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REPORT

on

"Bill", "GR", "Mom", and "NW" Claims
123° 51' S E

for

VICTOR MINING CORPORATION LTD. (N.P.L.)

BY

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SUMMARY

The Victor Mining Corporation Ltd. (N.P.L.) Granite Creek property comprises 162 full sized, contiguous claims. Widespread, consistent low grade copper-molybdenite mineralization occurs over an area 5000 feet by 1800' in the central claim area. Some higher grade sections of unknown extent associated with intense shearing occur within the zone. The two drill holes spaced 3700' apart drilled in the 1970 field season returned significant values.

A further extensive exploration programme is warranted.

INTRODUCTION

An examination of the central claims was carried out by the writers on 1st October 1970. This report is based on that examination and on geological information supplied by Mr. Meyer who has been familiar with the property since 1964.

CLAIMS

The group of claims under consideration and owned by Victor Mining Corporation Ltd. (N.P.L.) are the following: (Record numbers are not available at the time of writing.)

<u>Claim Names</u>	<u>Tag Numbers</u>	<u>Recording Date</u>
NW #1	928778	
NW #2	928779	
NW #3 to #16	96385M to 96398M	
NW #17	94611M	
NW #18	94612M	July 8, 1970 (restaking)
Bill #1	96399M	
Bill #2	96400M	
Bill #3 to #12	94601M to 94610M	
Bill #13 to #18	94613M to 94618M	
Mom #1 to #6	94623M to 94628M	
Mom #7 to #14	94629M to 94636M	September 8, 1970
Mom #15 to #28	94637M to 94659M	

GR #1 to #62 195601M to 195662M September 18, 1970
 GR #65 to #100 195665M to 195700M
 (The original Bill & NW claims staked in 1969 were abandoned and restaked in 1970.)

LOCATION AND ACCESS

The claims are situated on Granite Creek, a tributary of the Taseko River, 125 miles north of Vancouver, B. C. (see Fig. 1)

Road access is via Williams Lake, Hanceville and Taseko Lakes, a distance of 170 miles (7 hours driving) from Williams Lake to the property campsite.

Alternate access is by helicopter from Alta Lake, a 1 hour flight time each way.

HISTORY

The main showings were located by Phelps-Dodge Corporation of Canada Ltd. in August 1964, and held for two years. Work consisted of several trenches and one short diamond drill hole. This hole, in disseminated mineralization, averaged 0.12% copper over 190 feet.

In February 1968 the property was staked by the American Smelting and Refining Company. Little or no work was performed.

