

010195

~~Dept. of Mines &
Petroleum Resources~~
Victoria, B. C.

SHULMAN, ET AL

Courtesy of Arpad Fustos, Aug '68

KRAIN PROPERTY OPTION
(May 31, 1967)

PROGRESS REPORT NO. 3

August 10, 1967

August 10, 1967.

Mr. I. Shulman,
c/o Shulman and Partners,
Suite #404,
510 West Hastings Street,
Vancouver, B.C.

Dear Sir:

Re: Progress Report No. 3

In Progress Reports No. 1 and 2, all activities to June 26th (inclusive) were detailed.

The tens of thousands of dollars allocated by you to a comprehensive investigation of the potential of the Krain Property were spent in a most prudent manner. As arranged, the Longyear diamond drilling firm completed four large diamond drill holes in critical locations to test our theory that the mineralization extended to the north under the volcanic capping. The results of this investigation and other interesting possibilities are reported on herewith.

The Longyear crew arrived on the property on June 23rd and had completed their assignment by August 2nd, 1967.

Summary and Recommendations

Assaying of the diamond drill core from the oxidized zones encountered in the four holes produced the following results:

1	D.D.H. S30	- 156' to 356'	= 200' @ 0.69% Copper
2	D.D.H. S31	- 68' to 183'	= 115' @ 0.20% Copper
3	D.D.H. S32	- 124' to 334'	= 210' @ 0.64% Copper
4	D.D.H. S33	- 340' to 390'	= 50' @ 0.59% Copper

Assaying of the diamond drill core from sections immediately below the oxidized zones produced the following results:

1	D.D.H. S30	- 356' to 406'	= 50' @ 0.41% Copper
2	D.D.H. S31	- 183' to 263'	= 80' @ 0.175% Copper
3	D.D.H. S32	- 334' to 394'	= 60' @ 0.77% Copper
4	D.D.H. S33	- 390' to 512'	= 122' @ 0.24% Copper

D.D.H. S30 and D.D.H. S32 intersected an oxidized zone approximately 200 feet in vertical extent which is underlain by a primary zone, part of which assayed 0.41% Copper for 50 feet in D.D.H. S30 and 0.77% Copper for 60 feet in D.D.H. S32. Pyrite and chalcopyrite occur in varying amounts throughout the primary zone in these holes and, although pyrite appears to predominate in the hand specimen, the possibility of chalcopyrite zoning should be investigated.

D.D.H. S33 was drilled three hundred feet north easterly from D.D.H. S30 in an area which was unexplored by diamond drilling previously. It encountered 50 feet of oxide mineralization averaging 0.59% Copper followed by 122 feet averaging 0.24% Copper in which chalcopyrite and Bornite were observed.

The drilling, splitting and partial assaying of the core from Diamond Drill Holes S30, S31, S32 and S33 have confirmed the presence of oxidized and primary mineralization to the North of that drilled by previous organizations and extends the indicated ore potential by several hundreds of thousands of tons.

Assessment of the results obtained to date recommends favourable consideration of additional diamond drilling to investigate the northerly and easterly extensions of the mineralization intersected in D.D.H.'s S30, S32 and S33.

Reconnaissance of the claims indicates the possibility of 'windows' in the volcanic capping on the northern portion of the property. This possibility should be investigated for presence of favourable dioritic rocks as well as the location of possible diamond drill sites.

The assay rejects from the sampling of the current diamond drill core have been retained and it is recommended that additional preliminary metallurgical investigations be carried out.

Location

Access

(Reference is made to "Appendix A" in this Report which lists many previous reports on this property.)

History

Property

Climate

Timber

(It would be redundant to repeat all this information. We assume this data to be reliable and if it is pertinent to you or anyone else, copies can be made available.)

Water

Power

Geology

To supplement all information and illustrate the work covered by this Report, we take pleasure in attaching:

PLATE NO. 1 - Significant Data and Assay Record of D.D.H. S30
PLATE NO. 2 - " " " " " " D.D.H. S31
PLATE NO. 3 - " " " " " " D.D.H. S32
PLATE NO. 4 - " " " " " " D.D.H. S33

MAPS - Shuro Co. Ltd. - Krain Property, North Pacific Mines Ltd.
(N.P.L.) - Scale 1" = 100'.

