

# CANUSA CARIBOO GOLD MINES LTD.

N.P.L.

306 Crown Building, 615 West Pender Street  
 VANCOUVER, B. C.

93H/4E

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Capital - 3,000,000 Shares 50c Par Value  
 Issued for Property - - 900,000 Shares  
 Present Offering - - - 500,000 Shares  
 Offering Price - - - - 25c Per Share

**PROPERTY FILE**  
 93H120

# REPORT ON CANUSA CARIBOO GOLD MINES

by **GEORGE BANCROFT**  
Consulting Mining Engineer

*Samplers taken by Sells  
near 0.22 & 0.24 from solid  
pyrite & replacement ore at Stouts' Gulch*

## DESCRIPTION AND LOCATION:

Canusa Cariboo Gold Mines consists of 24 Mineral Claims and fractions - located on Cow Mountain, Cariboo Mining division, at an elevation of approximately 4800 feet in the vicinity of the divide of Lowhee Creek and Stouts' Gulch. A good motor road has been built up Stouts' Gulch connecting with the town of Barkerville. The claims are adjacent and connected to Cariboo Gold Quartz property on three sides.

"Mining of the placer gravels from the surface of this Canusa group has been carried on for the past sixty years, the present operators being the Lowhee Mining Co., whose production for the past eight or nine years, on a conservative estimate, has been around \$48,000 per year. Total placer production from Stouts' and Lowhee Creeks is around 3 million dollars. The nature of the gold is very coarse, nuggets up to 13 ozs. having been found, with a big percentage of the gold associated with quartz, leading up to the belief that the origin of this gold is in the immediate vicinity.

Prospecting of this ground has been carried out in a limited way for the past twelve years, but as overburden in the lower parts was heavy, results were slow, and the hydraulic operations were relied on to really show up the bedrock geology, a good section of which can now be seen the entire length of the group."

## CLAIMS:

The claims have had a preliminary survey so that boundaries are definite, and the majority of them are ready for crown granting.

You will also notice that as Cariboo Gold Quartz extend their main tunnel, whose face is now approximately below the B. C. shaft, that their development work is 450 feet from the Canusa boundary line, so that results thereon would have a direct bearing on the Canusa Company's ground.

## GEOLOGY AND VEINS:

The upper part of Lowhee Creek south of the holdings of the Cariboo Gold Quartz Mining Company is covered by the Black Bull and Blue Jay claims of Canusa Cariboo property. Hydraulic washings have laid bare much of the bedrock in the valley bottom and exposed a number of quartz veins both of the transverse and of the diagonal types. One of the diagonal veins about 1,200 feet below Watson Gulch is 4 feet wide. The other veins seen were narrower.

Upper Stouts' Gulch is underlain by grey quartzite and argillaceous quartzite of the Lowhee member. One narrow band of coarser elastic rock traced for 1,000 feet is exposed near the junction of Emory Gulch and Stouts' Gulch and farther north-west, and may be tuffaceous in origin.

There are at least three groups of quartz veins on Stouts' Gulch above the junction of these creeks and other scattered veins. Six or more quartz veins 2 to 8 inches wide, 2 feet apart, and all striking about north 10 degrees east and dipping 70 degrees west, occur a short distance southwest of the head of the gulch. Another group of parallel veins occurs 600 feet southeast. There are fifteen or more veins in this group all striking north 30 degrees east and dipping steeply northwest. Most of these veins are very pyritic and some have as much as 50 percent pyrite by volume and closely resemble the type of ore found in Cariboo Gold Quartz. Another group of fifteen veins occurs 900 feet southeast from the head of the gulch. Most of these strike north 20 degrees east and some strike north 60 degrees east, are 1 foot wide, and the others are narrower. Several of the veins are well mineralized with pyrite. There are several quartz veins striking about north 30 degrees east from 1300 to 1600 feet southeast of the head of the gulch.

