

LOG NO: 0622 U
ACTION:
FILE NO:

GEOLOGICAL ASSESSMENT REPORT

ON THE

CONTACT AND ANNA CLAIMS

HARRISON LAKE AREA

NEW WESTMINSTER M.D.

NTS 92H/5E-5W

LATITUDE : 49° 17' NORTH

LONGITUDE : 121° 44' WEST

OWNER/OPERATOR

Les Demczuk
1835 13th Avenue E.
Vancouver B.C.

**SUB-RECORDER
RECEIVED**
MAY 31 1995
M.R. # \$
VANCOUVER, B.C.

BY

Les Demczuk M.Sc., P.Geo.
1835 13th Avenue E.
Vancouver B.C.

FILMED

May 27, 1995

**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

23,932

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1.0 SUMMARY

The Contact property consisting of 33 units (2039 acres) is located in the New Westminster Mining Division on the southwest side of Bear Mtn. approximately 8km northeast of Agassiz, B.C. The property has excellent access from Vancouver Via Highway 7 and Seabird Island road.

In the Harrison Lake area precious and base metal deposits and prospects occur in Middle Jurassic volcanic and sedimentary rocks within a major northwest structural belt and in close proximity to mid-Tertiary diorite and quartz diorite plutons.

The Contact property is underlain by carbonates, sandstones and minor volcanics of the Chilliwack group locally intruded by granodiorite and diorite of the Chilliwack Batholith. The copper, silver and gold occurrences on the property belong to the contact-metamorphic type of ore deposits. Future exploration should be directed in north-western direction from the main showing.

2.0 INTRODUCTION

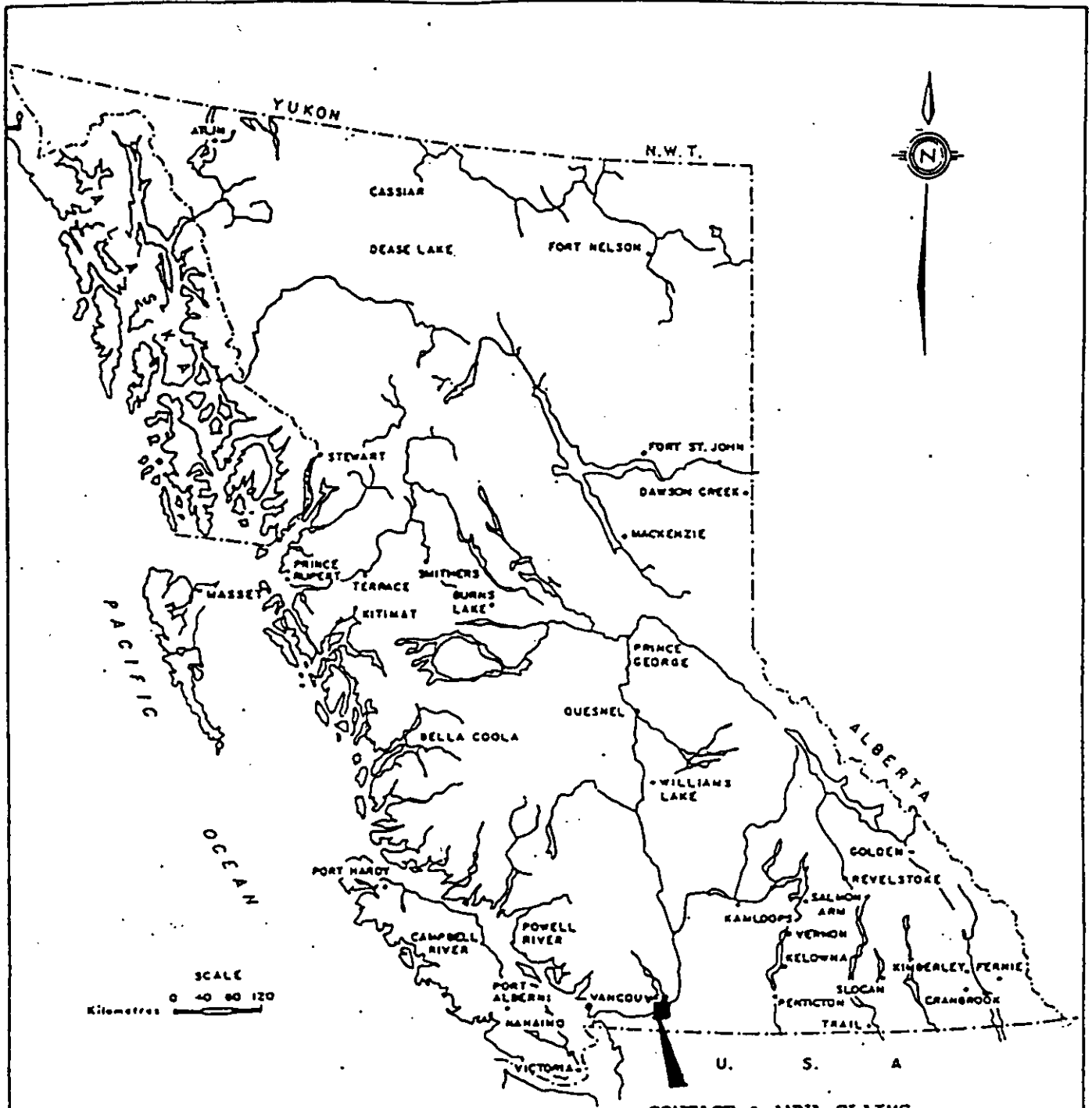
The field work on the Contact-Anna claims was conducted in September 1994 and May 1995 totalling 2.0 days by Les Demczuk geologist and E. Ablay prospector assistant and Bennett Survey LDT. The work consisted of prospecting, geological mapping and access road and LCP survey. The objective was to establish extension of skarn mineralization to the east.

