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- 4 -

Mineral Claim

Record No.

Tim #1 to #28 incl.

64798 to 64825 incl.

for the cash payment to Canson Enterprises Ltd. of the sum of \$6,500.00 and for 750,000 shares of the Company's capital stock issued to Helge Forsell as fully paid and non-assessable shares at a valuation of 25¢ per share. The said shares are held in escrow by the Guaranty Trust Company of Canada, 540 Burrard Street, Vancouver, British Columbia, subject to release, transfer or other alienation only with the written consent of the British Columbia Securities Commission. Reference is made to the heading "PROMOTERS" for details of the cost to the Vendors of the Tim mineral claims.

Mineral claims Tim #1 to #12 aforesaid are in good standing until September 8th, 1973 and mineral claims Tim #13 to #28 aforesaid are in good standing until September 20th, 1973.

GEOLOGICAL REPORTS

Set forth hereunder is the Geological Report dated January 19th, 1972 of Thomas R. Tough, P.Eng., covering the Tim claims:

"SUMMARY

The Big Timothy Mountain property, owned by Ascan Resources Ltd (N.P.L.) consists of 28 contiguous mineral claims located approximately 35 air miles northeast of 100 Mile House, B.C., and is accessible by road and trail or by helicopter.

The property lies approximately 2 miles northwest of the property of Noranda Mines Ltd., Brynnor Mine (Boss Mountain Division) which is presently shut down due to soft marketing conditions for molybdenum.

The topography is steep but not precipitous with elevations varying between 5,000 and 6,000 feet. The slopes are relatively gentle with a large portion of the claims covering alpine meadows. Sparse patches of stunted balsam fir occur above 6,000 feet with good stands of balsam, pine and fir on the lower slopes.

Water is available for all phases of exploration, development and domestic use.

Year-round logging and mining operations are carried on in the general area which experiences relatively long winters with fairly heavy snowfall. Summers are pleasant with moderate rainfall.

Railroad facilities are available in 100 Mile House and

PROPERTY FILE 93A019

hydroelectric power would be available if future requirements warranted. Diesel electric power will be necessary for initial phases.

There is no record of previous work done on the claim group except for some limited prospecting. The adjoining properties have undergone intermittent exploration since prior to 1920. In recent years more intensive exploration has been carried out with the development of a molybdenum mine by Noranda Mines Ltd. Production commenced in 1965 and, due to soft world marketing conditions for molybdenum, the mine was placed on a stand-by basis in late 1971.

The various phases of the Jurassic-Cretaceous igneous rocks which underlie the claims are mineralized in limited areas. Generally mineralization within the neighbouring properties is related to quartz veins and breccias associated with shearing and faulting. Chalcopyrite, noted within the claim group, occurs as disseminations and on fracture planes.

#### CONCLUSIONS

Because of the presence of a magnetic low within the claim group as well as copper mineralization it is concluded that the property warrants exploration to fully assess its potential. The close proximity of the Brynnor Mine of Noranda Mines Ltd. with its similar geological environment further justifies a detailed exploration program.

#### RECOMMENDATIONS

It is recommended that geological mapping, geophysical and geochemical surveys be carried out over the entire property. Roads will have to be constructed to provide full access to the claim group. Trenching of geophysical and geochemical anomalies could be undertaken during the period of road construction.

It is also recommended that Ascan Resources Ltd (NPL) allocate the sum of \$40,000.00 to implement and execute Phase I of the recommended exploration program.

Phase II of the program consisting of diamond drilling is estimated to cost \$68,000.00 and should be undertaken contingent on the success of Phase I.

Respectfully submitted,

'Thomas R. Tough'

Thomas R. Tough, P.Eng.,  
Consulting Geologist

February 1, 1972

Vancouver, B.C.

#### INTRODUCTION

The following report is based on information obtained by the writer while working on the adjoining property of Exeter Mines Ltd (N.P.L.) during 1968, 1969, 1970 and 1971. During the 1971 season the writer partially examined the Tim claim group viz: Tim # 1 to Tim # 4 claims.

PROPERTY FILE

The purpose of the examination was to determine whether or not copper occurred on the claims and to assess the potential of the property.

#### PROPERTY

The property consists of 28 contiguous mineral claims held by location. The claims are staked in accordance with the British Columbia Mineral Act and are as follows:

<u>Claim Name</u>	<u>Record Number</u>	<u>Expiry Date</u>
Tim # 1 to 12 incl.	64798 - 64810 incl.	September 8, 1972
Tim # 13 to 28 incl.	64811 - 64825 incl.	September 20, 1972

The claims are located some two miles west of Noranda Mines Ltd., Brynnor Mines (Boss Mountain Division).

#### OWNERSHIP

The claims are owned outright by Ascan Resources Ltd (N.P.L.) of Vancouver, British Columbia.

#### LOCATION AND ACCESS (52° 120° S.W.)

The Tim group of claims is located on the southwestern flank of Big Timothy (Takomkane) Mountain approximately 35 air miles northeast of 100 Mile House, in the Cariboo Mining Division, south-central British Columbia.