Since the sinking of the B. C. shaft by Cariboo Gold Quartz which shaft is located 300 feet from the North boundary of the Canusa group, and which subsequently indicated that values in the B. C. vein increased with depth, prospecting for the past few years has been confined to this general area, where a strong fault has been traced, and which may yet prove that the large quartz vein on the New Black Bull Quartz claim of the Canusa Group has some relationship to the B. C. vein proper. -

This will give you some idea of the proximity, and shows the general direction of the fault. Although values on the surface of this vein where exposed in the pit were similar to the B. C. vein on the surface, a small hole sunk near the bottom of the pit where the vein is faulted and has a face of approximately 60 feet showed some mineralization, and a specimen assay returned \$14.00 to the ton. This condition shows similarity to the B. C. vein whose surface values were low but made ore at about 170 feet depth. - see old tunnel plan

Towards the head of the hydraulic pit and almost opposite the B. C. shaft, a strong B. vein has been stripped on the Blue Jay claim of the Canusa group. It is over 2 feet wide, but near the bottom of the pit shows a width of over 5 feet, and to date has been traced for approximately 500 feet. This appears to line up with the B. C. vein exposed in the tunnel below the B. C. shaft where Hanson reports the vein to contain a normal transverse content of gold. A sample from this vein at the bottom of the pit on the Canusa property assayed \$8.80. This looks as though it might be what was termed the Anderson vein, in search of which a tunnel was started in 1934 on the strength of float and post hole panning and which was driven 175 feet without reaching its objective. Lining up the vein in the pit with this work shows that the tunnel was started too far north but would reach the continuance of the vein by a slight turn to the left.

The area near the head of Stouts' Gulch described by Hanson in Memoir 181 has been ground sluiced, and some of the veins described by him stripped and trenched, which work would indicate that they tend to widen with depth. Assays so far on these groups of veins are low, the highest being \$6.00, but they offer excellent possibilities as lately it has been proven that they overlie a band of limey quartzite in which occur the replacement type of ore similar to Island Mountain. This replacement ore has been traced approximately 165 feet, varying in width from 4 inches to 14 inches and assays \$18.00. This looks like an important find, and it is the first time that ore of this type has been found on the surface in the district.

Some geophysical work done in the area, using the "Radiore" high frequency method shows some strong indications along this replacement zone, so much so that they eliminate the electrical fields from the B. veins which you will note Hanson says in some places contain nearly 50 percent pyrite, and would therefore indicate good possibilities for the replacement running to depth.

Further down Stouts' Gulch and near the mouth of Emory Gulch a sample from an A. vein which is over 30 inches in width returned \$3.80 to the ton which is very encouraging for this type of vein and higher up on the Gulch some float, source of which has not been located, returned assays of over \$14.00. } covered

## RECOMMENDATIONS:

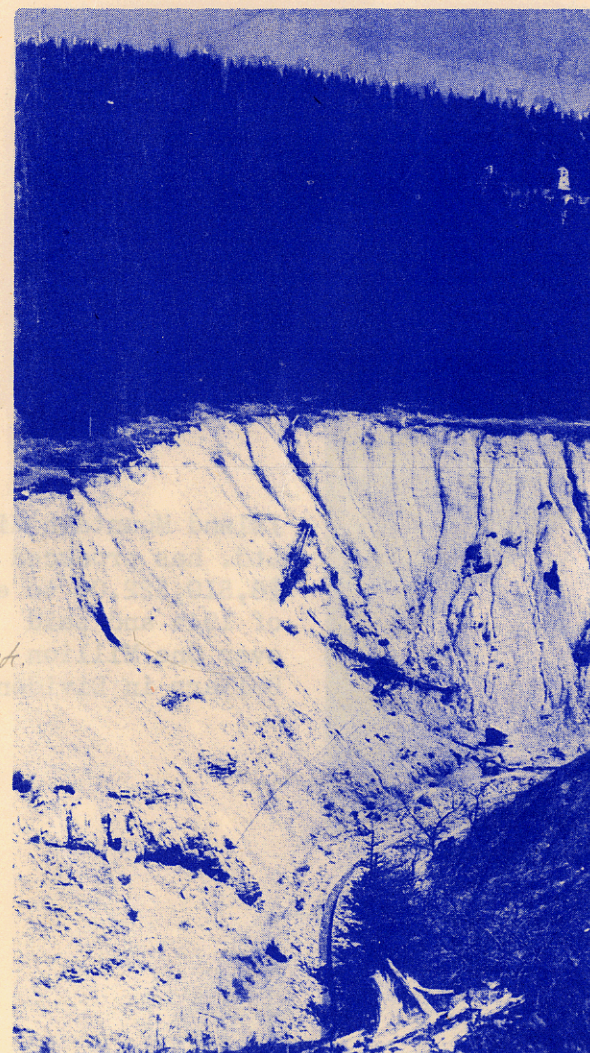
This property comprises a considerable area in the heart of the Barkerville Gold Belt and lies underneath one of the big principal placer operations which has been operating for many years showing consistent gold production at a profit. It is adjacent to and in close proximity to the Cariboo Gold Quartz Mine which has been a profitable producer of gold from quartz veins for a considerable period. As the Canusa property has practically the same geological structure and almost identical vein systems and mineralization to Cariboo Gold Quartz Mine, and in all probability has extensions of some of their vein systems, and as their mine developments have reached close to the boundary of the two properties all conditions would indicate a merit on the Canusa property that would warrant investigation and exploration of their vein systems on surface and at depth. I, therefore, have no hesitation in recommending that funds be provided for this purpose. I further recommend that so far as possible in the early stages of development the work should be concentrated in the vicinity of the Blue Jay claim which is adjacent to the development of Cariboo Quartz Mine on their B. C. vein. There is a possibility that an extension of the B. C. vein, where it has been faulted may extend on the Canusa property. In any event, in this vicinity there is typical geological formations and structures of the ore bearing gold zones of the Barkerville gold belt. There is no doubt that in the gold producing placer operations from Stouts' Gulch of the Lowhee placers that the gold came from veins in this area.