The field work and results described within this report are intended to fulfil the assessment requirements for Anna and Grace 3-6 claims.

2.1 LOCATION AND ACCESS

The subject property is located on the southwest side of Bear Mtn. in the New Westminster Mining Division. The claims are situated approximately 8km northeast of Agassiz, B.C. and 3km southwest of Harrison Hot Springs, B.C.

The claims may be reached by Highway 7 which runs east from Agassiz via the Seabird Island community. Old four wheel drive roads provide good access within the claim block. The property lies approximately 100 km east of Vancouver, B.C.



CONTACT & ANNA CLAIMS.

CONTACT-ANNA-GRACE CLAIMS	
LOCATION MAP	
MAY 1995	BY LD
SCALE AS SHOWN	FIG 1

The topography of the claims is rugged with elevations ranging from 40 metres at the Fraser River to 800 metres at the highest point on Bear Mtn. The area is moderately forested with a mixture of conifers and deciduous trees. The climate is generally wet and mild year-round, snowfall is minimal and exploration work may be conducted on the claims throughout the year.

2.2 CLAIM STATUS

The property consist of Contact, Anna and Grace 3-6 mineral claims comprising approximately 825.0 hectares or 2039.0 acres located in the New Westminster Mining Division show on 92H/5E-5W claim map at approx. 49°17'N, 121°44'W (Fig. 2).

The pertinent claim data is as follows:

