

012472

Future Program

The results of the above surveys are being studied and assessed for future exploration in the area. The whole region is in a favourable belt for economic copper occurrences and the company ground should be retained for additional exploration. A minimum expenditure of \$10,000 for the investigations is anticipated.

Laury
092L 079

2. Port Hardy

Sixty-five claims and 2 fractions are held in the Port Hardy area in the north end of Vancouver Island, B.C., in 2 groups, one 3 miles to the west and the other 10 miles slightly to the east of south of Port Hardy.

In addition, a new group of 4 claims has been optioned, located 21 miles west of Port Hardy.

Claims

West Group

<u>Claims</u>	<u>Record Numbers</u>
Mag 1-22	22985-23017
Pip 1-33	22963-22984

East Group

<u>Claims</u>	<u>Record Numbers</u>
Stow 2 to 5	22959 to 62
Sar 1 Fr.	25017
Sar 2	25018
Sar 3 Fr.	25019
Sar 4	25020

West GroupMag Claims

The main rock types observed were rocks of andesitic composition. Jenkinson Creek appears to follow an east-west fault. Northwest to north trending cross faults were also observed. Alteration was seen along shears and fractures, with epidote and hematite and talc. Silt sampling along Jenkinson Creek at 200-foot intervals did not reveal any anomalies of significance.

Pip Claims

Rocks on this property were predominantly andesite and basalt. Geochemical soil surveys were made on lines spaced 400 feet apart and sampled at 200-foot intervals. Results did not reveal any anomalies of interest.

South GroupShow and Sar ClaimsGeology

Basalts and minor andesite underlie these claims. The rocks are well-fractured and altered. Considerable pyrite mineralization was found on the Show #3 claim.

Geochemical, Magnetometer, Drilling

Soil sampling outlined a number of anomalous copper zones. More detailed geochemical surveys were made on Show #2 and #3 claims. In addition to copper analyses, analyses were made for lead and zinc.



A magnetometer survey covered the geochemical anomalies. Diamond drilling was then recommended, and two holes were drilled. The core recovered was mainly basalt and porphyritic basalt, along with minor andesite, usually mineralized with pyrite in disseminated form or concentrated along fractures. D.D.H.1 had a three-foot section which assayed 2.17 ozs. silver, 1.66% lead, 0.03% zinc, 0.03% copper and 0.02% molybdenite.

Additional geochemical, geophysical, geological and drilling programs on the two claim groups will entail spending approximately \$20,000.

Laury Claims

<u>Claims</u>	<u>Record Numbers</u>
Laury 1 to 44	24260 to 24263

These claims have been recently acquired and are located 21 miles west of Port Hardy.

A grab sample from a blasted showing gave assays of 0.18 ozs. silver, .01% copper, 16.10% lead, 20.13% zinc and 0.01% molybdenum. Another grab sample from nearby float assayed 0.24 ozs. silver, 0.02% copper, 2.69% lead, 10.17% zinc.

A commitment has been made to construct a tote road on these claims and to undertake 3,000 feet of diamond drilling. A minimum program will involve the expenditure of \$25,000.



3. Coppermine River

Two groups of claims, comprising 71 claims, are held in the Coppermine River Area, District of MacKenzie, Northwest Territories. The claims consist of the Penny Group of 36 claims, and the Ted Group of 35 claims.

<u>Claims</u>	<u>Record Numbers</u>	<u>Location</u>
Penny 1 to 36	T-52737 to 52772	Latitude $67^{\circ}35'$ N Longitude $116^{\circ}14'$ W
Ted 1 to 35	T-52817 to 52851	Latitude $67^{\circ}34'$ N Longitude $116^{\circ}02'$ W

The claims are approximately 40 miles southwest of Coppermine. A landing strip at Hope Lake is situated 14 miles southwest of the properties.

Historical

Copper has been known in the area since 1770; but it was only in 1967 that concentrated exploration was started in the area - with a resultant staking rush when good grade copper mineralization was uncovered. The favourable volcanic area has been mostly staked. Early in 1968 the company acquired the Penny and Ted claims and photogeological, geological and geochemical surveys of the claims were made during July and August, 1968.

Geology

Surface terrain has a low elevation but a number of eskers form conspicuous topographic features. A few small ponds occur in the area.



The economically important formation is a sequence of basic volcanic flows of the Coppermine Series, of Precambrian age, which may be massive or amygdaloidal. The basalts dip gently from 10-12 degrees to the northeast and are estimated to be 11,000 feet thick. They are underlain and overlain by sediments, which have been intruded by diabase dikes and sills.

The most important copper occurrences have been found in the basalts, in the amygdules, vesicles, breccias, and in fractures and near faults; with secondary enrichment probably from the original chalcopryite, producing bornite, chalcocite and native copper. Faulting appears to be the main factor in the localization of copper mineralization.

The copper was brought in by upward mineralizing solutions, ascending along faults, channelways, breccias, and deposited in permeable amygdules and vesicles of the lavas. Enrichment took place during later weathering and erosion, and chemical reduction. Mineralization is usually accompanied by carbonatization, chloritization and hematization.

