag	Ni	Co	Mn	Fe	As	U	Au	Th	Sr	Cd	Sb	Bi	V	Ca	P	La	Cr	Mg	Ba	Ti	B	Al	Na	K	W	Au*
	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	%	ppm	ppm	%	ppm	%	%	%	%	%	ppm	ppb
DH 0E 200N	1	83	4	112	.1	12	13	1242	2.33	527	5	ND	1	53	.4	2	2	40	.48	.122	8	10	.22	97	.10	3	2.79	.03	.05	1	10.3
RE DH 0E 75N	1	145	2	79	.1	24	18	882	2.74	28	5	ND	1	72	.2	2	2	52	.85	.063	11	26	.44	113	.11	3	2.07	.02	.16	1	24.5
DH 0E 175N	1	110	52	237	.2	11	15	1086	2.69	513	5	ND	1	40	1.4	2	2	42	.58	.046	12	9	.21	130	.05	4	2.20	.03	.14	1	5.4
DH 0E 150N	3	341	4	140	.4	15	18	1741	3.01	88	5	ND	1	69	.9	2	2	54	.77	.078	21	9	.24	165	.08	2	2.48	.02	.13	1	6.9
DH 0E 125N	1	36	2	172	.1	6	5	1946	.84	13	5	ND	1	47	.4	2	2	15	.52	.137	2	5	.09	229	.04	3	.73	.02	.05	1	2.7
DH 0E 100N	1	83	2	55	.1	20	13	696	2.68	30	5	ND	1	57	.2	2	2	55	.57	.035	11	30	.44	120	.13	4	2.27	.02	.16	1	22.5
DH 0E 75N	1	144	2	76	.1	24	17	860	2.67	25	5	ND	1	70	.3	2	2	50	.83	.061	11	25	.43	108	.11	3	2.01	.02	.16	1	28.6
DH 0E 50N	1	105	3	45	.2	26	14	558	2.72	13	5	ND	1	56	.2	2	2	59	.78	.033	10	32	.58	110	.12	2	1.70	.03	.11	1	7.2
DH 0E 25N	1	53	3	39	.1	27	12	404	2.71	2	5	ND	1	56	.2	2	2	64	.63	.052	10	42	.79	101	.14	3	1.56	.03	.12	1	5.0
DH 0E 0N	1	38	4	61	.1	17	10	647	2.25	2	5	ND	1	51	.3	2	2	42	.49	.072	8	27	.46	194	.12	2	2.12	.02	.20	1	2.4
DH 35E 200N	1	41	4	122	.2	11	11	1154	1.57	36	5	ND	1	97	.3	2	2	25	.79	.230	7	10	.18	160	.07	4	1.37	.03	.12	1	2.1
DH 35E 175N	1	214	4	151	.1	18	25	1470	3.22	463	5	ND	1	81	.5	2	2	61	.75	.180	13	15	.48	104	.10	4	2.76	.02	.08	2	6.6
DH 35E 150N	1	212	4	103	.6	13	20	537	2.86	59	5	ND	1	161	.6	2	2	55	.57	.077	7	10	.49	118	.10	4	2.79	.04	.08	2	8.1
DH 35E 125N	1	226	2	136	.2	19	18	1038	4.74	73	5	ND	2	100	.2	2	2	84	.75	.064	17	13	.64	149	.12	7	1.49	.03	.15	1	11.4
DH 35E 100N	4	552	6	110	1.2	27	31	1006	7.53	422	7	ND	2	108	.4	2	2	107	.63	.118	19	20	.60	139	.11	3	3.84	.03	.15	1	1080.0
DH 35E 75N	1	155	7	127	.5	10	15	1387	2.02	31	5	ND	1	58	.3	2	2	39	.79	.295	8	9	.25	108	.10	5	3.62	.02	.05	2	171.6
DH 35E 50N	1	57	10	60	.1	10	8	591	1.74	12	5	ND	1	39	.2	2	3	38	.35	.184	7	8	.17	77	.12	6	2.97	.03	.05	1	33.8
DH 35E 25N	1	61	3	53	.1	23	13	629	2.75	5	5	ND	1	59	.2	2	2	62	.70	.069	9	38	.65	135	.14	4	1.92	.03	.17	1	20.8
DH 35E 0N	1	62	5	85	.1	17	11	1108	1.84	27	5	ND	1	66	.2	2	2	33	.71	.153	7	18	.32	176	.09	7	1.64	.02	.18	1	11.8
DH 70E 200N	1	67	12	95	.1	19	13	929	2.60	94	5	ND	1	56	.4	2	2	52	.62	.061	11	28	.40	110	.11	2	2.12	.02	.18	1	1560.0
DH 70E 175N	1	66	7	55	.1	22	13	820	2.66	30	5	ND	1	61	.2	2	2	57	.69	.056	9	34	.49	141	.12	3	1.71	.02	.23	1	176.6
DH 70E 150N	4	87	5	95	.1	18	17	966	3.30	54	5	ND	1	94	.4	2	2	58	.89	.071	10	27	.42	161	.10	11	2.11	.03	.25	1	42.4
DH 70E 125N	40	160	5	84	.2	20	22	760	4.95	166	5	ND	1	51	.2	2	2	75	.75	.065	16	22	.45	118	.07	7	1.74	.02	.19	1	23.3
DH 70E 100N	2	100	2	130	.1	17	15	1436	2.57	27	5	ND	1	103	.2	2	2	49	1.08	.131	10	25	.41	170	.09	7	2.13	.02	.23	1	12.5
DH 70E 75N	1	159	12	199	.1	19	24	2119	3.26	46	5	ND	1	143	.3	2	2	53	1.78	.208	17	15	.47	147	.08	11	2.75	.02	.16	1	12.7
DH 70E 50N	7	165	6	129	.2	11	20	1491	3.83	75	5	ND	1	98	.2	2	2	59	1.23	.087	13	6									

APPENDIX C

AUTHOR'S QUALIFICATIONS AND CERTIFICATE

I, David A. Heyman, of 6488 Telford Street, Burnaby, B.C. hereby declare that:

1. I am a graduate of Merritt Secondary School, Merritt, B.C., 1972.
2. Since 1973 I have been continuously employed in the mineral exploration industry as a diamond driller, prospector and equipment operator.
3. I hold a WCB Blasters' Certificate and have worked as a soil sampler, rock sampler, line cutter and geologist/geophysicist's assistant.
4. I personally conducted the blasting, rock sampling, soil sampling and physical work outlined in this report.



David A. Heyman
April 27, 1992
