

GEOLOGICAL SURVEY BRANCH
ASSESSMENT REPORTS

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ASSESSMENT REPORT

on

PROSPECTING

AUG and SKAY Claims

Negro Creek

Fort Steele Mining Division

NTS 82 F8/E

Latitude $49^{\circ}28'N$
Longitude $116^{\circ}01'W$

By

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Prospector

FILMED

September 5, 1996

GEOLOGICAL SURVEY BRANCH
ASSESSMENT REPORT

24,458

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1.00 INTRODUCTION

1.0 Location and Access

The Aug and Skay mineral claims are located 17 kilometers west of Cranbrook, B.C. (Figure 1). The claims are located near the headwaters of Negro and Wuho Creeks, tributaries of the Moyie River, in the Fort Steele Mining Division, on reference map NTS 82 F 8/E and centered near 49°28'N latitude, 116°01'W longitude.

The property is accessed by good logging roads from Highway 3/95 south of Cranbrook, B.C. up the Moyie River, Negro Creek and Wuho Creek drainages.

1.2 History

The Aug and Skay claims are within a large area of widespread gold mineralization which trends northeasterly and extends through the drainages of the Moyie River, Perry Creek and the Wildhorse River; the three main placer gold bearing streams of the East Kootenays.

The area has been, and is of interest to people who search for the source of the Moyie placer deposits. Companies, groups and individuals have held ground positions within the area over a long period of time. Grass roots exploration - prospecting and geology - have provided positive results, but as of yet advanced programs, specifically diamond drilling, have not been undertaken.

1.30 Property

The Aug and Skay mineral claims are a contiguous block of 16 2-post claims (Aug 1-6 and Skay 1-10, Figure 2) owned by Mike Kennedy of Kimberley B.C. and G.M. Rodgers of Skookumchuck, B.C.

