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**ASSESSMENT REPORT ON THE LEMON LAKE PROPERTY
1994 GEOPHYSICAL REPORT**

Cariboo Mining Division, British Columbia

NTS Map Area 93A/6

Latitude 52° 20'N Longitude 121° 16'W

Claims: MELON 1, MELON 2, MELON 3, MELON 4, MELON 5

**Owner: Canim Lake Gold Corp.
1003, 470 Granville Street
Vancouver, BC
V6C 1V5**

**Operator: Canim Lake Gold Corp.
1003, 470 Granville Street
Vancouver, BC
V6C 1V5**

by

**M. Schatten, B.Sc.
November 20, 1994**

FILMED

**Reviewed & Approved by
J. Kerr, P.Eng.**

**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

23,700

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Gold Commissioner's Office
VANCOUVER, B.C.

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SUMMARY

During the period of November 2-7, 1994 Canim Lake Gold Corp. conducted a 25.25 line kilometre ground magnetometer survey on the Lemon Lake property (Melon-1 and Melon-2 claims). The survey was successful in delineating the Lemon Lake stock, an east-west trending structure between Lemon Lake and Long Lake and a number of magnetic highs and lows within the intrusive body.

1. INTRODUCTION

1.1 Location, Access and Terrain

The Lemon Lake property (Figure 1) is located 8km east of Horsefly and 60km east of Williams Lake in south-central British Columbia. Road access from Horsefly to the claim block is via a secondary gravel road to the Weldwood 8500 logging road. Access is good to the central and southern parts of the property.

Elevations range from 800-1,000m above mean sea level. Much of the property is flat-lying and dotted with swampy areas and dry bogs. Overburden for the most part is considerable. The eastern part of the property, Melon 5, is moderately steep. Gibbons Creek drains the northern part of the claim block.

Vegetation consists of poplar, birch, spruce, fir and pine. The southwestern part of the property was logged off in 1992 and 1993. To the western part of the claim block are cultivated fields.

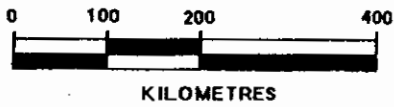
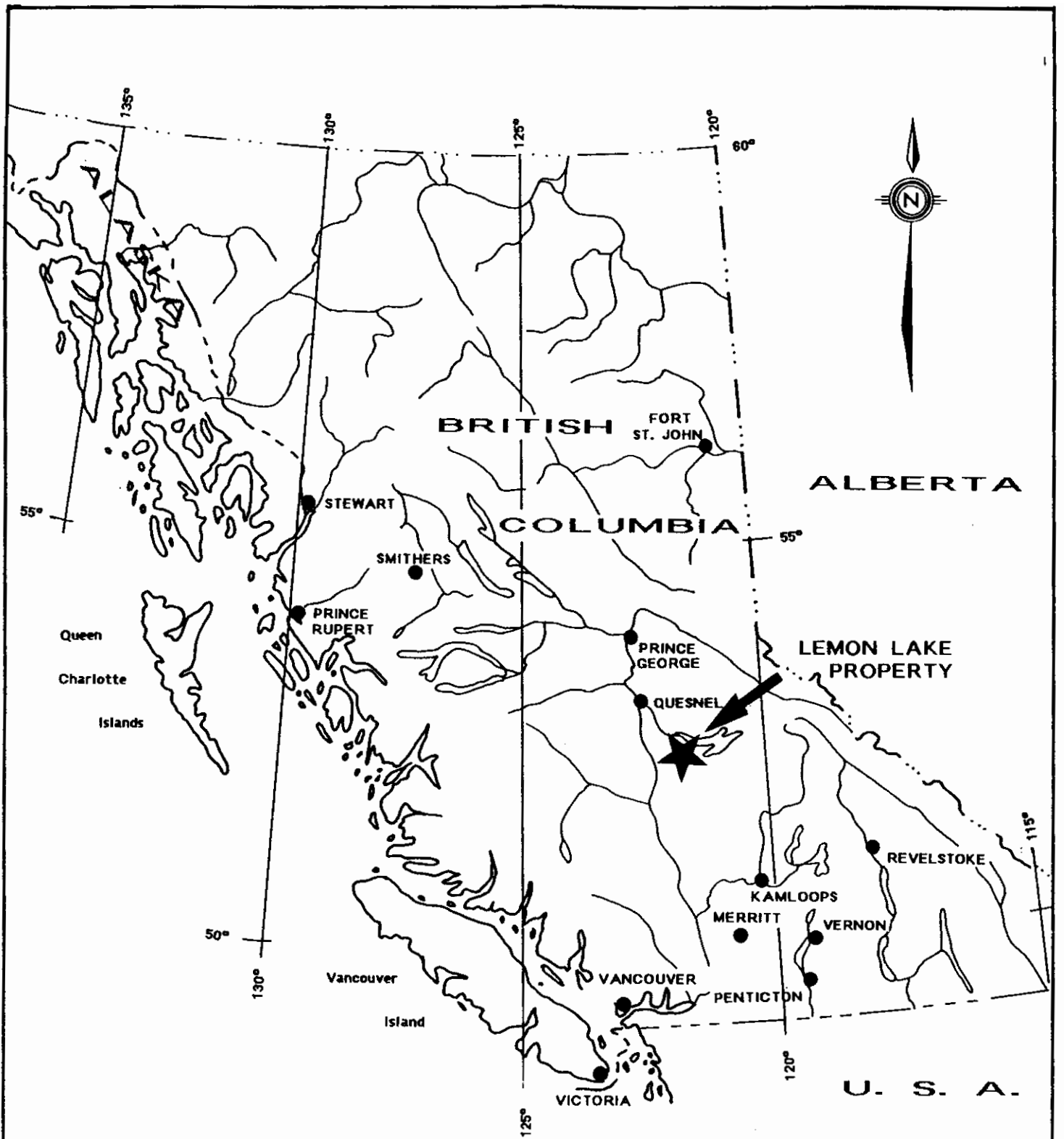
1.2 Claim Status