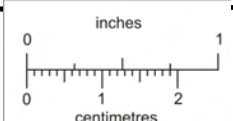
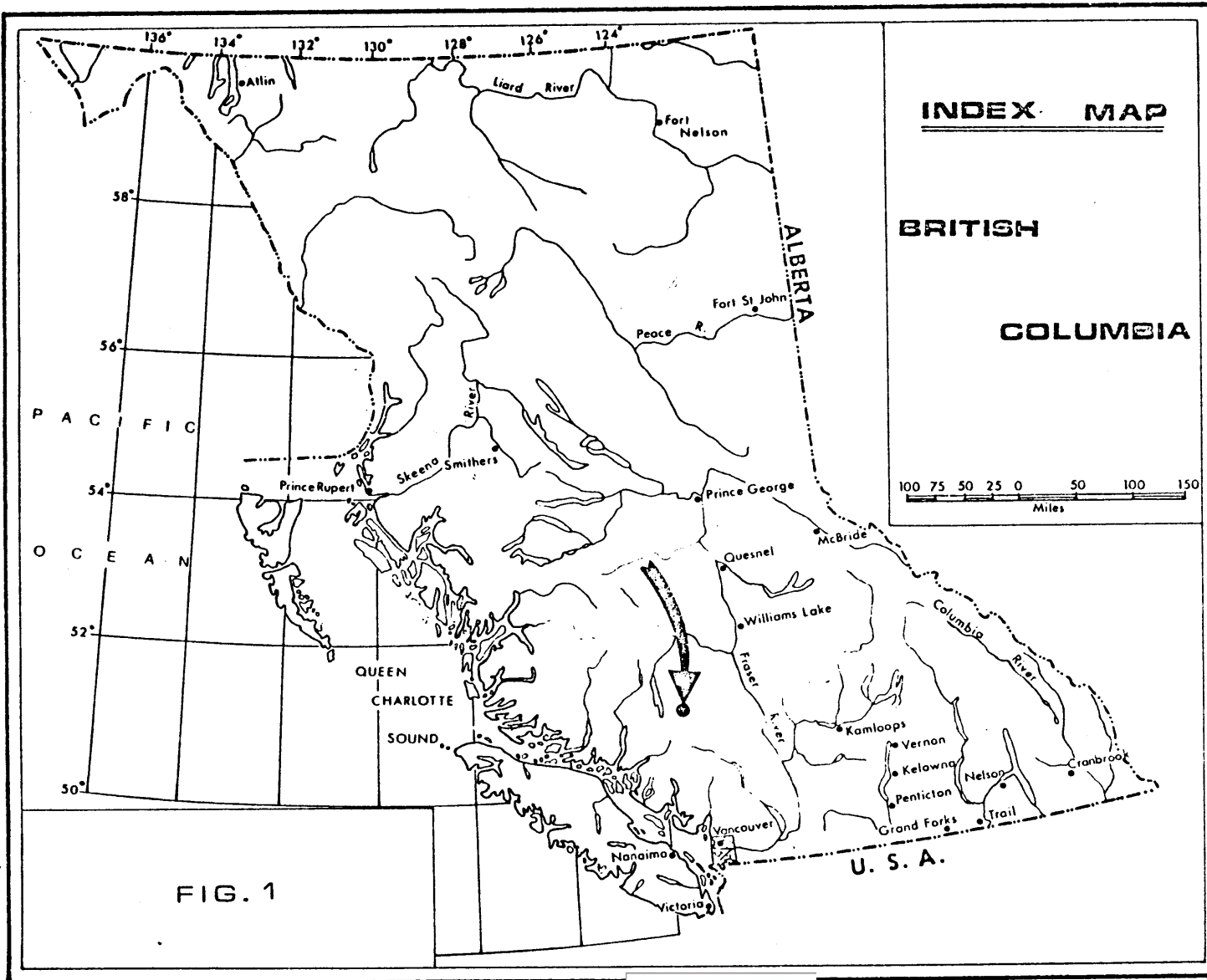
The present owner, Victor Mining Corporation Ltd. (N.P.L.), acquired the property in February 1969, and had carried out several miles of road building, further trenching, and 815 feet of diamond drilling in two holes.

GEOGRAPHY

The main showing lie in a large cirque shaped basin on the eastern side of Granite Creek.

The more pertinent information may be summarized as follows:

Physiographic Region	- Coast Range
Altitude (campsite)	- 6000 feet
Relief	- 2500 feet
Climate	- cool, moderate precipitation



BRITISH COLUMBIA
GEOLOGICAL SURVEY

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Snow free period

- 4 to 5 months

Permafrost

- Minimum depth, October 1st
4" on N. facing slope

GEOLOGY

Regional Reference: Dolmage, W., Gun Creek Map Area, G. S. C. Summary Report 1928 - Part A

The property lies on the east flank of the Coast Crystalline Belt, characterized by massive batholithic granitic intrusions of post Lower Cretaceous age, which are in turn intruded by post Upper Cretaceous granitic stocks and dykes. A major contact with Late Lower or Early Upper Cretaceous volcanics lies 4 miles NE of the showings. (Fig. 2)

Major structures include a strong and very persistent linament running from Bralone and along the Taseko River.

The property is mainly underlain by hornblende quartz diorite, intruded by substantial quantities of feldspar porphyry and quartz feldspar porphyry dykes parallel to the major fracture systems.