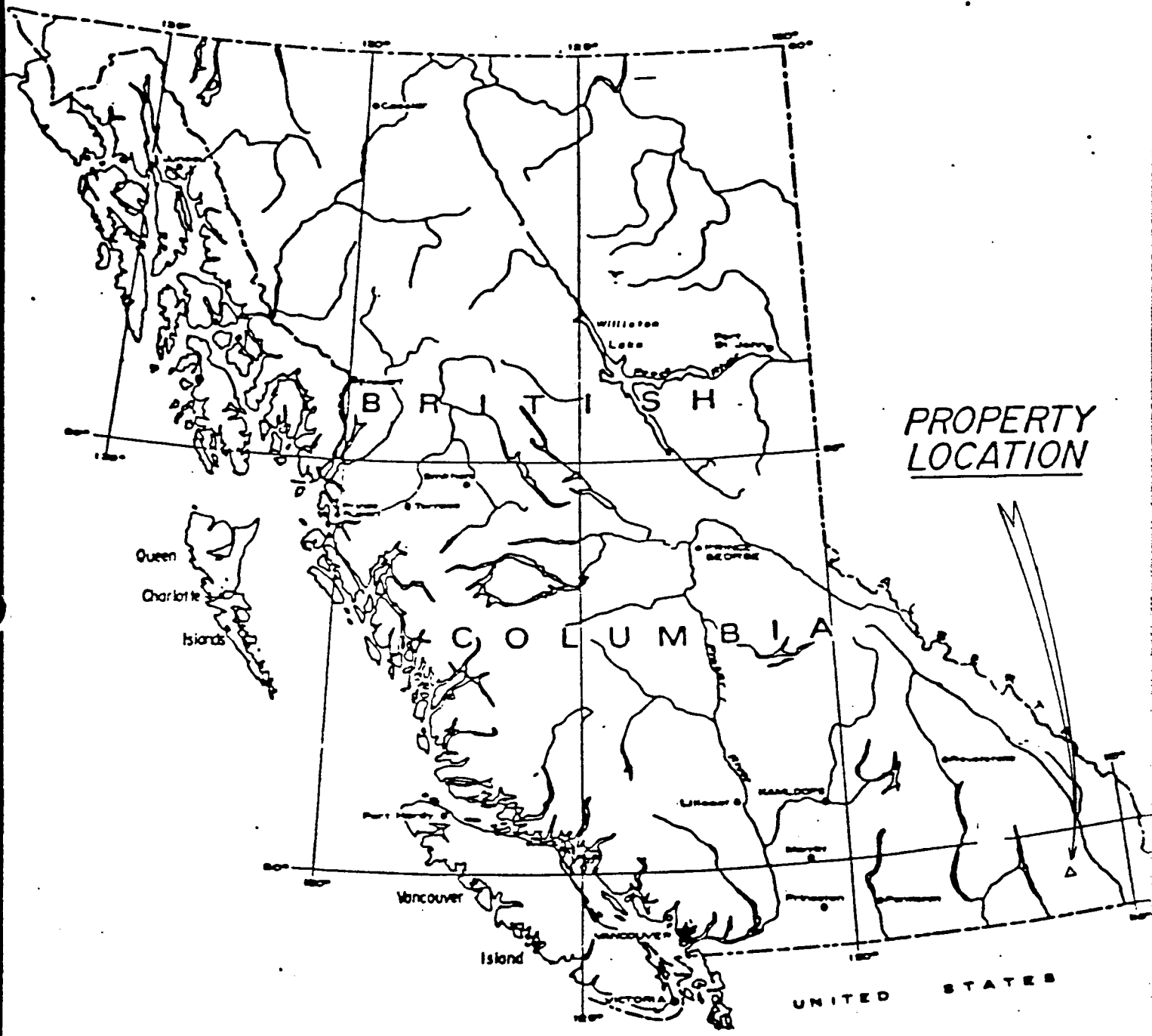
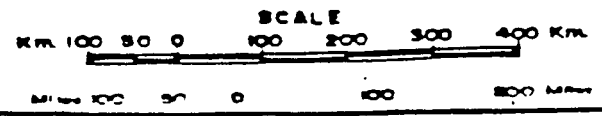
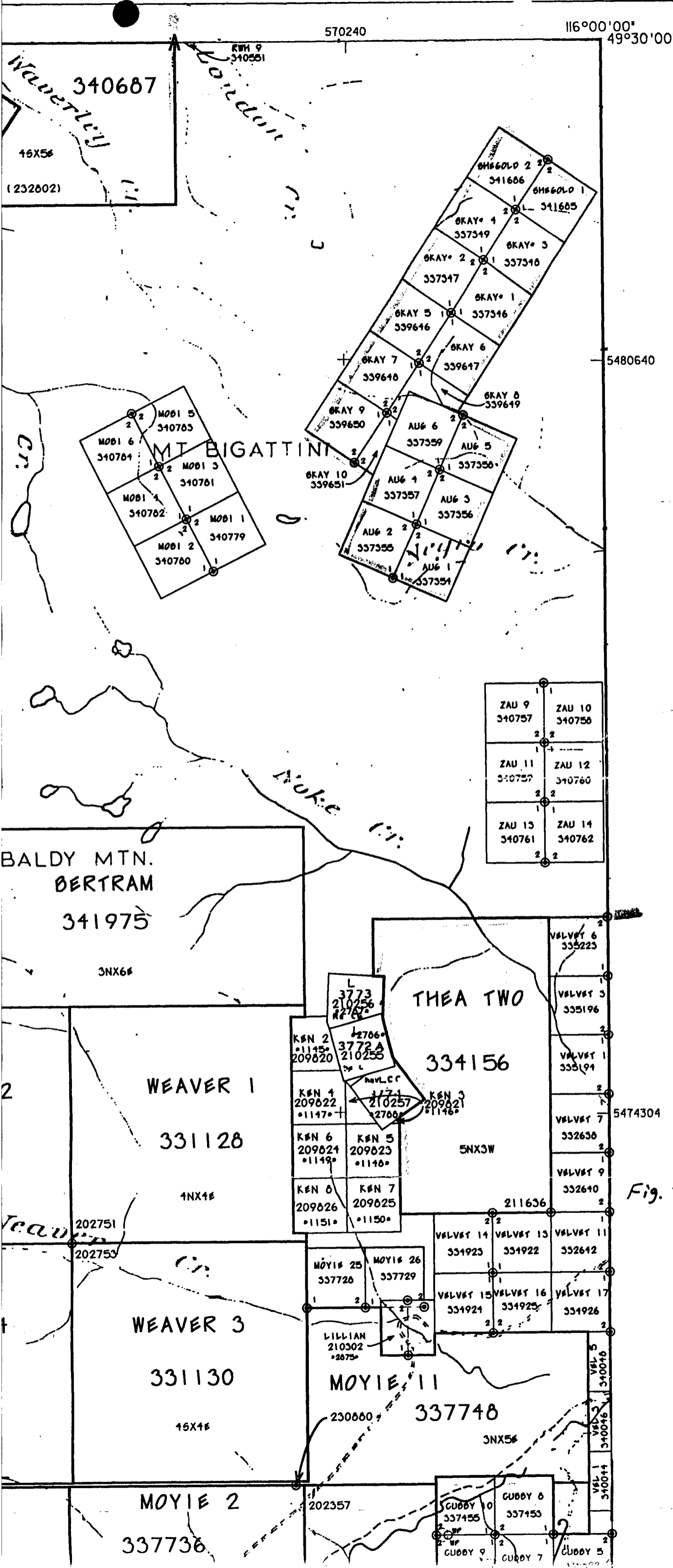