- Shuro Co. Ltd. - Krain Property, North Pacific Mines Ltd.
(N.P.L.) - Scale 1" = 400'.

SECTION - D.D.H. S30, D.D.H. S31, D.D.H. S32.

Review of 1967 Diamond Drilling To Date

D.D.H. S30:

As a means of testing the theory that potential ore mineralization existed north and east of that outlined by previous organizations, a contract for the recovery of NQ Wire line diamond drill core (approximately 1 7/8" diameter) was entered into with Canadian Longyear Limited. The drilling of D.D.H. S30 (see maps) commenced on June 28th and, by the use of drilling mud and casing coupled with care and experience, the hole produced an excellent record of the rocks and mineralization traversed for its entire depth of 842 feet.

Examination, splitting and assaying of the core revealed that below 150 feet of volcanics lay 200 feet of oxidized mineralization averaging 0.69% Copper, followed by 50 feet of the primary zone which averaged 0.41% Copper. The hole continued in the primary zone with varying quantities of sulfide mineralization in phases of dioritic and porphyritic rocks to bottom at 842 feet.

Mineralization observed included malachite, cuprite and native copper in the oxidized zone; pyrite and chalcopyrite in the primary zone. The chalcopyrite observed was disseminated. The pyrite occurs in varying quantities on fracture planes as well as being disseminated throughout the dioritic and porphyritic phases of the rock.

D.D.H. S31:

Having proved the presence of the oxidized and primary zones in D.D.H. S30 the next step was to seek out the possibilities in a westerly direction. Recognition of the topographic relief, previous diamond drilling and the good core recovery in D.D.H. S30 were taken into account in locating D.D.H. S31 approximately 400 feet westerly from D.D.H. S30 (see map).

The drilling of the hole in the creek bed proceeded with care and by the use of tricone bits and casing, the sand, gravel and volcanic debris was penetrated. Thereupon the hole deepened with good core recovery to a depth of 612 feet.

Examination of the core revealed the presence of an oxidized zone of approximately 115 feet in vertical extent followed by two alteration zones. In one alteration zone the pyrite on the fracture planes has been leached leaving brown decomposition products remain. Below these alteration zones the hole passed into a primary zone and pyrite was observed in varying amounts to the bottom of the hole.

D.D.H. S32:

Examination of the core from D.D. Holes S30 and S31 indicated the advisability of drilling a hole between these two holes and D.D.H. S32 was located midway between them (see map). This reasoning proved most prudent for, after passing through some 60 feet of volcanics and 60 feet of alteration, an oxidized zone in excess of 200 feet averaging 0.64% Cu was encountered followed by the primary zone 60 feet of which averaged 0.77% Copper.

The rocks encountered throughout the 773' drilled in D.D.H. S32 were similar to those encountered in D.D.H. S30, namely, malachite and cuprite in the oxidized zone; pyrite and chalcopryrite in the primary zone.

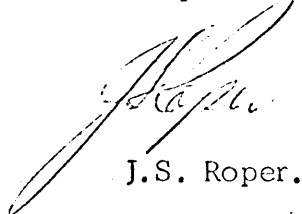
D.D.H. S33:

The presence of the oxidized and primary zones at similar elevations and quantities in D.D. Holes S30 and S32 encouraged a check of the theory of continuity to the north and east by locating D.D.H. S33 some 300 feet north easterly from D.D.H. S30. Fractured rock and water courses presented difficulties in the drilling of this hole; however, with casing, mud media, care and persistence, N Q Wire line core was recovered for 261 feet and B Q Wire line core from 261 feet to where the hole was stopped at 512 feet.

Examination, splitting and assaying of the core revealed the presence of a 50 foot oxidized zone (340 to 390') averaging 0.59% Copper followed by 122' (390 to 512') averaging 0.24% Copper.

Malachite and cuprite were observed in the oxidized zone and, in spite of the unconsolidated nature of the core in the primary zone, chalcopryrite and bornite were visible at varying locations in the primary zone.

Respectfully submitted,



J.S. Roper.