The Lemon Lake property (Figure 2) comprises 5 mineral claims (70 units), all recorded in the name of Canim Lake Gold Corp.. The claims are in good standing until 1995-1996 (Table 1). The expiry dates reflect the dates that will be in effect upon acceptance of this report.

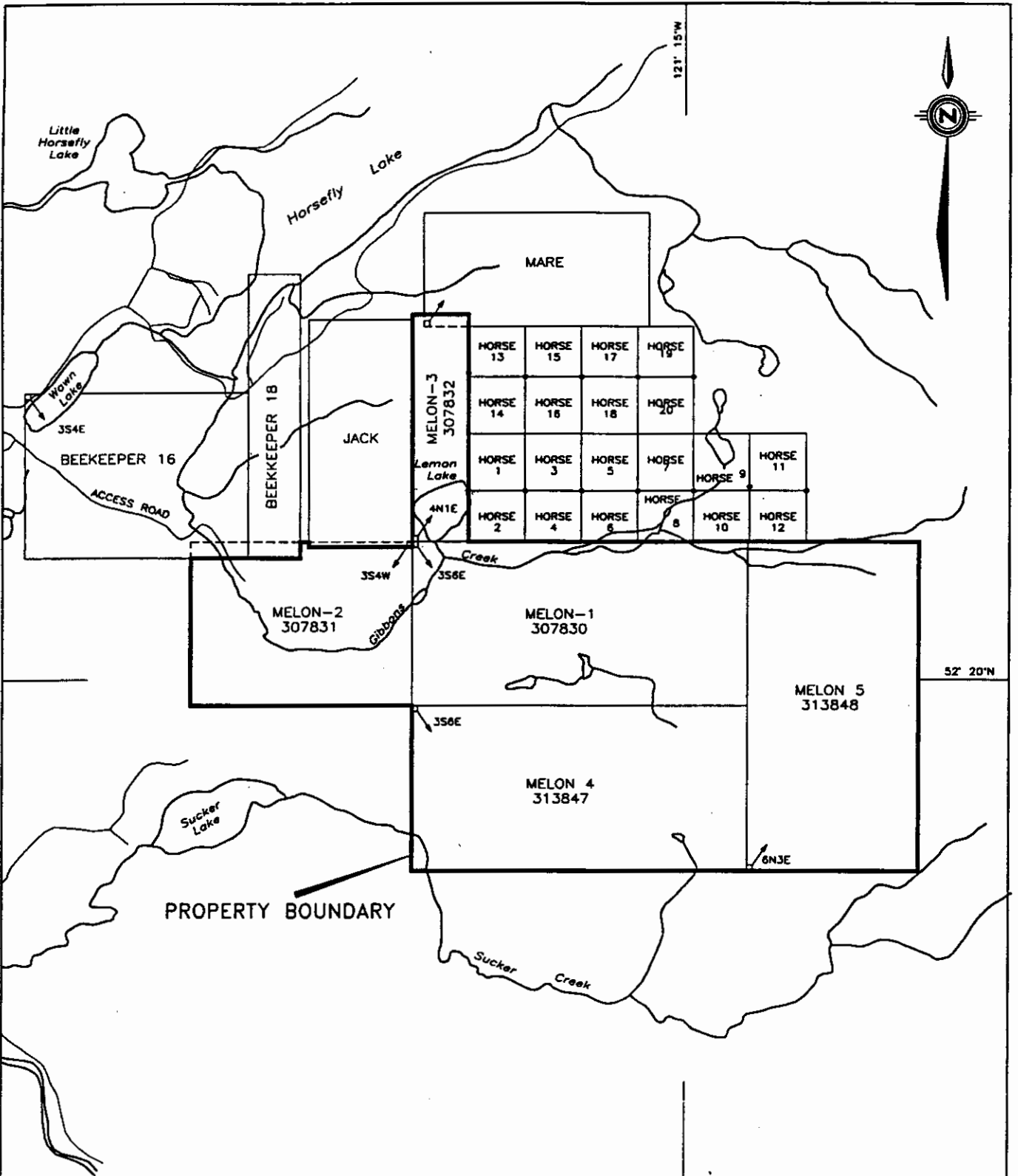
Table 1. Summary of Claim Particulars

<u>Claim Name</u>	<u>Units</u>	<u>Tenure No.</u>	<u>Expiry Date*</u>
MELON-1	18	307830	02/25/1997
MELON-2	12	307831	02/26/1996
MELON-3	4	307832	02/26/1996
MELON 4	18	313847	10/07/1995
MELON 5	18	313848	10/08/1995
Total Units	70		

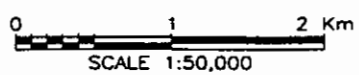
* Upon acceptance of this report.