In developing the Canusa property - with little or no underground development - information that would warrant exploration and development must come from surface showings, favourable geology, good structure, and the known details from adjacent mines where similar geological conditions have produced workable gold deposits. Finding all these conditions favourable, I have no hesitation in recommending expenditures for the development of this vein system.

Details of proposed expenditures for preliminary developments are outlined in another part of this Report.

Respectfully submitted,

George Ross Bancroft - P.E., A.I.M.E., C.I.M.M.  
Consulting Mining Engineer.



*Bancroft visited the  
Cariboo Quartz in April  
while snow was on the ground  
went part way along main  
B.C. Shaft drive into B.C. section*

Photograph of  
Lowhee Pit  
on the Canusa  
Property showing  
proximity of  
Shaft on the B.C.  
Vein of the  
Cariboo Gold Quartz.

*Mem 148  
Depth of shaft in bylaw as 170' is wrong  
actually 105' with wing 14' depth*

*? no evidence  
showed shovels on  
Main drive  
@ 293' qt 0.36  
to that get .04-.06 ct.*

*no*

*not so  
found in John's tunnel*

*sub  
from  
Hanson*

*?*

*?*

*more that  
are being  
mined*



### LOWHEE PLACERS HYDRAULIC PIT

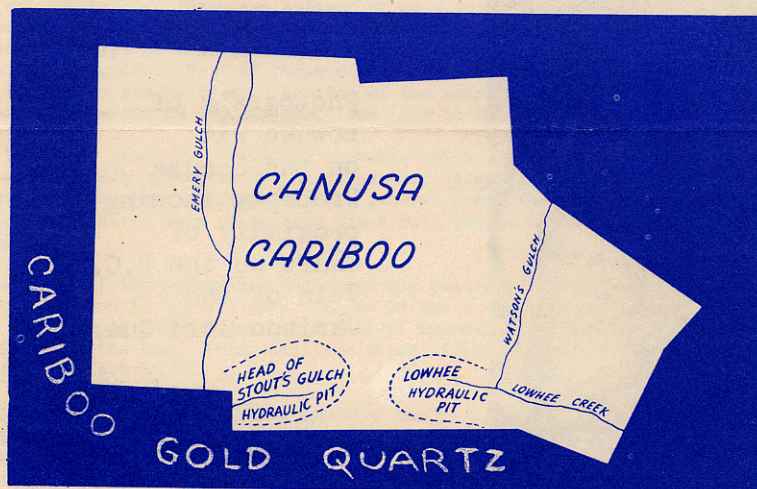
Showing Large Vein on Canusa Cariboo Gold Mines Property

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Cariboo Gold Quartz has produced \$11,799,000.00 up to end of 1944 and paid \$1,679,976.00 in dividends.



Island Mountain Mines Ltd. has produced \$6,510,522.00 to end of 1944 and paid over One Million Dollars in Dividends.

Further information and purchases can be made through:

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