Figure 1
AUG-SKAY CLAIMS
LOCATION MAP





PROVINCE OF
BRITISH COLUMBIA

MINISTRY OF
ENERGY, MINES AND
PETROLEUM RESOURCES

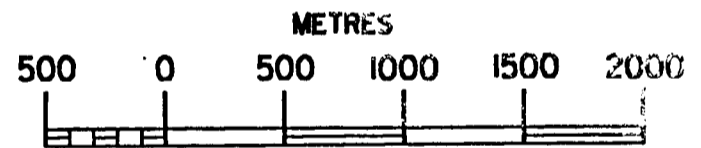
MINERAL TITLES REFERENCE

MAP 082F08E

U.T.M. ZONE II

LAST MAP UPDATE: 1996 FEB 19

ORIGINAL PRODUCED AT 1:31680



ADMINISTRATIVE AREAS

MINING DIVISIONS: FORT STEELE

NELSON

LAND DISTRICTS:

Fig. 2 AUG-SKAY PROPERTY

CLAIM MAP

ALIENATIONS

NO STAKING AREAS

NO STAKING RESERVES

PARKS

ECOLOGICAL RESERVES

RECREATION AREAS

Fig. 3

AUG - SKAY

PROSPECTING REPORT

LEGEND

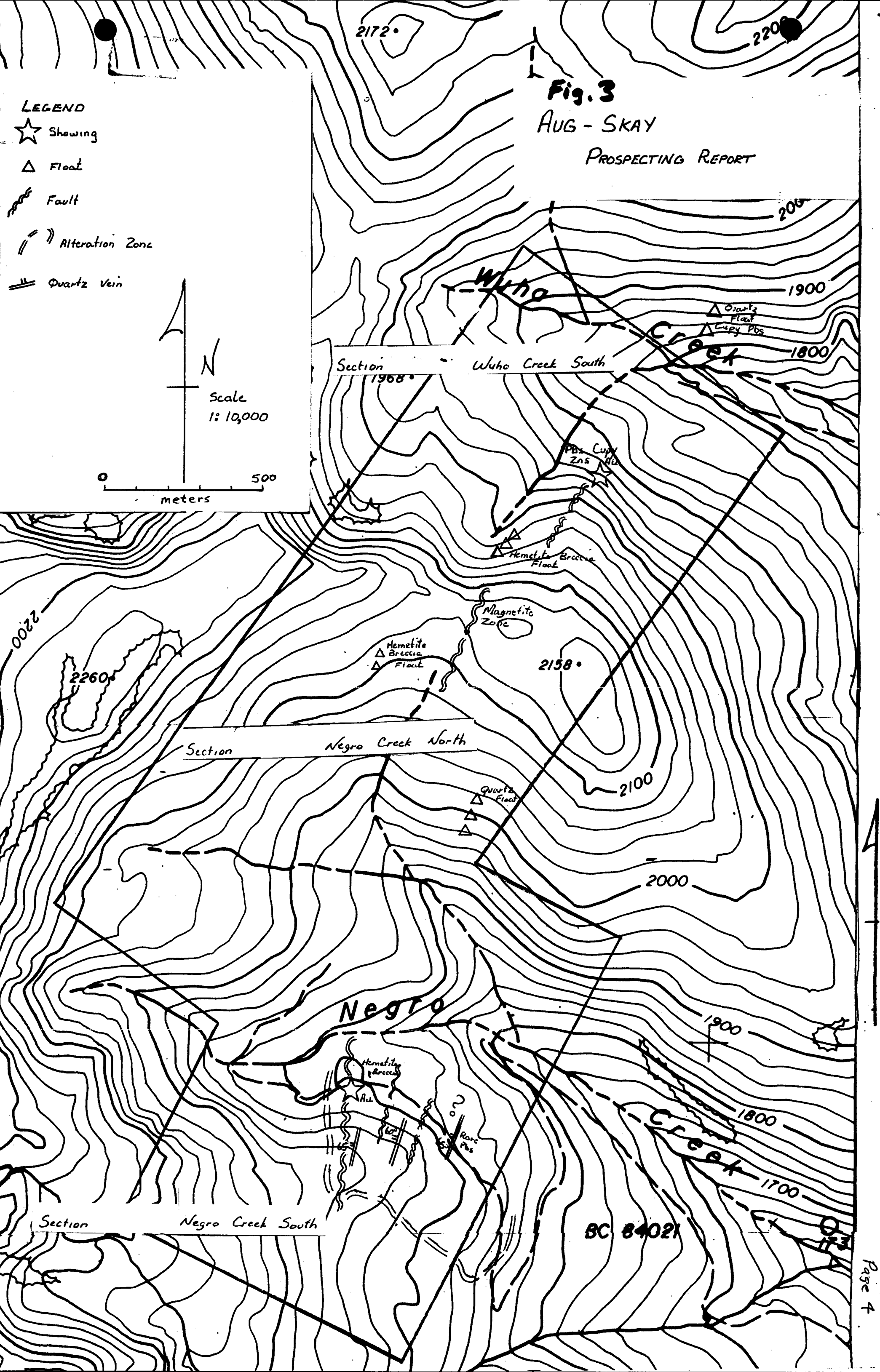
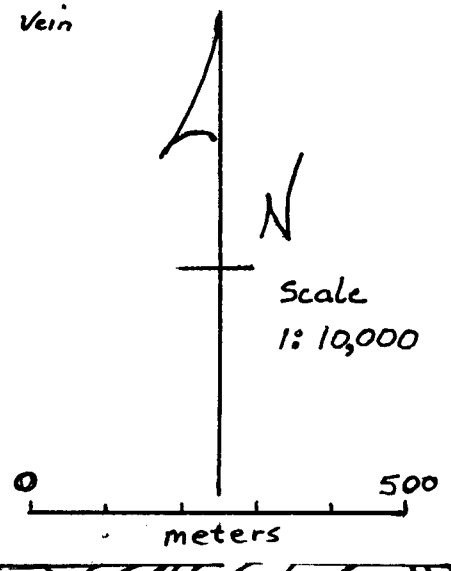
☆ Showing

△ Float

⚡ Fault

⌋ Alteration Zone

≡ Quartz Vein



1.40 Scope of Present Work

During the early fall of 1995 a prospecting program was completed on the Aug and Skay mineral claims.

The 1995 prospecting program had three objectives:

1. Re-establish and evaluate known targets
2. Discovery of new targets
3. Evaluate alteration and larger structures

For the purpose of this report, the property has been divided into three areas - Negro Creek South, Negro Creek North and Wuho Creek South (Figure 3).

Prospecting was conducted by C. Kennedy, T. Kennedy and M. Kennedy. Each prospector spent one day in each of the three areas reported on, for a total of 9 days.

2.00 PROSPECTING

2.10 Negro Creek South

This area has the most complex geology known within the claim group.

Middle Creston Formation; blocky, massive green to blue green siltstone and argillite form the hangingwall of the Baldy Fault. Within 30 meters of the actual fault there is an increase in chlorite and albite(?) alteration. This alteration has a mottled appearance right up to where the fault is seen in the road cut. The fault hosts in excess of three meters of hematite matrix breccia. The matrix hematite is dense and very black while rounded and angular sediment fragments are hard and white. The hematite breccia is cut by erratic narrow quartz vein development. These veins are mostly fine silica with only rare coarse veins noted. Limonite, pyrite and specular hematite are common minerals in these veins. Much of the breccia is quite rusty with fine pyrite and larger limonite cubes common. This zone is anomalous in gold with past samples yielding numbers as high as 15 grams gold to the ton. As you advance into the footwall of the Baldy Fault you encounter structural features which mimic the Baldy Fault in orientation. This footwall alteration zone is in excess of 500 meters true width.