CANIM LAKE GOLD CORP.	
LEMON LAKE PROPERTY Cariboo Mining Division, BC	
LOCATION MAP	
DATE: NOVEMBER, 1994	SCALE: AS SHOWN
	FIGURE: 1



CANIM LAKE GOLD CORPORATION			
QUESNEL TROUGH PROJECT			
CARIBOO MINING DIVISION, B.C.			
LEMON LAKE PROPERTY			
CLAIM PLAN			
PROJECT 92-170	DRAWN rwr	DATE MAR., 1993	FIGURE: 2
Revised		N.T.S. 93 A/06	
K.V. CAMPBELL & ASSOCIATES LTD.			



FROM B.C. MINERALS TITLES MAP 093A06E.W DATED JAN., 19, 1993
 DETAIL OF MELON 3, HORSE CLAIMS BASED ON FIELD POSITION OF
 THEIR CLAIM POSTS.

1.3 History

Little information exists on previous work completed on the Melon claims with the exception of Melon-3 and the northernmost portion of Melon-1. In the past exploration for porphyry copper focused on the Lem intrusive body also known as the Lemon Lake stock mapped to the north of Melon-1. This is the Pine occurrence. Minfile 093A-002.

1.3.1 Hudson's Bay Oil and Gas Co. Ltd. (early 1970's)

In the early 1970's Hudson's Bay Oil and Gas Co. Ltd. held the Fly claims, which extended onto the northern part of what is now the Melon claims. Geochemical soil surveys, IP surveys, ground magnetics, trenching, road building and 11, 200ft deep percussion drill holes were completed (Hegge, 1974 and Olsen, 1974). Drill logs (Hegge, 1974) indicate that variously K-feldspar altered and propylitized monzonitic to dioritic rocks were encountered. The best intersection was 130ft of K-feldspar altered biotite monzonite with disseminations and fracture fillings of chalcopyrite which averaged about 0.18% Cu. The Lemon Lake stock and two east-west structures at the south end of Lemon Lake and extending east from the middle part of the lake were outlined by ground magnetic surveys (Olsen, 1974).

1.3.2 Orbex Industries Inc. (mid-late 1980's)

Orbex Industries Inc. explored the same area as Hudson's Bay Oil and Gas Co. Ltd. in the 1980's when it was known as the Gibbons Creek property and made up of the Lem claims. Geochemical soil sampling and 1100m (7 holes) of diamond drilling was completed (Payne, 1987a and 1987b). Drill core samples were analyzed for gold only and did not return any significant results.

1.3.3 Canim Lake Gold Corp. (1992)

A grid covering the Melon-1 and Melon-2 claims was established in July and August, 1992 and 556 soil samples were collected and analyzed for copper. Prominent geochemical copper anomalies provided subsequent drill targets. In September and October of 1992 12, vertical reverse circulation drill holes were completed on the Melon-1 claim. 10 of the holes encountered variably K-feldspar-epidote-chlorite-silica altered rocks of monzonitic to syenitic composition. The best intersection came from LRC92-3 located in the northeastern corner of Melon-1 with grades to 0.406% Cu and 960ppb Au over a width of 1.5m.