Geology of the Ted Group

Glacial debris covers a considerable portion of the Ted Group but bedrock is exposed in the north half of the claim group. A diabase sill flanked by slate to the south is found in the northern quarter of the property. South of the diabase and sediments, and dipping beneath them, basaltic flows are found.



Geology of the Penny Group

Basalts largely underlie the claims of the Penny Group, with diabase dikes found intruding the volcanics. Faults have been observed or inferred with northwesterly and northeasterly strikes. Numerous fractures are associated with the fault zones. Copper sulphides, native copper and hydrous carbonates are scattered throughout the Penny Claim Group.

Field Program

Photogeological studies of the area were completed prior to prospecting and geological mapping of the claim groups. Geochemical surveys taking soil samples at 500 foot intervals were taken on cross lines spaced 500 feet apart. One anomalous area on the Ted Group and four on the Penny Group were later surveyed geochemically in greater detail on 100 and 200 foot grid systems. Samples from the more detailed survey were tested in the laboratory by the cold nitric acid method.

On the Ted Group, on Claim T-52821, an anomaly in a basalt area indicates a possible copper concentration.

On the Penny Group, the four anomalous areas were subdivided into 12 zones, of which Zone 4 was the largest, and considered to be the best anomaly. Zones 7, 8 and 11 were also considered to be of interest.

Recommendations

A high frequency electromagnetic survey has been recommended to outline a target of any possible concentration of copper mineralization.



Additional geological, geochemical, and 1000 feet of X-ray drilling will be required for future exploration on the claims.

Costs of Field Progress

1. Geological and Geochemical surveys drilling	\$15,000
2. Estimated cost of Electromagnetic Survey	10,000
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	\$25,000



2. OIL & NATURAL GAS ACREAGE

1. Rainbow Field, Alberta

The drilling of Aderol CDR Rainbow 12-36-109-12 in Lsd.12 Sec.36 Twp 109 Rge.12 W 6th in Alberta has earned the company a 25% interest in the following Petroleum and Natural Gas Leases:

Twp 108 Rge.12 W 6 M	-	E 1/2 Sec.28
		E 1/2 Sec.33
Twp 109 Rge.12 W 6 M	-	E 1/2 Sec.4
		SE 1/4 Sec.9
		S 1/2 Sec.13
		SE 1/4 Sec.20

The selection was made on highs of two seismic anomalies.

The company incurred \$50,000 of participating and drilling costs in the drilling of the Aderol CDR Rainbow 12-36-109-12 well in Drilling Reservation No. 1700 in the Zama Lake Area, Alberta. An allocation of \$10,000 for further studies and geophysical investigations of the retained leases is recommended.

2. Southeast Saskatchewan

A 12-1/2% interest has been earned by the company in 12 parcels offsetting production in various fields in southeastern Saskatchewan.



<u>Parcels</u>	<u>Field</u>	<u>Location</u>
1. NW 1/4 Sec.26 Twp 4 Rge.32 W 1	Nottingham	Lsd.11 (proposed location)
2. SE 1/4 Sec.31 Twp 1 Rge.33 W 1		Lsd.7 (proposed location)
3. E 1/2 Sec.15 Twp 9 Rge.33 W 1	Parkman	
4. Lsd.9 & 10 Sec.9 Twp 8 Rge.33 W 1	"	
5. N 1/2 Sec.17 Twp 7 Rge.4 W 2		
6. E 1/2 Sec.1 Twp 7 Rge.5 W 2		
7. SE 1/4 Sec.36 Twp 1 Rge.33 W 1		
8. W 1/2 Sec.26 Twp 7 Rge.11 W 2	Innes	Lsd.11 (proposed location)
9. Sec.19 Twp 7 Rge.10 W 2	Midale	
10. SW 1/4 Sec.17 Twp 7 Rge.10 W 2	Midale	
11. Sec.8 Twp 7 Rge.10 W 2	Midale	Lsd.13 (probable location)
12. Lsd. 7,8,9,10,15,16 Twp 7 Rge.11 W 2	Midale	Lsd.15 (proposed location)
13. S 1/2 & NW 1/4 Sec.2 Twp 7 Rge.11 W 2	Midale	
14. NE 1/4 Sec.33 Twp 6 Rge.11 W 2		
15. W 1/2 Sec.34 Twp 6 Rge.11 W 2		Lsd.13 (possible location)
16. SE 1/4 Sec.9 Twp 6 Rge.10 W 2		
17. W 1/2 & SE 1/4 Sec.19 Twp 7 Rge.10 W 2		Lsd.3 (possible location)

The productive formations are in the Mississippian and the expected depth of production ranges from 3800 to 4500 feet.



Two wells have been selected for the initial tests on this program, and the first, Suffolk et al Buffalo Head 13-17, will be spudded in shortly on Lsd.13 Sec.17 Twp7 Rge.4W2.

To date, \$42,626.50 has been expended in participating with five wells drilled, of which three were wildcats. The successful Carnduff 7-31-1-33 W well had an indicated thickness of 22 feet of net pay and a reserve of approximately 280,000 barrels on a quarter section.