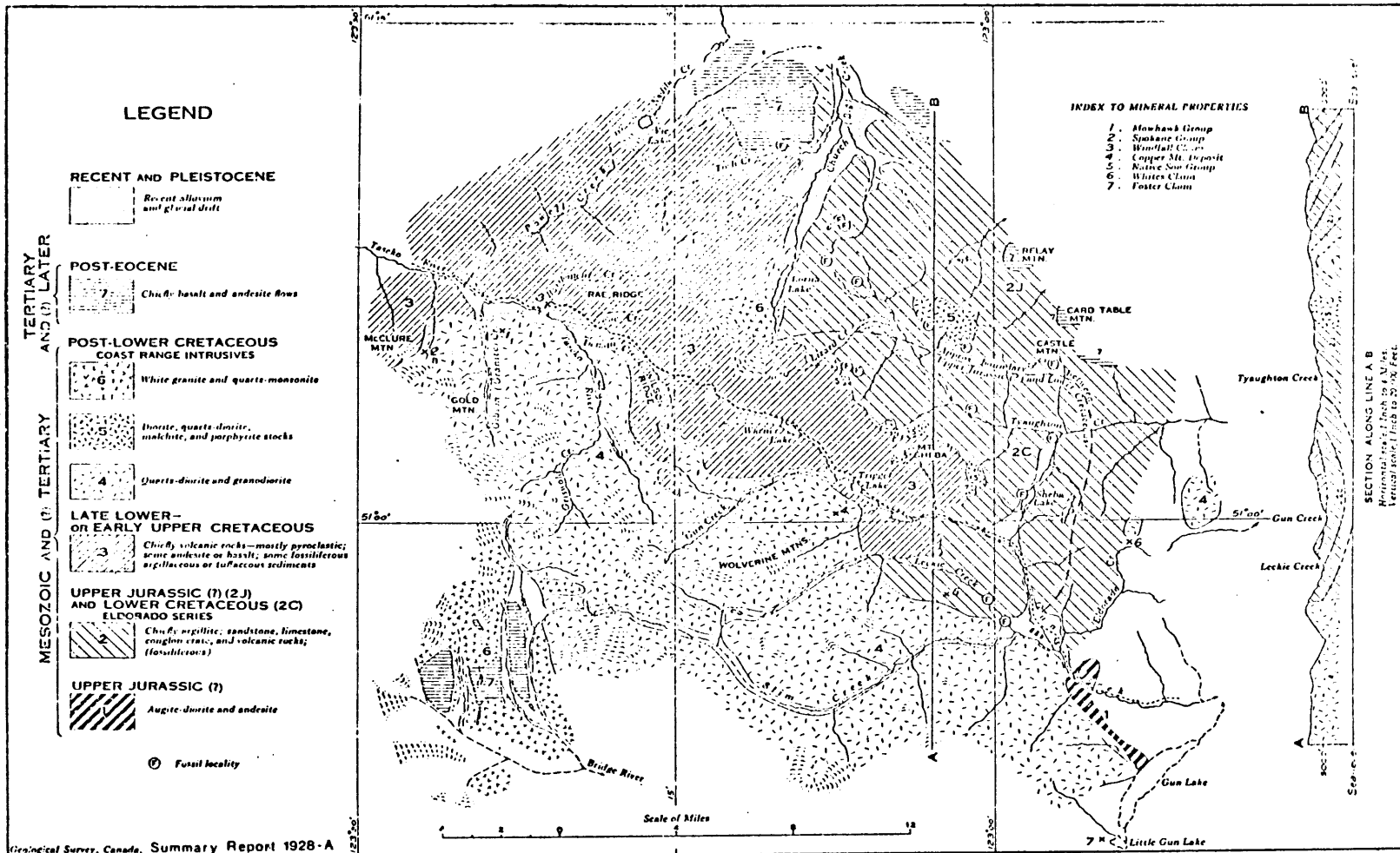
In the vicinity of the showings there is widespread and strong fracturing with a predominating strike N 20 W and steep dips.

MINERALIZATION

1.

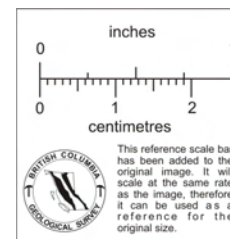
Pyrite in quantities up to 6%, chalcopyrite up to 1 or 2% and minor molybdenite occur as fracture fillings and fine disseminations replacing mafics in both the quartz diorite and the porphyry dykes. There appears to be a direct correlation between the quantity of mineralization and weak chlorite alteration. This is typified by drill hole #A-1, a better section of which yielded 0.23% copper and 0.011% molybdenite over 330'. Secondary chalcocite replacing pyrite occurs through the part of the zone tested by DDH A-1.

The areal extent of this mineralization is considerable, having a width of at least 1800 feet. It's main characteristics are pervasiveness and consistency.



Geological Survey, Canada. Summary Report 1928-A

Figure 2. Gun Creek area, Lillooet district, B.C.



2.

1500 feet west of DDH A-1 lies mineralization of slightly different character. Here chalcopyrite, pyrite and molybdenite occur on quartz rich fractures up to an $\frac{1}{4}$ " in width. Truly disseminated sulphides are more sparse, and the enclosing quartz diorite is essentially unaltered. Drill hole A-2 lies in this area, with 360 feet of 0.12% copper, and 0.007% molybdenum sulphide. The areal extent of this mineralization is uncertain, but again considerable.

3.

Higher grade sulphides occur in the vicinity of shear zones and porphyry dykes. Secondary chalcocite and malachite are fairly common. Leaching would be expected to outweigh the effects of any surface enrichment. The best representative assay so far encountered, from a trench 900 feet SW of DDH A-1, was 1.19% copper over 5'.