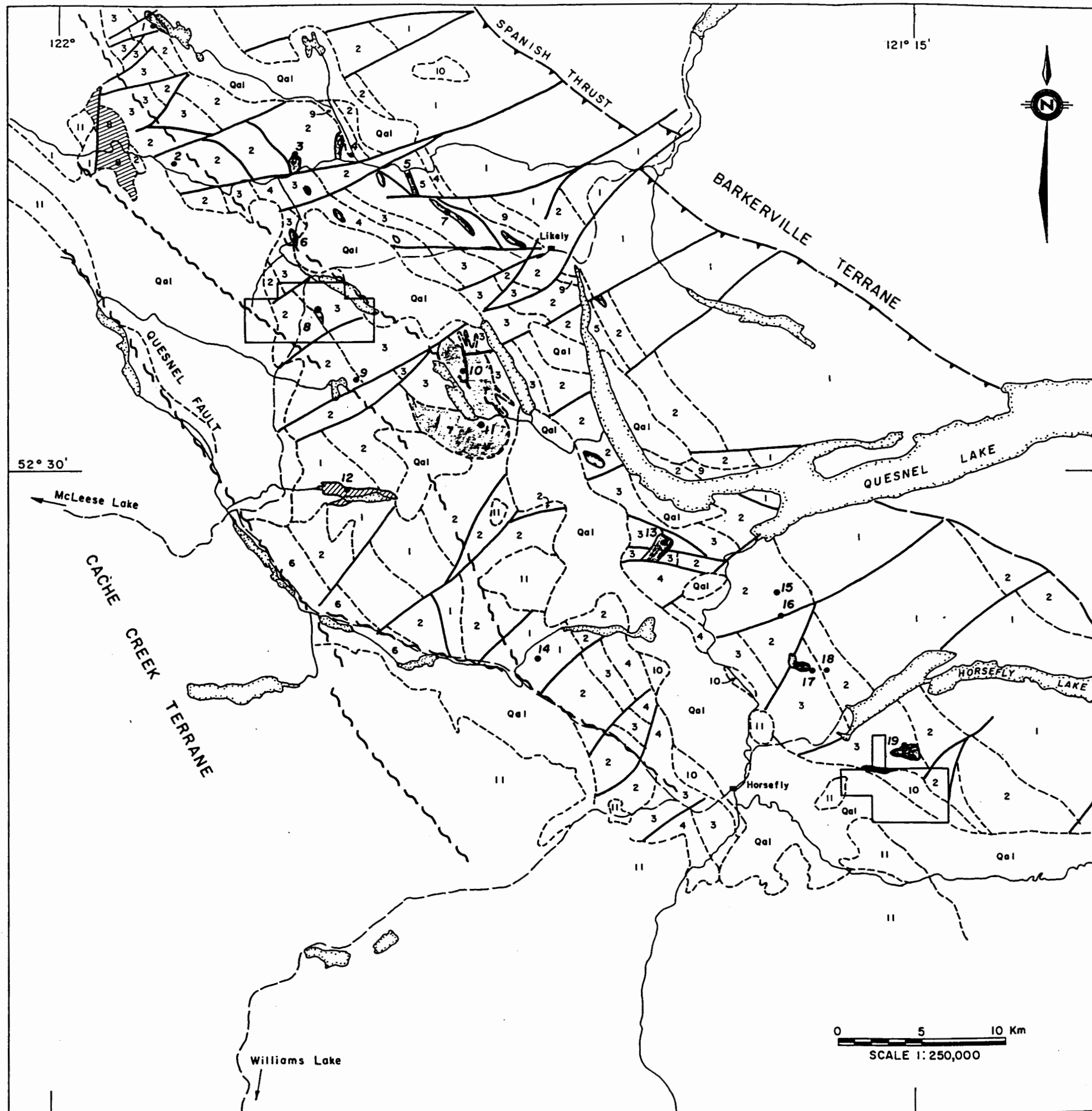
1.4 1994 Work Summary

During November 2-7, 1994 Canim Lake Gold Corp. conducted a ground magnetometer survey on the Melon-1 and Melon-2 claims. Portions of grid lines put in during the summer of 1992 were re-established. The magnetometer survey consisted of 25.25 line km, readings taken every 50m along 200m spaced grid lines.

1.5 Claims Work Performed On

Melon-1 22.5km magnetometer survey, 9.5km re-establishing grid lines

Melon-2 2.75km magnetometer survey, 0.5km re-establishing grid lines



LEGEND

Sedimentary and Volcanic Rocks **Intrusive Rocks**

PLEISTOCENE - RECENT
 Qal glacial and alluvial deposits

TERTIARY
Miocene
 11 olivine basalt
Eocene
 10 trachyandesite, tuff breccia, sandstone, mudstone

CRETACEOUS
 8 granodiorite, monzonite

JURASSIC
 9 conglomerate, sandstone, mudstone
 6 conglomerate, shale, siltstone
 5 siltstone, sandstone
 4 olivine basalt breccia and flows
 3 siltstone, sandstone, crystal tuff, tuff breccia, volcanic breccia
 7 syenite, gabbro, diorite

TRIASSIC
 2 sandstone, siltstone, basalt breccia and flows
 1 sandstone, siltstone and shale, phyllitic towards the east.

--- Fault
 --- Thrust

(Geology from Bailey, 1990; BCMEMPR Open File 1990-31)

Mineral Occurrences (●)

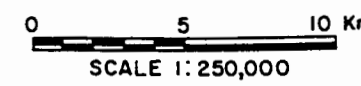
1 Maud	11 Bayshore
2 Slide	12 Wet, FS
3 QR	13 Shiko (Shik)
4 ? (called Maud by Bailey, 1990)	14 Daphne
5 Bullion Lode	15 Hook
6 Morehead	16 BM
7 Likely Magnetite	17 Kwun
8 ML	18 Beekeeper
9 B	19 Pine
10 Cariboo-Bell (Mt. Polley)	