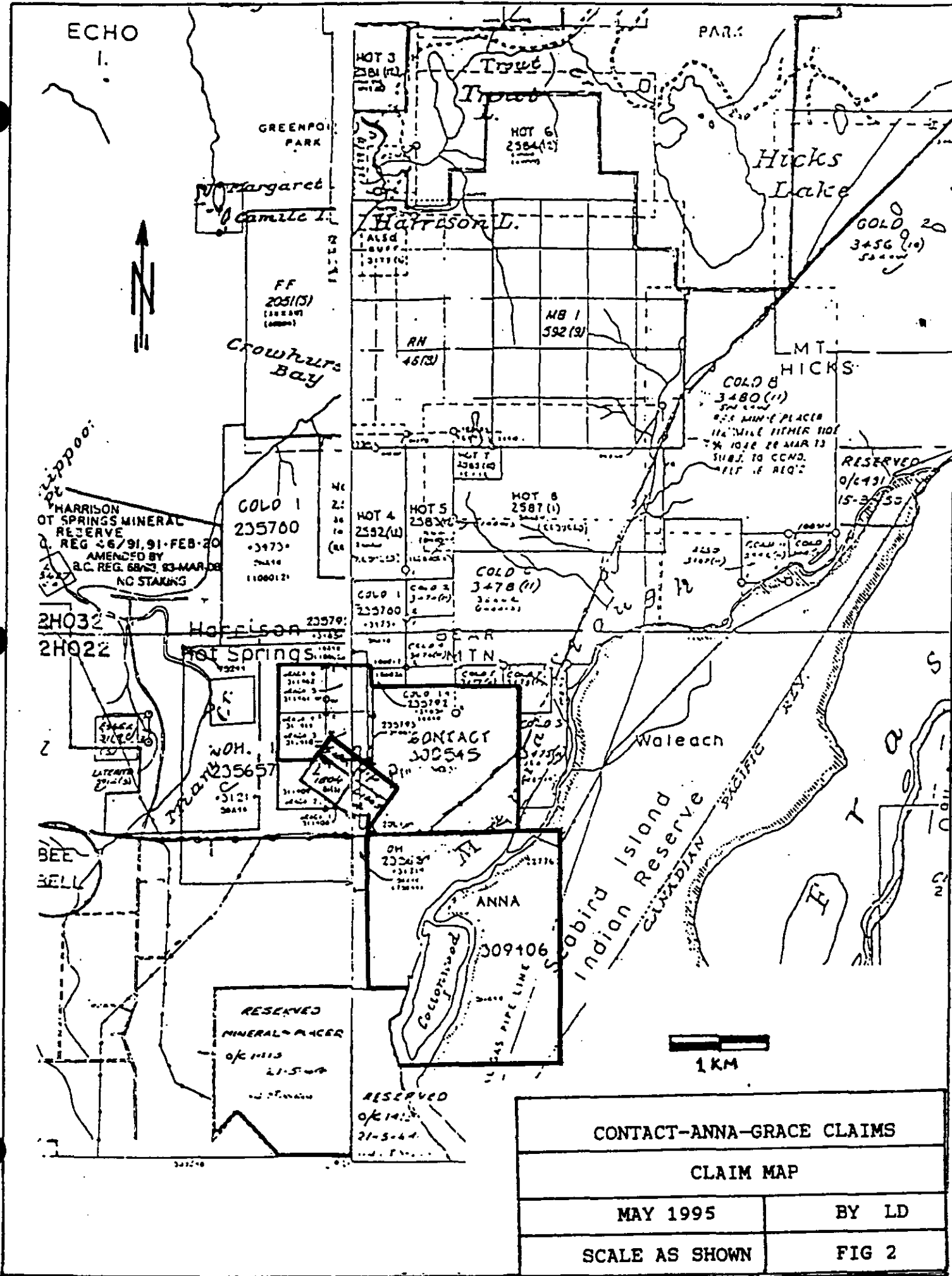
<u>Claim</u>	<u>Units</u>	<u>Rec. Number</u>	<u>Due Date</u>
Contact	9	300545	June 1, 1997
Anna	20	309406	May 21, 1996*
Grace 3	1	311410	July 22, 1997*
Grace 4	1	311411	July 22, 1997*
Grace 5	1	311461	July 23, 1997*
Grace 6	1	311462	July 23, 1997*

*After approving this assessment.

Les Demczuk of Vancouver is the recorded owner of the above mentioned claims.

2.3 HISTORY

Placer gold was discovered in river bars of the Fraser River near Yale in 1858. This encouraged continuous active exploration for Lode gold deposits in the Hope-Harrison Lake area since that time. In the immediate Harrison Lake area two precious metal deposits (Doctor's Point and RN-GEO) and massive sulphide deposit (Seneca) were discovered in the past 20 years.