PLATE #1

Diamond Drill Hole = S 30

Report To: Mr. I. Shulman

Location - Latitude = 130580 N (See Map)

Re: Krain Property Option
(May 31, 1967)

- Longitude = 118625 E

Elevation = 5725 ft.

PROGRESS REPORT NO. 3

Attitude = Vertical (-90°)

August 10, 1967

Sample Number	Sample Footage	ASSAYS			Core Rec'	Assay Averages	REMARKS	
		% Cu	Composite					% Cu
			Au	Ag				
--	O to 150	-	-	-	-	-	Volcanics	
15401 D	151 to 156	0.10					Altered & Oxidized	
2 D	156 to 166	0.20						
3 D	166 to 176	0.17	Tr.	Tr.	Tr.	98		
4 D	176 to 186	0.27						
5 D	186 to 196	0.32						
6 D	196 to 206	0.30						
7 D	206 to 216	0.52						
8 D	216 to 226	0.65	Tr.	0.10	.011	100		
9 D	226 to 236	0.95						
15410 D	236 to 246	1.10						
1 D	246 to 256	0.82						
2 D	256 to 266	0.97						
3 D	266 to 276	1.05	Tr.	Tr.	.007	100		
4 D	276 to 286	0.82						
5 D	286 to 296	0.95						
6 D	296 to 306	0.72						
7 D	306 to 316	1.00						
8 D	316 to 326	0.82	.005	Tr.	Tr.	100		
9 D	326 to 336	0.95						
15420 D	336 to 346	0.37						
1 D	346 to 356	0.85						
2 D	356 to 366	0.90						
3 D	366 to 376	0.65	Tr.	0.05	.010	100		
4 D	376 to 386	0.15						
5 D	386 to 396	0.15						

5725'

↑
156' to 356' = 200' @ 0.069%
↓
206' to 376' = 170' @ 0.83%

PLATE # 1

(Continued)

Diamond Drill Hole = S 30 (Continued)

Sample Number	Sample Footage	ASSAYS			Core Rec' %	Assay Averages % Cu	REMARKS
		% Cu	Composite				
			Au	Ag	MoS ₂		
			oz/ton		%		
15426D	396 to 406	0.20				-	
7D	406 to 416	0.12					
8D	416 to 426	0.37	Tr.	0.05	.015	100	
9D	426 to 436	0.20					
15430D	436 to 446	0.15					
1D	446 to 456	0.12					
2D	456 to 466	0.12					
3D	466 to 476	0.10	.005	0.15	Tr.	100	
4D	476 to 486	0.10					
5D	486 to 496	0.25					Primary
6D	496 to 506	0.40					
7D	506 to 516	0.20					
8D	516 to 526	0.20	Tr.	Tr.	Tr.	100	
9D	526 to 536	0.07					
15440D	536 to 546	0.10					
1D	546 to 556						
2D	556 to 566	T					
3D	566 to 576	o				100	
4D	576 to 586						
5D	586 to		B				
6D	to		e				
7D	to						
8D	to		A			100	
9D	to		s				
15450D	to		s				
1551D	646 to 656		a				
D	to		y				
to D	to		e			100	
D	to 836		d				
15570D	836 to 842						

842 ft. Bottom of Hole

PLATE # 2

Diamond Drill Hole = S 31

Report To: Mr. I. Shulman

Location - Latitude = 130705 N (See Map)

Re: Krain Property Option
(May 31, 1967)

- Longitude = 118235 E

Elevation = 5708 ft.

PROGRESS REPORT NO. 3

Attitude = Vertical (-90°)

August 10, 1967

5708 ft.