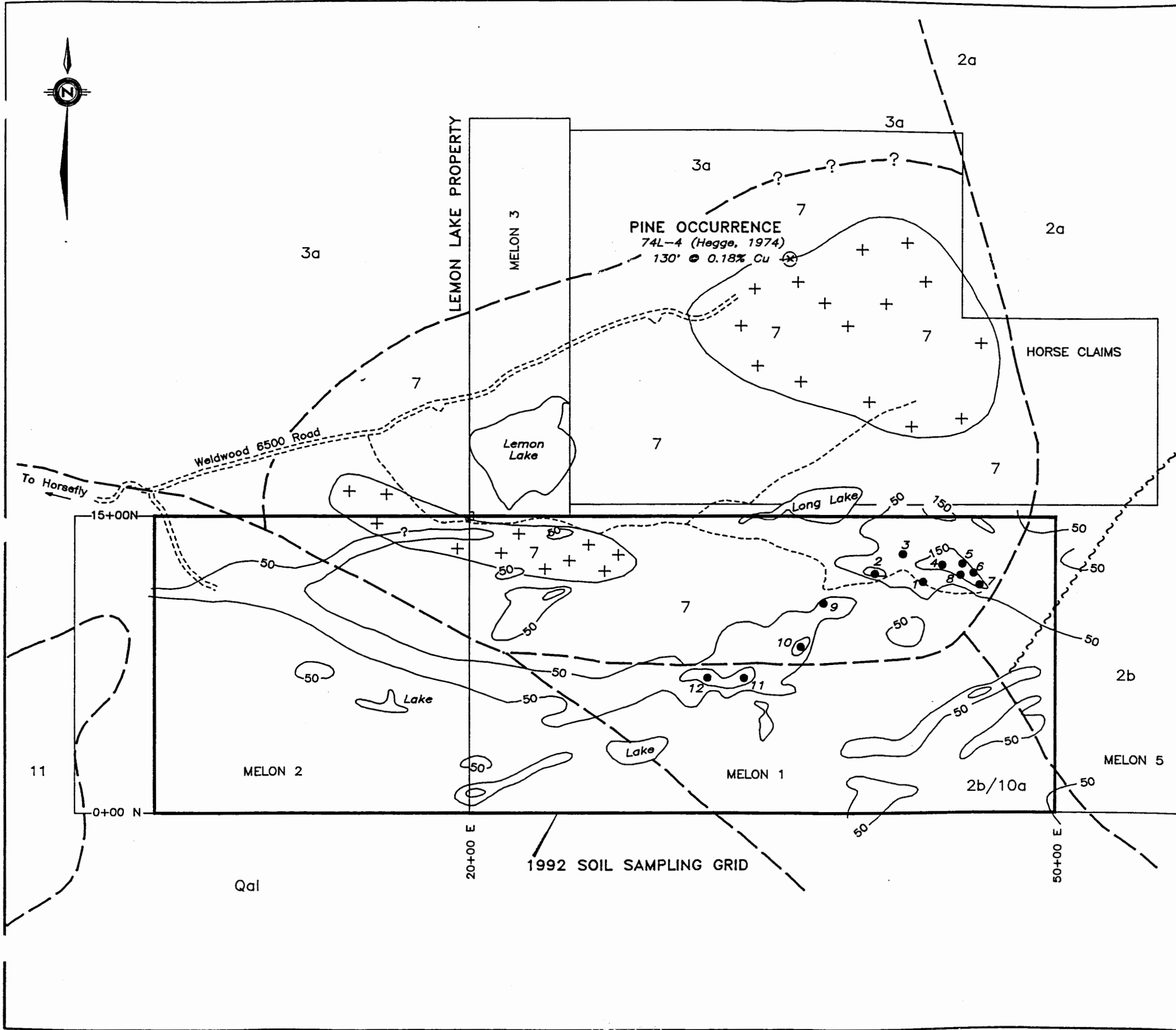
CANIM LAKE GOLD CORPORATION
QUESNEL TROUGH PROJECT
 CARIBOO MINING DIVISION, B.C.

GEOLOGY & MINERAL OCCURRENCES
OF CENTRAL QUESNEL BELT

PROJECT 92-170	DRAWN rwr	DATE MAR., 1993	FIGURE: 3
Revised		N.T.S.	

K.V. CAMPBELL & ASSOCIATES LTD.





LEGEND

PLEISTOCENE - RECENT
 Qal glacial and alluvial deposits

TERTIARY
 Miocene
 11 purple and gray vesicular olivine basalt
 Eocene
 10a gray, mauve trachyandesite, trachyte, latite tuff breccia, minor flows

EARLY JURASSIC
 +7+ medium to fine grained syenite, monzonite and diorite

EARLY JURASSIC (Bailey, 1990) or UPPER TRIASSIC (Panteleyev and Hancock, 1989)
 3a maroon and gray poly lithic volcanic breccia, characterized by presence of felsic clasts

TRIASSIC
 2b maroon pyroxene-phyric alkali basalt flows and breccia, minor maroon sandstone and basaltic tuff
 2a green and gray pyroxene-phyric alkali olivine and alkali basalt pillow lava, breccia and autobrecciated flows

~ ~ Fault
 6 1992 Percussion drill site (hole numbers prefixed LRC92-)
 1992 Soil sample grid
 1992 Soil geochemistry contours for copper, contours at 50 and 150ppm Cu.

(Geology and unit boundaries from Bailey, 1990; BCMEPR Open File 1990-31)

0 500 1000 metres
SCALE 1:20,000

CANIM LAKE GOLD CORPORATION			
QUESNEL TROUGH PROJECT			
CARIBOO MINING DIVISION, B.C.			
LEMON LAKE PROPERTY			
PROPERTY GEOLOGY			
PROJECT 92-170	DRAWN rwr	DATE MAR., 1993	FIGURE: 4
Revised		N.T.S. 93 A/6	
K.V. CAMPBELL & ASSOCIATES LTD.			

2. GEOLOGY

2.1 Regional Geology

The Lemon Lake property is located in the central part of the Quesnel Trough (Figure 3) which is a subdivision of the Intermontane structural belt of British Columbia. The area is underlain predominantly by Triassic volcanics and related sediments that have been intruded by late Jurassic and late Cretaceous alkalic stocks (Bailey, 1987).

The Quesnel Trough is host to a number of copper-gold enriched alkalic stocks. The Mt. Polley porphyry copper-gold deposit is one such occurrence.

2.2 Property Geology

The Lemon Lake property lies on the south margin of the Early Jurassic Lemon Lake alkalic intrusive (Figure 4). A blanket of overburden almost entirely covers the claim block.

The Lemon Lake stock is described by Payne (1987) as being concentrically zoned. Compositions range from alkali gabbro in the core out to diorite and monzonite. Payne states that the central diorite and monzonite part of the stock are hydrothermally altered to K-feldspar, epidote and chlorite and commonly contain pyrite and lesser amounts of bornite. Stockworks and fracture coatings predominate.

Panteleyev and Hancock (1989) show a Triassic dark green, maroon and grey pyroxene-phryic basalt breccia, lithic lapilli and ash tuff and mafic wack surrounding the Lemon Lake stock. Bailey (1990) has mapped a Lower Jurassic maroon and grey polylitic volcanic breccia characterized by felsic clasts surrounding the Mt. Polley stock.