HARRISON
OT SPRINGS MINERAL
RESERVE
REG 26/91, 91-FEB-20
AMENDED BY
B.C. REG. 68/93, 93-MAR-20
NO STAKING

GOLD 8
3480 (11)
MIN-PLACER
1/4 MILE FIFTH 100'
* 1020 20 MAR 73
SUBJ. TO CCND.
MIL. REQ.

RESERVED
0/191
15-3-55

CONTACT
300545

RESERVED
MINERAL PLACER
0/1113
21-5-48

RESERVED
0/1412
21-5-44

CONTACT-ANNA-GRACE CLAIMS	
CLAIM MAP	
MAY 1995	BY LD
SCALE AS SHOWN	FIG 2

The first record of work on the contact claims appeared in the 1992 B.C. Minister of Mines report (p.N253). The ground was part of the Empress property that included four crown-granted claims (immediately to the west) and a portion that was not crown-granted (now covered by Contact, Anna and Grace claims). Work at the time consisted of two open cuts on lenses and fissures of chalcopyrite mineralization. A glory hole was excavated to a depth of 5.5 meters. Three assays of 15% Cu, 5.6 oz Ag, 0.02 oz/Au, 19% Cu, 4 oz Ag, tr. Au and 10.2% Cu, 4 oz Ag, tr Au were reported from some of this skarn mineralization located in crystalline limestone unit. Considerably more work has been carried out on the adjacent Empress Crown-Granted claims immediately to the west. Several adits and drifts followed lenses of chalcopyrite found at the contact between granodiorite and limestone. In 1915-16 approximately 200 tons of ore was shipped. In 1992 Equitable Enterprises Corp. conducted limited soil sampling and VLF survey on the Contact and Anna claim due to lack of spectacular results and changing business profile, the option was dropped.