Golden West's share for future selected wells is estimated to be \$8,000 a well, but as there are 4960 acres offsetting oil production that could be tested, and with 80-acre spacing, there are therefore 62 possible well locations.

It is recommended that a minimum of \$115,000 be allocated for company's share in drilling and completing approximately 25% of the above program.

3. South Rainbow, Alberta

Golden West has a 10% participating interest in a 5760 acre farmout from Imperial Oil Ltd. in the area of the South Rainbow oil field in Alberta. The acreage description is as follows:

Sections 4 to 9 inclusive

Sections 16 to 18 inclusive,

all in Township 99, Range 8, West of the 6th Meridian.

A well, T.C. Ex-I.O.E.-Chinchaga 10-16-99-8, located on Lsd.10 Sec.10 Twp99 Rge.8W6M was drilled and eventually abandoned

at a depth of 8958 feet. The major objectives were the Gilwood sandstone of the Watt Mountain formation and the Keg River reef of Lower Devonian age, but the Gilwood sandstone was found to be tight, and there was no satisfactory reef development in the Keg River.

Imperial Oil Ltd. is making additional studies and have run a seismic velocity survey in the hole. The right to acquire 9 sections adjacent to acreage held, in participation with Imperial Oil Ltd., has been earned by the drilling of the well and further exploration in the area will be determined by the result of the Imperial Oil studies. A sum of \$15,000 is recommended for participation in this venture.

4. Alaska

The company has acquired a lease of 2560 acres in Township 3 S Range 4 E Block 9 Meridian Umiat. The block is an area considered to have great exploration potential for oil and gas, particularly in light of the Richfield-Humble ARCO Prudhoe Bay No. 1 discovery, which has been announced a multi-billion-barrel oil field. Oil was found in the Triassic and gas in the Cretaceous. The acreage is 75 miles S.S.W. of the discovery wells, 22 miles south of the Gubik gas field and 20 miles southeast of the Umiat oil field. The acreage is located in a foothill type area. An east-west striking anticlinal structure is found just to the north of the acreage.

It is anticipated that approximately \$15,000 will be allocated in the initial program in the investigation of the acreage, embracing photogeological and surface mapping, to be followed by a geophysical program.



SUMMARY OF PAST EXPENDITURES

1. MINING

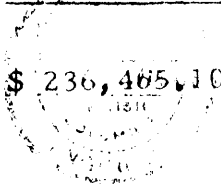
1. Babine Lake, B.C.	\$ 58,075.46
2. Port Hardy, B.C.	43,716.81
3. Coppermine River, N.W.T.	16,464.75

2. OIL AND NATURAL GAS

1. Rainbow, Alberta	\$ 50,000.00
2. Saskatchewan	42,626.50
3. South Rainbow, Alberta	25,581.58

TOTAL

\$ 236,465.10



PROJECTED EXPLORATION & DEVELOPMENT EXPENDITURES

1. MINING

1. Babine Lake	\$ 10,000
2. Port Hardy West & South Groups	20,000
3. Port Hardy Laurie Claims	25,000
4. Coppermine	25,000

2. OIL & NATURAL GAS

1. Rainbow	\$ 10,000
2. Saskatchewan	115,000
3. South Rainbow	15,000
4. Alaska	15,000

3. MISCELLANEOUS


Prospecting, examination and acquisition of claims	\$ 25,000
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TOTAL	\$ 260,000
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October 8th, 1968

Vancouver, B.C.

Respectfully submitted,


 W.R. Newman, B.Sc., P.Eng.

REFERENCES
(Reports and Accompanying Maps)

1. MINING

Babine Lake

1. Cannon, R.W. Dot & Lory Claims
N.E. Side of Hatchery Arm,
Babine Lake, 55°05' , 126°12'
Final Report: September & October, 1967
2. Cohen, Harvey H. Babine Lake Area, B.C.
Summary Report, August 3, 1967
3. Thornton, J.M. Geophysical Surveys on the Miami,
Bay, Elena, Ruth, Lucha and Maria
Groups, Hatchery Arm, Babine Lake,
Omneça Mining District, 55°06' N,
126°20' W. April 24, 1968

Coppermine River

1. Ritchie, C.T. A Summary Report of the Ted and
Penny Group, Coppermine River Area,
North-Central Decline of MacKenzie,
Northwest Territories.
William P. McGill & Associates Ltd.,
Toronto, September 3, 1968
2. Watts, Murray Prospecting Coppermine River Area,
Northwest Territories; Canadian
Mining Journal, April 1968, pp. 116-118

2. OIL & NATURAL GAS

Rainbow

- | | |
|----------------------------------|---|
| Sinclair Well
Consulting Ltd. | Geological Well Report,
Aderol CDR W. Rainbow 12-36-109-12,
Lsd.12, Sec.36 Twp.109, Rge.12 W 6 M
Alberta, April 27, 1968 |
|----------------------------------|---|

South Rainbow

Aydin, M.

South Rainbow Prospect, 1968

GENERAL

Golden West Mines Ltd.,
Vancouver B.C.
First Annual Report, April, 1968

In addition: files, numerous maps,
assays, core logs, geological, geo-
physical and geochemical maps
on the various properties were studied.