3. 1994 GEOPHYSICAL PROGRAM

3.1 Introduction

Canim Lake Gold Corp. conducted a ground magnetometer survey on the Lemon Lake property during November 2 to November 7, 1994. Grid lines established in 1992 in part had to be re-established due to recent logging and livestock.

Survey lines are oriented due north and are 1.5km long with stations at 50m intervals. Lines are spaced at 200m intervals from 20+00E to 50+00E and at 400m spacing to 16+00E.

The instrument used was a proton magnetometer. A reading was taken every 50m and recorded. Diurnal variations were checked and found to be negligible compared to the large variation in magnetic strength over the survey area. The raw data is used for contouring. A total of 25.25 line km were completed.

3.2 Results

The total magnetic field varies from 57,231 gammas to 63,921 gammas, the raw data contoured on 500 gamma intervals (Figure 5). A strong northwest trending belt in the 59,000 to 63,000 gamma range occurs on the Melon 1 claim. It is widest at the eastern edge of the claim, covering 0+00 to 15+00N and starting approximately at 47+00E. At the western part of the survey area it falls between 9+50N - 15+00N.

Data to the west of L20+00E consists of one survey line, 16+00E, that being insufficient to fully interpret the extent of the belt. Using the present data the area to the west of line 22+00E, with the exception of 13+00N - 15+00N, is underlain by rocks of generally uniform, lower magnetic strength. Lines 48+00E to 50+00E are again characterized by relatively uniform magnetic strength that trend north to northwesterly.

The northwest trending belt is characterized magnetically by a series of highs, lows and a strong gradient. At lines 42+00E - 44+00E and 10+00N - 12+00N an east-west trending 62,000 gamma zone encloses highs to 63,376 gammas at L42+00E and 11+00N and adjacent lows to 60,225 gammas. Four hundred metres due west a series of highs of up to 63,921 gammas occur on line 34+00E between 9+50N and 12+00N. To the north and south the gradient is strong. From lines 26+00E to 32+00E at 13+50N - 14+50N, a narrow, east-west trending magnetically low zone is enclosed by much higher magnetics immediately to the north and south. A number of spot highs and lows also lie within the belt.

The western and southern parts of the survey area are largely underlain by rocks

that fall within the 57,000 - 59,000 gamma range. A magnetically low, north trending, linear feature underlies L26+00E from 0+00 to 6+00N. Adjacent to the east and west are a number of spot highs.

4. DISCUSSION OF RESULTS

The 1994 ground magnetometer survey outlined the following:

- 1) The northwest trending magnetic belt is believed to be underlain by the layered Lemon Lake stock to the north, delineating the contact with the intermediate to mafic volcanics in the southwestern and western portions of the Melon 1 claim.
- 2) The east-west trending low between lines 26+00E and 32+00E and 13+00N - 14+50N, is coincident with the creek connecting Lemon Lake and Long Lake and confirms the presence of an east-west trending fault along this lineament.
- 3) Magnetic highs are partially coincident with copper soil anomalies (Schatten, 1993), in particular the magnetic anomaly (adjacent highs and lows) located at lines 42+00E - 44+00E and 10+00N - 12+00N.
- 4) Holes 1 - 10 of the 1992 drill program confirmed the presence of the Lemon Lake stock in the northeastern portion of the surveyed area, all located in areas of magnetic intensity exceeding 60,000 gammas. Drill holes 11 and 12 encountered Takla volcanic rocks, located in areas of magnetic intensity approximately 58,000 gammas. From this information, it can be concluded that the contact of the Lemon Lake stock, with the exception of local variations, is coincident with the 59,000 - 60,000 gamma contours. Two lobes of the stock are therefore interpreted in the southeastern and southwestern portion of the surveyed area. Both areas are coincident with some interpreted geochemical anomalies and should be drill tested.
- 5) Reverse circulation drill hole LRC92-5 located at L41+00E and 13+00N intersected up to 0.406% Cu and 960ppb Au over a 1.5m width (Schatten, 1993) and was drilled on a coincident copper soil and magnetic anomaly. Drill holes LRC92-1 through LRC92-8 were all drilled in the area and encountered moderate to strong K-feldspar alteration with lesser epidote, chlorite, silica and sericite and anomalous copper and gold values.
- 6) There is a known association of magnetite to Cu-Au porphyry deposits, the magnetic anomalies may reflect underlying magnetite and subsequent copper-gold porphyry mineralization.

5. COST STATEMENT

FIELD CREW (including travel)			
M. Schatten	7.5 days @ \$210/day	\$1,575.00	
C. Davidson	1.5 days @ \$65/day	97.50	
T. Bains	4 days @ \$100/day	<u>400.00</u>	\$2,072.50
ROOM & BOARD			
10 mandays @ \$50/man/day		500.00	500.00
RENTALS			
Magnetometer	8 days @ \$22/day	176.00	
Truck rental	8 days @ \$40/day	320.00	
Mileage	2,068km @ \$0.15/km	<u>310.20</u>	806.20
PHOTOCOPIES, REPRODUCTIONS		100.00	100.00
SUPPLIES		75.00	75.00
DRAFTING, COMPILATION, REPORT			
M. Schatten	2.5 days @ \$210/day	525.00	<u>525.00</u>
TOTAL EXPENSES			\$4,078.70

7. BIBLIOGRAPHY

Bailey, D.G., 1987; Geology of the Hydraulic Map Area, BC Ministry of Energy, Mines and Petroleum Resources, Preliminary Map 67.