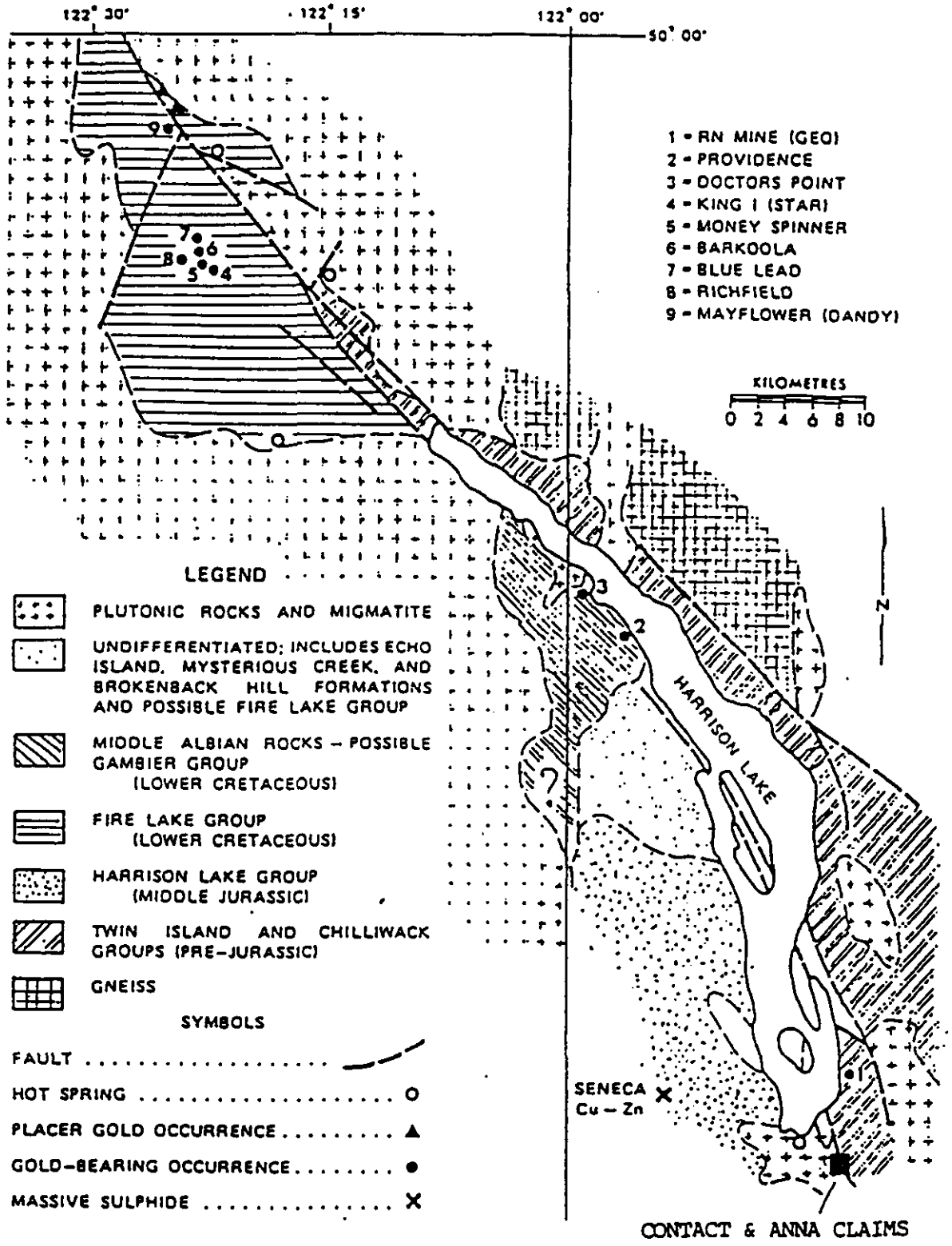
3.0 GEOLOGY

3.1 REGIONAL GEOLOGY AND MINERALIZATION

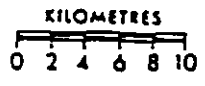
The regional geology has been summarized by Cooke (1992):

"The most prominent geological feature of the area is the Harrison Lake fracture system (figure 3). This is a major northwest trending fault system, which separated older rocks on the east side from younger and contrasting rocks on the west side of Harrison Lake. Pennsylvanian to Permian limestones and sediments (Chilliwack Group) occur, together with gneissic rocks on the east side of Harrison Lake (Ray, 1984, P.43). By contrast the rocks on the southwest side of the fracture system are generally younger and less deformed. These younger rocks consist of a variety of volcanic flows, volcanoclastic and sedimentary rocks of mesozoic age, intruded by plutonic rocks of granite to diorite composition.

The Harrison Lake Group is the main lithology on the southwest side of Harrison Lake, consisting predominantly of andesites and dacites of Middle Jurassic age. The Fire Lake Group, located northwest of Harrison Lake, is lower Cretaceous in with a lesser volcanic component.



- 1 - RN MINE (GEO)
- 2 - PROVIDENCE
- 3 - DOCTORS POINT
- 4 - KING I (STAR)
- 5 - MONEY SPINNER
- 6 - BARKOOLA
- 7 - BLUE LEAD
- 8 - RICHFIELD
- 9 - MAYFLOWER (DANDY)



LEGEND

- PLUTONIC ROCKS AND MIGMATITE
- UNDIFFERENTIATED; INCLUDES ECHO ISLAND, MYSTERIOUS CREEK, AND BROKENBACK HILL FORMATIONS AND POSSIBLE FIRE LAKE GROUP
- MIDDLE ALBIAN ROCKS - POSSIBLE GAMBIER GROUP (LOWER CRETACEOUS)
- FIRE LAKE GROUP (LOWER CRETACEOUS)
- HARRISON LAKE GROUP (MIDDLE JURASSIC)
- TWIN ISLAND AND CHILLIWACK GROUPS (PRE-JURASSIC)
- GNEISS