DIAMOND DRILLING

Due to the availability of a diamond drill in the area during the season for negligible mobilization costs and no minimum footage contract, it was decided to drill two AW diamond drill holes to test part of the potential area.

DDH A-1 was collared near the head of the cirque (see Fig. 3) to drill S 45° E at -45° . The object of the hole was to test the grade and extent of mineralization beneath the large prominent gossan and to determine the depth of oxidation. The hole was drilled to 400 feet.

The hole encountered continuous copper mineralization with minor MoS_2 from the collar to the bottom of the hole. Although the mineralization varied in the pyrite-chalcopyrite ratio, the better grades occurred near the tip of the hole where trace amounts of secondary chalcocite were noted. The results of the hole are tabulated below.

DDH A-2 was collared near the creek 3700' west of #A-1 to drill N 30° E at -45° . The object of the hole was to drill across the E-W fault which parallels the creek and to test the mineralization on the northside of the creek. The hole was lower in grade (and total sulphides) than #A-1, averaging 0.12% Cu with minor MoS_2 .

The drill hole "PDH" shown on the plan map 400' west of DDH #A-2 was a hole drilled by Phelps Dodge in 1964. The hole averaged 0.12% Cu over its 190 foot length.

The following table gives the pertinent information for present and past drilling:

<u>Hole</u>	<u>Bearing</u>	<u>Dip</u>	<u>Depth</u>	<u>From</u>	<u>To</u>	<u>Inter- section</u>	<u>Grade</u>	
							<u>% Cu</u>	<u>% MoS₂</u>
PDH	N 30° E(?)	-45°	190'	0	190	190'	0.12	
DDH A-1	S 45° E	-45°	400'	50	380	330'	0.23	.011
				50	200	150'	0.27	
DDH A-2	N 30° E	-45°	415'	40	400	360'	0.12	.007

CONCLUSIONS AND RECOMMENDATIONS

A very extensive area (5000' X 1800') of marginal to sub-marginal copper molybdenum mineralization is present, and there is good evidence of higher grade zones which could well raise the overall grade. Emphasis in exploration policy, then, should be on the delineation and sampling of these zones.

Geological mapping, with attention to alteration, fracture orientation and density, and to scree as well as outcrop, is obviously necessary. The presence of some 5% total disseminated sulphides where grades are marginal, makes the use of Induced Polarization favourable. Finally, diamond drilling will be the only way to provide precise evaluations of grade. In the more sheared areas, sludge as well as core should be assayed. BQ drilling is suggested.

The estimate cost of this programme which should be completed in the 1971 season is as follows:

STAGE I

- 1) Geological Mapping - 2 months
(includes Geologist, Assistant, camp & cookery, field tools and hardware, vehicles, assaying, travel & communication, Eng. & drafting) 12,000.00
- 2) Induced Polarization Survey
20 Miles @ \$500/mile 10,000.00

- | | | |
|----|--|-----------|
| 3) | Bulldozer (access road & drillsite preparation)
400 hours @ \$35/hour | 14,000.00 |
| 4) | 5000 feet of diamond drilling on 800' centres to a depth of 500'
@ \$15/foot (includes direct costs, supervision,
consulting, assays, mobilization, camps, cookery
etc. | 75,000.00 |

STAGE 2

5000 feet drilling on 400' centres or as required. @ \$15/foot (direct and indirect costs)	75,000.00
	186,000.00
Contingency	14,000.00
	200,000.00

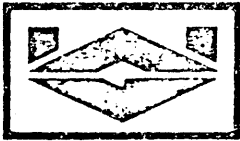
Respectively submitted,

D. Arscott

D. Arscott, P. Eng

W. Meyer

W. Meyer, B.Sc.



WESTERN GEOLOGICAL SERVICES LTD.

SUITE 1015 - 470 GRANVILLE ST., VANCOUVER 2, B.C.

TELEPHONE (604) 688-2305

December 10, 1970

B. C. Securities
Victoria, British Columbia

re: Victor Mining Corporation Ltd. (N.P.L.) and our report of October 14, 1970

Dear Sirs:

We confirm that in our opinion, an expenditure of \$73,500 is a sufficient amount to commence the exploration programme as recommended in our report on "Bill, GR, Mom, and NW Claims" for Victor Mining Corporation Ltd. (N.P.L.) dated October 14, 1970.

An expenditure of this lesser amount in Stage 1 should not jeopardize the total programme.