Bailey, D.G., 1990; Geology of the Central Quesnel Belt, South-Central British Columbia, BC Ministry of Energy, Mines and Petroleum Resources, Open File 1990-31.

Hegge, M.R., 1974; Report on Percussion Drilling Program, Fly No. 1 Group, for Hudson's Bay Oil and Gas Co. Ltd., BC Ministry of Energy, Mines and Petroleum Resources, Assessment Report No. 5117.

Olsen, D.P., 1974; Report on Magnetometer Survey on the Fly Claims for Hudson's Bay Oil and Gas Co. Ltd., BC Ministry of Energy, Mines and Petroleum Resources, Assessment Report No. 5,260.

Panteleyev, A. and Hancock, K., 1989; Geology of the Beaver Creek - Horsefly River Map Area, BC Ministry of Energy, Mines and Petroleum Resources, Open File 1989-14.

Payne, C. W., 1987a; Report on Soil Geochemical Survey, Gibbons Creek Property, Lem 1 to 4 Claims, for Fox Geological Consultants Ltd., BC Ministry of Energy, Mines and Petroleum Resources, Assessment Report No. 15,456.

Payne, C. W., 1987b; 1986 Gibbons Creek Drill Program, Lem 3 Claim, for Orbex Industries Inc., BC Ministry of Energy, Mines and Petroleum Resources, Assessment Report No. 15,925.


Schatten, M.G., 1993; Assessment Report on the Lemon Lake Property 1992 Geochemical & Drill Program, for Canim Lake Gold Corp..

7. STATEMENT OF QUALIFICATIONS

I, MYRA G. SCHATTEN, resident of Calgary, Province of Alberta, hereby certifies as follows:

1. I am a contract geologist currently employed by Canim Lake Gold Corp. at 1003, 470 Granville St., Vancouver, BC.
2. I was actively involved as a field geologist on the Lemon Lake property during the 1994 geophysical program and assisted in the collection of the data referred to in this report.
3. I graduated from the University of Alberta, Edmonton, Alberta, B.Sc. Geology, 1987. I have been actively involved in mineral exploration since 1987.

DATED at Vancouver, Province of British Columbia this 20th day of November, 1994.



M.G. Schatten, B.Sc.
Geologist

I, JOHN R. KERR, of Vancouver, British Columbia, do hereby certify that:

1. I am a member of the Association of Professional Engineers of British Columbia and a Fellow of the Geological Association of Canada.
2. I am a geologist employed by Canim Lake Gold Corp. at 1003, 470 Granville St., Vancouver, BC.
3. I am a graduate of the University of British Columbia (1964) with a B.A.Sc. degree in Geological Engineering.
4. I have practiced my profession continuously since graduation.
5. I supervised and assisted in the collection of the data as compiled in this report. I have reviewed the contents of this report which is based on the aforementioned data, and supervised the compilation and authorship by M. Schatten. I verify the costs as reported to be true.
6. I am an officer and director of Canim Lake Gold Corp. and hold a direct and indirect interest in the securities of this company.

DATED at Vancouver, Province of British Columbia this 20th day of November, 1994.

J.R. Kerr, P. Eng.

45+50 E, 52+68 N

Trench B
2.1m of 3.98g/t gold on surface

SECTION LOOKING E-NE - Az. 070°

Hornfelsed

Andesite

Agglomerate

Diopside, pyrrhotite

Quartz breccia; sericite, pyrrhotite matrix

Zone 1

Calcite, pyrrhotite stringers
pyrrhotite to 2%, minor arsenopyrite

Hen 94-2
Dip -70°, Az 160°
Depth 41.8m

Zone 2

Calcite, sericite, chlorite, diopside stringers; 1-5% pyrrhotite
minor to 2% arsenopyrite, 8.0m of 0.86g/t gold.

Hornfelsed

Andesite

Agglomerate

Calcite, sericite stringers

Hornfelsed

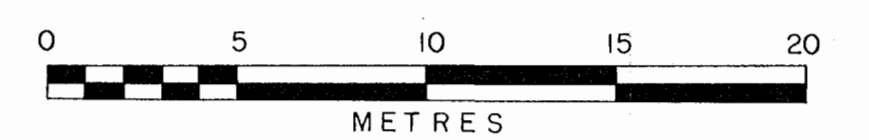
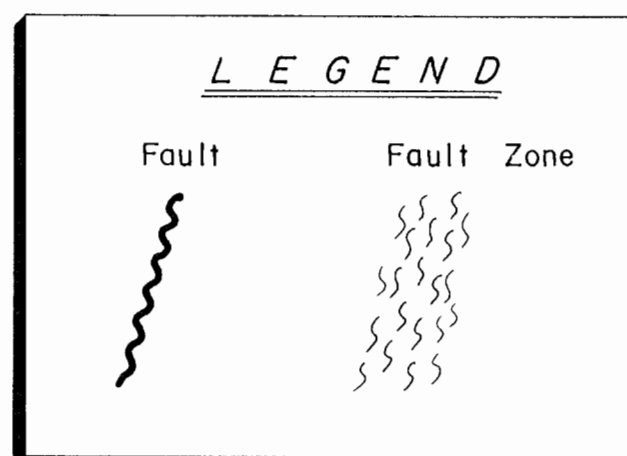
Andesite