SYMBOLS

- FAULT
- HOT SPRING
- PLACER GOLD OCCURRENCE
- GOLD-BEARING OCCURRENCE
- MASSIVE SULPHIDE

SENECA
Cu - Zn

CONTACT & ANNA CLAIMS

CONTACT-ANNA-GRACE CLAIMS	
REGIONAL GEOLOGY MAP	
MAY 1995	BY LD
SCALE AS SHOWN	FIG 3

**SKETCH OF ROAD AND POST LOCATIONS NEAR
CONTACT CLAIM, HARRISON LAKE AREA.**

SCALE 1:5000



ALL DISTANCES ARE IN METRES AND DECIMALS
THEREOF UNLESS OTHERWISE INDICATED

+N 5460000 E 591000

+N 5460000 E 591500

+N 5459500 E 591000

+N 5459500 E 591500

CONTACT LCP

ID POST ON IE

+N 5459000 E 591000

+N 5459000 E 591500

TUNNEL

GRID N1000 E1000

ROAD



FIG. 4

BENNETT SURVEYS LTD.
349 BENICKE AVENUE,
NORTH VANCOUVER, B.C.
PH. 980-4868
FAX 980-5856
FILE # \w10\c11424

NOTE:
GRID COORDINATES ARE UTM NAD 27
LOCATION OF ROADS AND CLAIM POSTS DETERMINED
FROM DIFFERENTIALLY CORRECTED GPS OBSERVATIONS (TRIMBLE
GEO-EXPLORER) SUPPLEMENTED WITH COMPASS AND TOPOFILL

Precious metal mineralization and hot spring activity are associated with the Harrison Lake fracture system (Figure 3). The gold is hosted by sulphide-bearing quartz veins and stockworks that cut metasedimentary, volcanic and associated quartz diorite and diorite plutons of mid-Tertiary age. Gold occurs in the free state and as silver and bismuth tellurides with or without base metals. The three main deposits which have been outlined to date in the Harrison Lake area by drilling are:

<u>Deposit</u>	<u>Reserves (Tons)</u>	<u>oz Au/T</u>
RN-Geo	2,400,000 (probable)	0.12
Doctor's Pt.	132,000 (probable)	0.10
Seneca	1,660,000 3.6% Zn 0.63% Cu 1.20 oz Ag/T	0.024

3.2 PROPERTY GEOLOGY AND MINERALIZATION

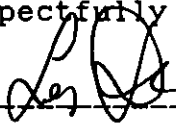
The local geology of the contact claims has been mapped by D. L. Cooke (1992) and Les Demczuk (1994). The area of interest is underlain mainly by quartzite, intermediate volcanics, siltstone and limestone which have been intruded by quartz diorite and granodiorite of Tertiary age. The limestone has been recrystallized to form marble and metasomatized adjacent to the intrusive contacts to form skarn.

The copper occurrences on the Contact claim belong to the contact-metamorphic type of ore deposits. The mineralization is made up of gosson, copper carbonates, chalcopryrite some chalcocite, malachite, garnet and tremolite. The copper mineralization occurs in bunches or lenses enclosed in crystalline limestone or garnet-tremolite skarn.

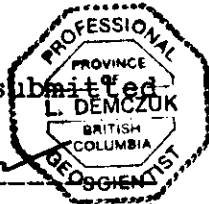
The prospecting and mapping in the upper part of the Contact claims is very difficult and time consuming due to the steepness of terrain (nearly vertical cliffs). The aim of the mapping was to locate any extension of skarn mineralization to the east. The traverse along the creek (Fig. 5) indicates that the central-south part of this creek is underlain by coarse grained, hornblende-biotite granodiorite of the Chilliwack Batholith. Geology of the central-north part of the creek consist of interbedded metasediments (siltstone) and intermediate tuff of the Chilliwack Group. Locally this rocks are strongly silicified and rich in pyrite (fracture filling). Generally this unit strikes approximately 330°-360° and dips 40°-60° to the east. Marble and skarn was not intersected along the traverse.

4.0 CONCLUSIONS AND RECOMMENDATIONS

Previous and present work on the property has been directed toward exploration for copper-gold-molybdenum mineralization. Such mineralization is found adjacent to a granitic intrusive limestone contact in a skarn host. There is the potential for developing substantial ore reserves within approximately 1000 metres long system. The 1995 program failed to locate any skarn or marble extension to the east. Future exploration should be directed in north-western direction from main showing. In order to locate buried marble-granodiorite contacts with possible copper-gold mineralization (skarn) electromagnetic survey should be employed.