Sample Number	Sample Footage	ASSAYS			Core Rec' %	Assay Averages % Cu	REMARKS
		% Cu	Composite				
			Au	Ag	MoS ₂		
			oz/ton		%		
--	0 to 67						
15520D	68 to 78	0.10					Altered & Oxidized
1D	78 to 88	0.08					
2D	88 to 98	0.05	Tr.	.05	Tr.	95	
3D	98 to 108	0.12					
4D	108 to 116	0.15					
See D	113 to 123	0.09					Interpolated from D.D.H. 18-65
D	123 to 133	0.13					
DDH. D.	133 to 143	0.18					
18/65 D	143 to 153	0.20					
18/65 D	153 to 163	0.45					
15525D	163 to 173	0.50					Oxidized
6D	173 to 183	0.35					
7D	183 to 193	0.20	Tr.	.15	.003	100	
8D	193 to 203	0.20					
9D	203 to 213	0.15					Altered
15530D	213 to 223	0.20					
1D	223 to 233	0.18					
2D	233 to 243	0.20	Tr.	.10	Tr.	100	
3D	243 to 253	0.15					
4D	253 to 263	0.12					
15541D	263 to 273						
2D	273 to 283		To	Be	Assayed		
3D	283 to 293						
D	to						
D	to						

PLATE # 3

Diamond Drill Hole = S 32

Report To: Mr. I. Shulman

Location - Latitude = 130635 N (See Map)

Re: Krain Property Option
(May 31, 1967)

- Longitude = 118455 E

Elevation = 5715 ft.

PROGRESS REPORT NO. 3

Attitude = Vertical (-90°)

August 10, 1967

5715 ft.

Sample Number	Sample Footage	ASSAYS			Core Rec' %	Assay Averages % Cu	REMARKS
		% Cu	Composite				
			Au	Ag	MoS ₂		
			oz/ton		%		
--	0 to 63						Volcanics Altered
	63 to 124						
15451D	124 to 134	0.60					
2D	134 to 144	0.40					
3D	144 to 154	0.55	Tr.	.05	Tr.	84	
4D	154 to 164	0.60					
5D	164 to 174	0.55					
6D	174 to 184	0.70					
7D	184 to 194	0.60					
8D	194 to 204	0.75	Tr.	Tr.	Tr.	98	
9D	204 to 214	0.67					
15460D	214 to 224	0.82					
1D	224 to 234	0.65					Oxidized
2D	234 to 244	0.62					
3D	244 to 254	0.47	Tr.	.10	Tr.	97	
4D	254 to 264	0.50					
5D	264 to 274	0.65					
6D	274 to 284	0.70					
7D	284 to 294	0.65					
8D	294 to 304	1.02	Tr.	Tr.	Tr.	100	
9D	304 to 314	1.27					
15470D	314 to 324	0.37					
1D	324 to 334	0.22					
2D	334 to 344	0.55					
3D	344 to 354	0.75	Tr.	.15	.008	100	
4D	354 to 364	1.20					
5D	364 to 374	0.75					

124' to 394' = 0.665% Cu

PLATE # 3

(Continued)

Diamond Drill Hole = S 32 (Continued)

Sample Number	Sample Footage	ASSAYS			Core Rec' %	Assay Averages % Cu	REMARKS
		% Cu	Composite				
			Au	Ag	MoS ₂		
			oz/ton		%		
15476D	374 to 384	1.00					
7D	384 to 394	0.35					
8D	394 to 404	0.15	Tr.	.15	.003	100	
9D	404 to 414	0.15					
15480D	414 to 424	0.20					
1D	424 to 434	0.15					Altered
2D	434 to 444	0.13					
3D	444 to 454	0.10	Tr.	.30	Tr.	100	
4D	454 to 464	0.10					
5D	464 to 474	0.15					
6D	474 to 484	0.09					
7D	484 to 494	0.14					
8D	494 to 504	0.15	Tr.	.25	Tr.	100	
9D	504 to 514	0.10					
15490D	514 to 524	0.10					
1D	524 to 534	0.10					Primary
2D	534 to 544	0.12					
3D	544 to 554	0.12	Tr.	Tr.	Tr.	100	
4D	554 to 564	0.12					
5D	564 to 574	0.10					
6D	574 to 584	0.09					
7D	584 to 594	0.07					
8D	594 to 604	0.17	Tr.	.10	Tr.	100	
9D	604 to 614	0.07					
15500D	614 to 624	0.20					
15501D	624 to	T _o					
in sequence to	to	B _e					
to D	to 764	A _{ssayed}					
15515D	764 to 773						

773 ft. Bottom of Hole

PLATE # 4

Diamond Drill Hole = S 33 D.D.H.