The footwall zones are hosted by thin bedded gray-black to bleached blue-green siltstones and argillites. This alteration area shows varying degrees of shearing and phyllitic development. Shearing is always accompanied by folding (varying degrees), and quartz veining. Quartz veins in excess of 1.5 meters width were noted in a number of areas. All veins examined contained abundant sericite, chlorite, pyrite and limonite. One 20cm wide pyrite rich vein on the edge of the logging road contained rare blebs of galena. Previous sampling of these veins provided only weak anomalous gold values. A small creek which drains out of the southeast corner of the claim block has provided highly anomalous gold values from heavy samples taken by previous workers. It seems plausible that the gold mineralization is hosted by this alteration zone. Poor exposure hinders prospecting but soil sampling might be effective at evaluating this area, with trenching done on any positive results.

The hematite breccia zone could be tested immediately by trenching or drilling.

2.20. Negro Creek North

Most of this north area is covered by overburden and thick vegetation. The Baldy Fault is exposed in a saddle on the ridge between Negro and Wuho creek. The fault zone is approximately 1.5 meters wide and is predominantly a quartz shear with heavy amounts of fine black magnetite and green chlorite. Previous sampling returned no anomalous values in metal except for iron. Of interest is the fact that very little pyrite or limonite was noted in outcrops, although quite a few pieces of pyrite and limonite rich float were found along the slope. This material is very similar in character to the material that is anomalous in gold in the road exposure in the Negro Creek South area.

Another float train which trends parallel to the trace of the Baldy Fault can be seen 150 meters east of the Baldy Fault. This material is quartz cobble, limonite rich with red hematite staining. Some of the pieces are quite vuggy and angular, with large pieces being 30 cm square. This float would seem to have a close source. As with the previously described area, soil sampling may prove worthwhile in determining the presence of gold mineralization; a favourable structure definitely exists.

2.30 Wuho Creek South

Approximately 150 meters downhill along strike of the Baldy Fault a large amount of silicified breccia float is encountered. This material contains hematite, magnetite and pyrite. The float blocks are quite large, some being one meter square. Bedrock when encountered is silicified and pyrite rich, with varying degrees of fine chlorite alteration.

To the east of this area and parallel to the Baldy Fault a 1.5 meter wide shear zone can be seen in a small exposure of bedrock. Narrow quartz veins and silicified wallrock contain traces of pyrite, galena, sphalerite, chalcopyrite and gold in the 3 to 4 gram per ton range. The rocks hosting the shear are Middle Aldridge quartzites, siltstones and argillites. These rocks are quite different from the thin bedded rocks east of the Baldy Fault in the Negro Creek areas. This suggests a large fault offset. This area of the mineralized shear zone with a potential fault intersection could be effectively evaluated with soil geochemistry and ground geophysics.

On the south facing aspect, just off the claim line, a quartz float train is encountered, with quartz fragments up to 45cm square. This float train can be traced along a Baldy Fault trend for more than 200 meters where no outcrop is encountered. The material however does follow up a noticeable draw. All quartz float is hematite stained, vuggy and manganese and limonite rich. Of more interest however is that some pieces contain blebs of galena and chalcopyrite. Soil sampling and trenching could help determine the source of this material.

3.00 CONCLUSIONS

The Baldy Fault zone on the Aug-Skay claims shows mineralization and alteration to widths in excess of 500 meters. Previous stream sampling, and known placergold deposits in both Negro and Wuho creeks would indicate this area as a possible bedrock source for the gold.

Soil geochemistry, ground geophysics and trenching are recommended techniques for advancing the exploration of these target areas.

4.00 STATEMENT OF COSTS

Personnel		
C. Kennedy, T. Kennedy, M. Kennedy		
3 days each @ \$500.00/day including truck		\$1500.00
Report		
C. Kennedy		
1 day @ \$175.00		175.00
Typing and supplies		50.00
	TOTAL COST	<u>\$1725.00</u>

5.00 STATEMENT OF QUALIFICATIONS

As author of this report, I, Craig Kennedy, certify that:

1. I am an independant prospector with offices at 2290 Dewolfe Avenue, Kimberley, B.C.
2. I have been actively prospecting in the East and West Kootenay districts of British Columbia for the past 10 years, and have made my living by prospecting for the past 8 years.
3. I have been employed as a professional prospector by junior mineral exploration companies and major mining companies.
4. I own and actively maintain numerous mineral claim properties in British Columbia and have optioned many of these properties to various exploration companies over the past 8 years.

Signed Craig Kennedy

Craig Kennedy
September 5, 1996