Respectfully submitted


Les Demczuk M.Sc., P. Geo.



May 27, 1995

REFERENCES

Annual Report of the Minister of Mines, Province of British Columbia, 1922; Anna Group, P. N253.

Annual Report of the Minister of Mines, Province of British Columbia, 1931; Empress Group, P. A176.

Airborne Magnetic Survey, 1972; Map 7687G, Hope, B.C. Department of Energy, Mines and Resources, Ottawa.

Cooke, D.L. 1992, Geochemical Assessment Report on the Contact Claim. For owner L. Demczuk Filed for assessment.

Cooke, D.L. 1992, VLF-EM and Magnetometer Survey Assessment Report on the Contact and Anna Claim.

Demczuk, L. 1994 Geological Assessment Report on the Anna Contact and Grace Claims Harrison Lake Area.

Ray, G.E. 1992. Geochemical Assessment with a Regionally Developed Mid-Tertiary Plutonic Event in the Harrison Lake Area, Southwestern B.C., B.C. Ministry of Energy, Mines and Petroleum Resources, Geological Fieldwork 1985, Paper 1986-1, pp.95-97.

Ray G.E. 1985, Geological Summaries of Gold Deposits in the Harrison Lake Area, Southwestern B.C., B.C. Ministry of Mines-Summaries of Activities 1981-1989.

A P P E N D I X I

STATEMENT OF COST

CONTACT- ANNA

September 7, 1994 and May 13, 1995

PERSONNEL

L. Demczuk M.Sc., P.Geo.	2.0 Days @	\$300.00	\$ 600.00
E. Ablay Prosp./Asst.	1.0 Day @	\$250.00	\$ 250.00
Bennett Survey LTD 349 Bewick Ave North Vancouver B.C.	Invoice # 8139		\$1489.98
Truck 4X4 Rental (Gas)			\$ 150.00
Food			\$ 69.50
Supplies			\$ 25.63
Report (Writing, Drafting, Typing, Photo Copy)			<u>\$ 520.00</u>
		Total	\$3105.11

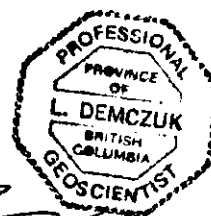
A P P E N D I X I I

STATEMENT OF QUALIFICATION

I, Les Demczuk, of the city of Vancouver, Province of British Columbia so hereby certify that:

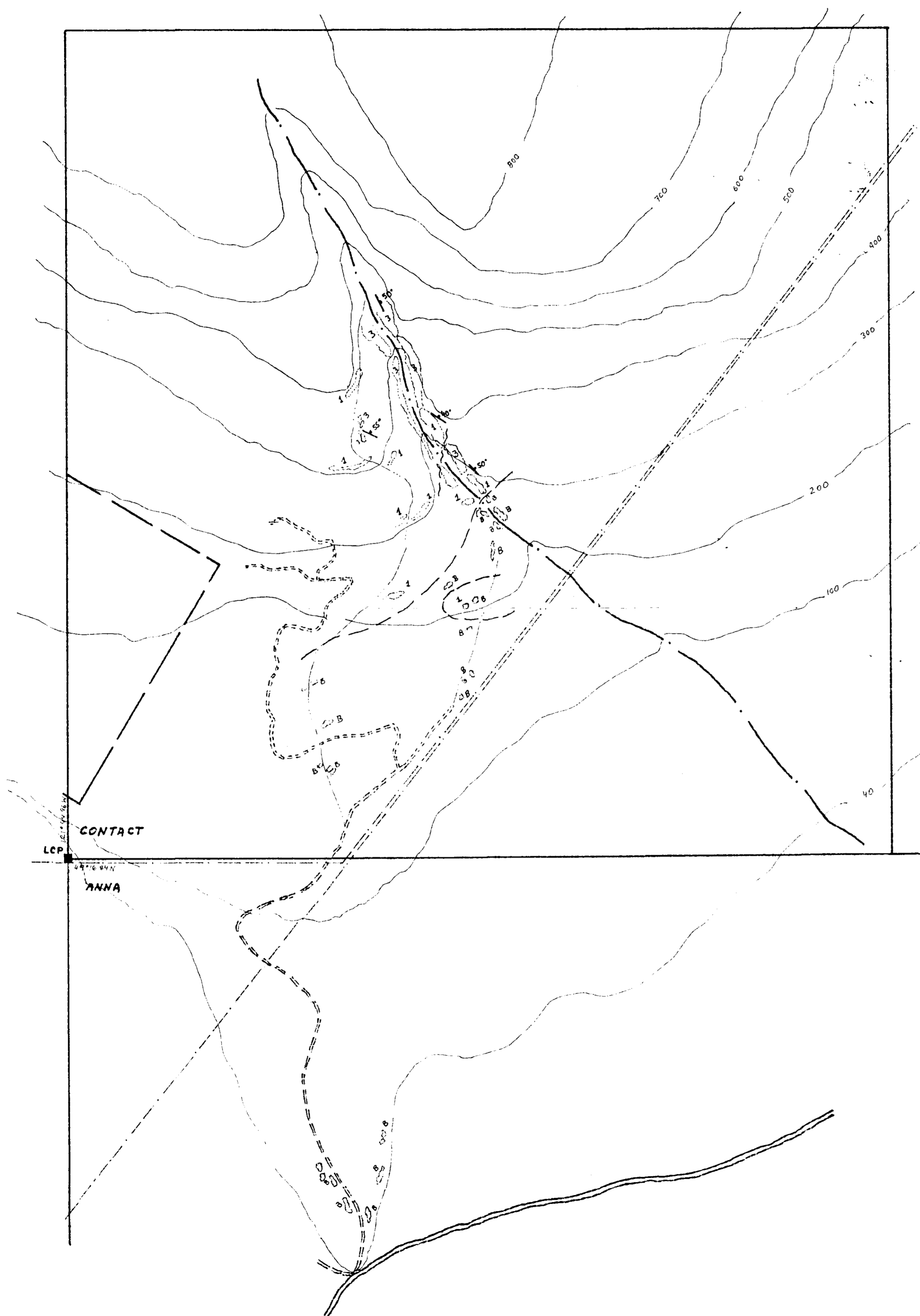
1. I am a Mining Geological Engineer residing at 1835 East 13th Ave. Vancouver B.C.
2. I graduated from University of Mining and Metallurgy, Krakow, Poland in 1977 with Master of Science Degree in Geology.
3. I have worked in mineral and coal exploration since 1977 and have practiced my profession since 1977.
4. I am a Professional Geologist registered with the Association of Professional Engineer and Geoscientist of British Columbia.
5. This report is based upon field work carried out by myself and a review of published and privately held literature pertaining to the claim area.

SIGN :



Les Demczuk, M.,Sc., P.Geol.

May 27 1995



LEGEND

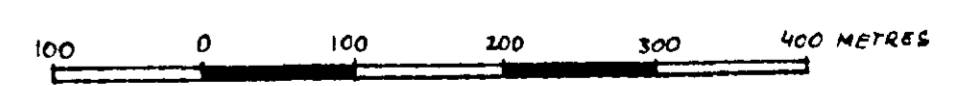
- ===== PAVED ROAD
- SECONDARY ROAD
- CLAIM LINE
- POWER LINE
- TRAVERSE LINE
- CREEK
- 100 CONTOUR LINE 100M
- GEOLOGICAL CONTACT
- OUTCROP
- 50° BEDDING, DIP
- ~~~~~ FAULT OR SHEAR ZONE
- LCP

LITHOLOGIES

- B HORNBLENDE-BIOTITE GRANODIORITE
- A DIORITE
- 4 CRYSTALLINE MARBLE
- 3 QUARTZ-RICH METASEDIMENTS, SILTSTONE
- 2 IMPURE MARBLE, SKARN, GARNETITE
- 1 LAYERED METASEDIMENTS-INTERMEDIATE TUFF

**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

23,932



CONTACT-ANNA CLAIMS	
GEOLOGY MAP	
MAY 1995	BY LD
SCALE 1:5,000	FIG. 5