Report To: Mr. I. Shulman

Location - Latitude = 130820 N (See Map)

Re: Krain Property Option
(May 31, 1967)

- Longitude = 118810 E

Elevation = 5725 ft.

PROGRESS REPORT NO. 3

Attitude = Vertical (-90°)

August 10, 1967

Sample Number	Sample Footage	ASSAYS			Core Rec' %	Assay Averages % Cu	REMARKS
		% Cu	Composite				
			Au oz/ton	Ag %			
--	O to 261						Volcanics
	261 to 290				100		
7801D	290 to 300	0.20					Altered
2D	300 to 310	0.10					
3D	310 to 320	0.15	Tr.	.15	Tr.	90	
4D	320 to 330	0.15					
5D	330 to 340	0.10					
6D	340 to 350	0.20					Oxidized
7D	350 to 360	1.15					
8D	360 to 370	0.30	Tr.	.05	.008	90	
9D	370 to 380	0.95					
7810D	380 to 390	0.35					
1D	390 to 400	0.30					Primary
2D	400 to 410	0.22					
3D	410 to 420	0.18	Tr.	.15	Tr.	90	
4D	420 to 430	0.10					
5D	430 to 440	0.10					
6D	440 to 450	0.20					
7D	450 to 460	0.15					
8D	460 to 470	0.20	Tr.	.05	Tr.	90	
9D	470 to 480	0.75					
7820D	480 to 490						
7821D	490 to 500	0.20					
22D	500 to 512	0.25					
D	to						
D	to						
7823D	Sludge						

5725 ft.

512 ft. Bottom of Hole

@ bottom of hole

C.A.C.

50' @ 0.59% Cu.

122' @ 0.24% Cu.

List of Reports and Information on Krain Property North Pacific Mines Ltd.

1. North Pacific Mines Ltd. N.P.L. - 728 West Hastings Street,
Vancouver, B.C.
Report on Holdings in British Columbia and Nova Scotia by
Allen Geological Engineering Ltd. - March, 1967.
2. Plans and Sections showing Diamond Drill Hole Information -
1966 - Canadian Exploration Limited.
3. Metallurgical Tests on a Sample of Copper Ore submitted by
North Pacific Mines Ltd. N.P.L. - by Britton Research Laboratories,
Vancouver, B.C. - July 30, 1965.
4. Krain Assay Reports - 1965.
5. Krain Group - D.M. Cannon - May, 1965.
6. Krain Showing - North Pacific Mines Limited, Kamloops Mining
Division, B.C. - R.H. Seraphim - April 14, 1965.
7. Krain Property, Highland Valley Area, Kamloops M.D., B.C. -
1958, Northwestern Explorations Ltd. - D.A. Barr, D.A. Hansen.
8. Krain Property, Kamloops M.D., B.C., April 3, 1958,
Northwestern Explorations Ltd. - D.A. Barr.
9. Report on the Induced Polarization Survey of the Krain Property B.C.
for Northwestern Explorations Limited - November 18, 1957 - by
McPhar Geophysics Limited.
10. Magnetometer Survey - Krain and D.W. Groups of Claims
- Krain Copper Ltd. - Farwest Tungsten Copper Mines Ltd. (N.P.L.)
- Beaver Lodge Uranium Mines Ltd. (N.P.L.) by George E. Apps - April 18, 1957.
11. Report on Exploration - Beaver Lodge Uranium Mines Ltd., Farwest Tungsten
Copper Mines Ltd. - Krain Property, Highland Valley, B.C. - November,
1955--March, 1957 - by W.M. Sirola.
12. Reports of the Minister of Mines of B.C. - 1955, 1956, 1957, 1964.
13. Miscellaneous Maps, Sections, Assay Sheets, Diamond Drill Hole
Sections.