Agglomerate

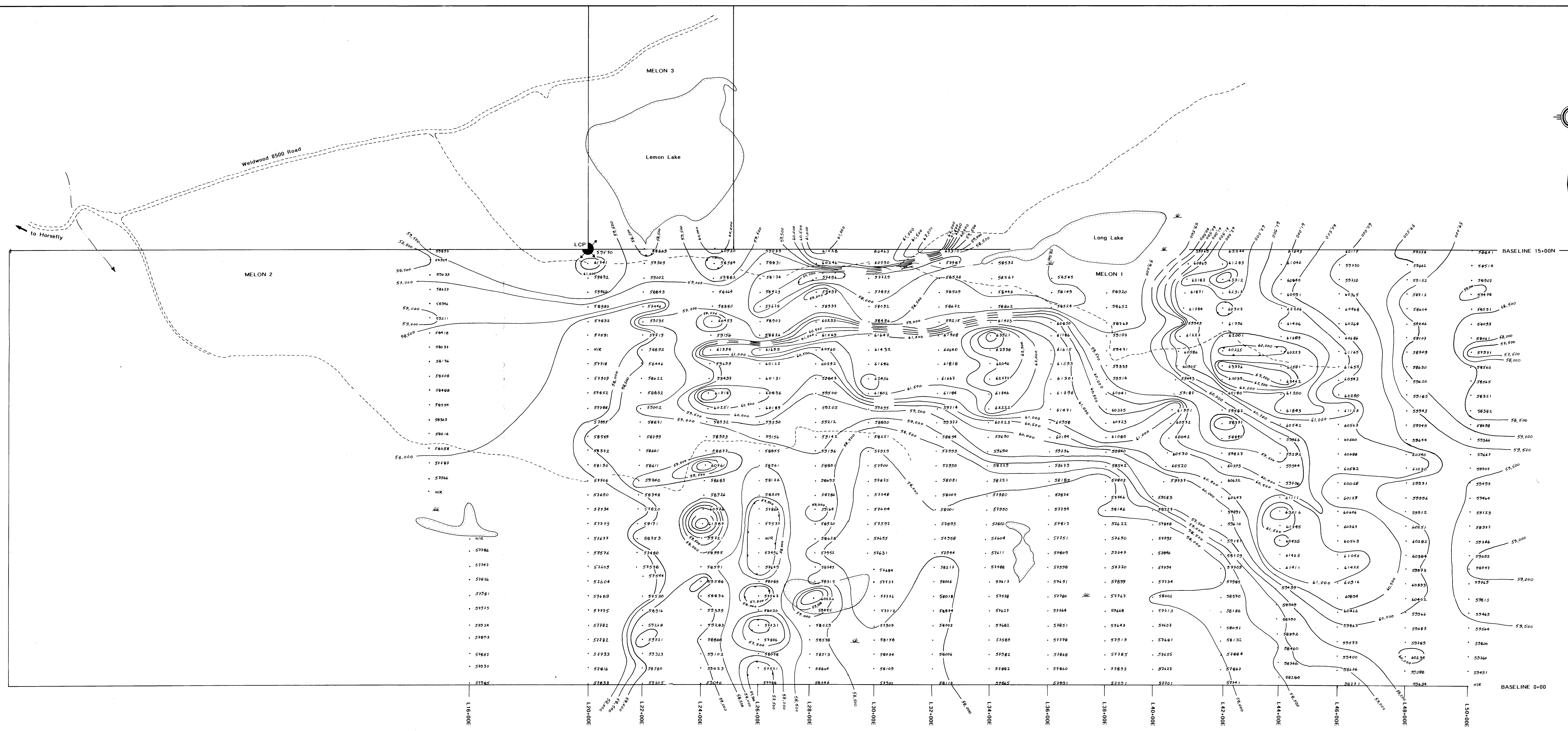
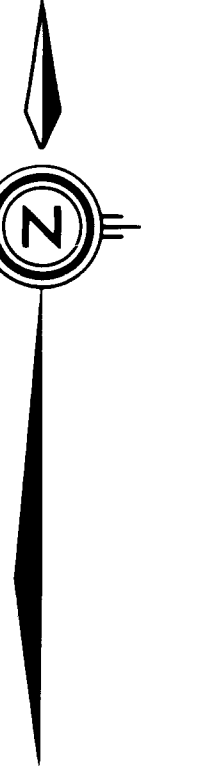
GEOLOGICAL BRANCH
ASSESSMENT REPORT

23,770

Hen 94-2
Dip 45°, Az 160°
Depth 157.3m



PIONEER METALS CORP.	
HEN CLAIMS	
Cariboo M.D.	
Cross Section	
Hen 94-1 & 2	
Date	December 1994
Scale	1 : 200
W.T.S.	93 A/2



LEGEND

- Total magnetic field contour interval 500 gammas
- 62046 gammas Magnetic reading (raw data)
- Road
- - - - - Creek



SCALE 1:5,000

GEOLOGICAL BRANCH
ASSESSMENT REPORT

23,700

CANIM LAKE GOLD CORP.

LEMON LAKE PROPERTY
Cariboo Mining Division, BC

**TOTAL MAGNETIC
FIELD**

DATE: NOVEMBER, 1994	NTS: 93A/6W
SCALE: 1:5,000	WORK BY: CANIM LAKE GOLD CORP.
DRAWN BY: MGS	FIGURE: 5