The property is reached by 75 miles of gravel road east from Forest Grove to Hendrix Lake and along the mine access road of Brynnor Mines (Boss Mountain Division) to the surface exposure of their main orebody. A trail, about two miles in length, leads northward up Molybdenite Creek to the property. An access road from Noranda's orebody passes through the property of Exeter Mines Ltd crossing over the summit of Big Timothy Mountain. Partial access is by logging roads to the west slope of the mountain via Murphy Lake.

Helicopter service is available from Williams Lake, B.C.

#### TOPOGRAPHY AND TIMBER

Elevations on the property vary from approximately 5000 feet to 6000 feet with timberline around 6000 feet. Sparse patches of stunted balsam fir occur above this elevation. Good stands of balsam, pine and fir grow on the lower slopes. The topography is steep but not precipitous with gentle rolling areas near the upper reaches of the claims.

#### WATER, CLIMATE, POWER AND TRANSPORTATION

Sufficient water is available for all phases of exploration development and domestic use.

Winters are long with fairly heavy snowfall. Summer months are short and cool with moderate rainfall.

Hydroelectric power would be available in the area, but for the initial development stages, diesel-electric power will be required.

Railroad facilities are available in 100 Mile House.

#### HISTORY

Prior to 1920 exploration was carried out on the adjoining property presently held by Exeter Mines. The molybdenite discoveries on Molybdenite Creek underwent many years of exploration until Noranda Mines Ltd acquired the property and placed it in production in 1965. Due to soft marketing conditions, the mine was put on a standby basis in late 1971.

During the summer of 1969, 70, and 71 Exeter Mines Ltd carried out exploration programs consisting of road building, prospecting, geological mapping, geophysical surveys, geochemical surveys and diamond drilling.

Virgo Explorations, the exploration arm of Cyprus Mines Ltd, carried out magnetometer and soil sampling surveys on the north-east slope of Big Timothy Mountain during 1970 and 1971.

#### PRESENT WORK

To date the only work done on the Tim Claims has been a limited amount of prospecting.

#### GENERAL GEOLOGY

The geology of the area is shown on Map 1-1963 Quesnel Lake (East Half) of the Geological Survey of Canada. The area is mainly overlain by Paleozoic rocks of the Midas formation which is comprised of metamorphosed sediments. The Snowshoe formation, consisting of metasediments, rests on the Midas formation. Volcanic rocks of Triassic Age occur above the Snowshoe formation. Intrusive rocks of Jurassic to Cretaceous Age occur in several places within the map area. Much of the area is covered with Glacial drift and alluvium.

#### LOCAL GEOLOGY

The property is underlain by a batholith which is comprised of hornblende-biotite granodiorite, hornblende-quartz diorite, hornblende-biotite monzonite, hornblende-quartz monzonite and hornblende-biotite syenite. The mafic minerals are green to black hornblende or biotite and magnetite.

Light grey fine-to medium-grained hornblende-biotite monzonite and hornblende-quartz monzonite underlie the Tim 1, 2, 7, 8, 13 and 14 claims and possibly most of the other claims. The rocks grade into irregular patches of granodiorite and quartz diorite.

The intrusives have been highly fractured, faulted, and intruded by irregular dykes and veins. Most of the shear zones strike between north and east and dip moderately to the north. The Ten Mile Fault a strong regional structure passes through Tim # 14 claim at approximately 270° with a steep dip to the south.

Jointing is fairly well developed. Two sets are apparent one trending at 065° with a dip of 60° southeast and the other at 330° with a dip of 40° to the southwest.

MINERAL OCCURRENCES

Limited prospecting uncovered chalcopyrite occurring on fracture planes and as disseminations in the area covered by Tim # 3 and # 4 claims.

EXPLORATION AND DEVELOPMENT PROGRAMS

Prime consideration should be given to the exploration of the airborne magnetic low after determining its location on the ground. In conjunction with a magnetometer survey, electromagnetic and geochemical surveys should be carried out.

Wherever feasible the anomalous zones should be trenched. A good portion of the trenching could be undertaken in conjunction with the construction of access roads to various sectors of the property. The trenches should be mapped and sampled.

The entire claim group should be geologically mapped and thoroughly prospected.

Provided that the results of the above exploration programs are favourable, a second phase consisting of diamond drilling should be undertaken.

ESTIMATE OF COSTS OF EXPLORATION PROGRAMS

PHASE I

Magnetometer Survey 30 line miles at \$100/line mile	\$ 3,000.00
Electromagnetic Survey 30 line miles at \$125/line mile	3,750.00
Geochemical Survey 1500 samples at \$5/sample including assaying	7,500.00
Geological Mapping and Prospecting	4,000.00
Road Building and Trenching	14,000.00
Engineering and supervision	4,000.00
Contingencies	<u>3,750.00</u>
	\$40,000.00

PHASE II

Diamond Drilling, 2000 feet at \$15/foot	\$30,000.00
Camp Construction and Maintenance	15,000.00
Engineering and Supervision	6,000.00
Assaying and Core Shed	5,000.00
Drill Site Preparation and roads	5,000.00
Contingencies	<u>7,000.00</u>
	\$68,000.00

Respectfully submitted,

'Thomas R. Tough'

Thomas R. Tough, P.Eng.,  
Consulting Geologist

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