Diamond Drill Hole - S 30

<u>Sample Number</u>	<u>Sample Footage</u>	<u>Gold</u>	<u>Silver</u>	<u>Mo.</u>	<u>Copper</u>
15427	406 - 416	trace	0.4	0.005	0.09
15428	416 - 426	trace	0.2	0.005	0.39
15429	426 - 436	trace	0.2	0.005	0.17
15441	546 - 556	trace	0.4	0.005	0.09
15442	556 - 566	trace	0.2	0.005	0.06
15443	566 - 576	trace	0.2	0.01x	0.08
15444	576 - 586	trace	0.02	0.005	0.05
15445	586 - 596	trace	trace	0.005	0.09
15446	596 - 606	trace	trace	0.005	0.06
15447	606 - 616	trace	0.1	0.005	0.09
15448	616 - 626	trace	0.1	0.005	0.21
15449	626 - 636	trace	0.1	0.005	0.12
15450	636 - 646	trace	0.2	0.015	0.45
15551	646 - 656	trace	0.2	0.005	0.08
15552	656 - 666	trace	trace	0.005	0.04
15553	666 - 676	trace	0.2	0.005	0.04
15554	676 - 686	trace	0.1	0.005	0.05
15555	686 - 696	trace	trace	0.005	0.06
15556	696 - 706	trace	0.1	0.01	0.07
15557	706 - 716	trace	trace	0.005	0.06
15558	716 - 726	trace	0.1	0.005	0.04
15559	726 - 736	trace	0.1	0.005	0.04
15560	736 - 746	trace	0.2	0.005	0.03
15561	746 - 756	trace	0.02	0.005	0.05
15562	756 - 766	trace	trace	0.005	0.06
15563	766 - 776	trace	0.1	0.005	0.04
15564	776 - 786	trace	trace	0.005	0.45
15565	786 - 796	trace	0.1	0.005	0.07
15566	796 - 806	trace	0.2	0.005	0.05
15567	806 - 816	trace	0.2	0.005	0.04
15568	816 - 826	trace	0.1	0.005	0.03
15569	826 - 836	trace	trace	0.005	0.06
15570	836 - 842	trace	trace	0.005	0.03

Diamond Drill Hole - S 31

<u>Sample Number</u>	<u>Sample Footage</u>	<u>Gold</u>	<u>Silver</u>	<u>Mo.</u>	<u>Copper</u>
15541	263 - 273				
15542	273 - 283	trace	0.1	0.01	0.18
15543	283 - 293	trace	0.2	0.01	0.17
15544	403 - 413	trace	0.2	0.005	0.09
15545	413 - 423	trace	0.1	0.005	0.08
15546	423 - 433	trace	9.1	0.005	0.07
15547	455 - 465	trace	0.1	0.005	0.07
15548	502 - 512	trace	trace	0.005	0.06
15549	512 - 522	trace	trace	0.01	0.10
15550	522 - 532	trace	trace	0.005	0.07
15516	532 - 542	trace	0.1	0.005	0.10
15517	542 - 552	trace	0.2	0.005	0.05
15535	552 - 562	trace	0.3	0.005	0.05
15536	562 - 572	trace	trace	0.005	0.04
15537	572 - 582	trace	0.2	0.01	0.08
15538	582 - 592	trace	0.2	0.005	0.05
15539	592 - 602	trace	0.2	0.005	0.05
15540	602 - 612	trace	0.2	0.005	0.07

Diamond Drill Hole - S 32

<u>Sample Number</u>	<u>Sample Footage</u>	<u>Gold</u>	<u>Silver</u>	<u>Mo.</u>	<u>Copper</u>
15501	624 - 634	0.01	0.15	0.005	0.08
15502	634 - 644	0.01	0.1	0.005	0.06
15503	644 - 654	0.005	trace	0.005	0.03
15504	654 - 664	trace	0.1	0.005	0.04
15505	664 - 674	trace	0.1	0.005	0.05
15506	674 - 684	trace	0.2	0.005	0.10
15507	684 - 694	trace	0.1	0.005	0.07
15508	694 - 704	trace	trace	trace	0.03
15509	704 - 714	trace	0.1	trace	0.03
15510	714 - 724	trace	0.2	trace	0.05
15511	724 - 734	trace	trace	trace	0.03
15512	734 - 744	trace	0.1	trace	0.02
15513	744 - 754	trace	0.6	0.005	0.05
15514	754 - 764	trace	1.0	trace	0.04
15515	764 - 773	trace	trace	trace	0.04