Respectfully submitted,

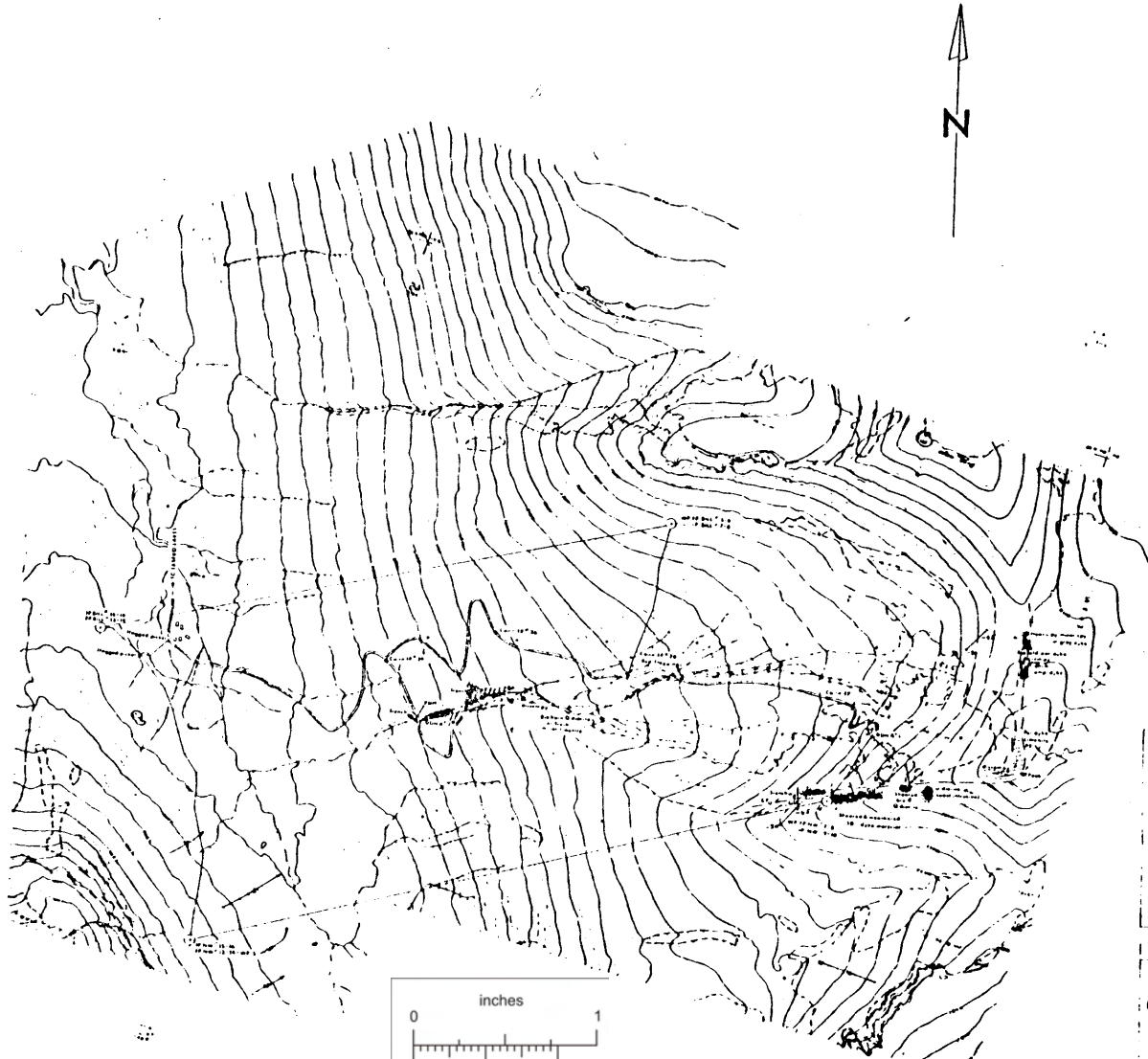
D. Arscott

D. Arscott, P. Eng.

Wm. Meyer

Wm. Meyer, B. Sc.

WM/keb



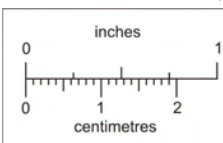
LEGEND

	QUARTZ DYKES
	LAKE DAMS
	FAULTS
	ROADS
	GROUNDING DRILL HOLE
	SHAFT
	QUARTZ DYKES
	PERFORATED DRILL HOLE

VICTOR MINING CORPORATION LTD

GEOLOGY & DRILL HOLES

GRANTS CREEK CLAIMS



BRITISH COLUMBIA
GEOLOGICAL SURVEY

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