

Canadian Superior Exploration Ltd.Property Examination ReportGAIL and GMGW Groups (Lewes River Mines Ltd.)Summary

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The property was examined by R.J. Overstall on August 1st, 1971 under adverse weather conditions and with a time limitation.

Conclusions

There are a number of geological similarities between the Lewes River ground and the Kennco property. From the limited outcrop available there are no signs of mineralization or alteration and the soil geochemistry results and their interpretation are open to question.

Recommendations

The property should be optioned for a work commitment that would enable I.P., magnetic and soil geochemistry surveys to be made in the area of the intrusion and the geochemical anomaly only. This would involve about \$20,000. for the first years work.

Geology

The geological map by N. Church (B.C. Dept. Mines & Petroleum

PROPERTY FILE

93L/1W Lewes

093L261

Resources Preliminary Map No. 6) indicates three syenomonzonite-alkalic gabbro stocks in an approximate line from the Goosly property to Nadina Mine. These stocks are likely the feed necks for part of the Tertiary volcanic sequence that largely covers the underlying Mesozoic Hazelton volcanics. The most easterly of these stocks lies adjacent to the Kennco deposit, the one to the west has been staked by C.S.E. as the Par group while the central one is on the Lewes River property.

On the Kennco ground, the host to the massive sulphide lenses that constitute the main ore potential, is a highly fractured acid volcanic horizon within the Hazelton sequence. There is some dispute as to whether the mineralization is primarily related to the Hazelton or the Tertiary stock.

The geology on the Lewes River claims is similar in that the Hazelton is the host for the intrusion. Hazelton rocks observed by the writer on the property were largely unaltered dark green tuffs. However, Church has mentioned verbally that Mesozoic rhyolites have been mapped. The intrusive rock is a medium grained crystalline mixture of bladed plagioclase feldspar and an acicular pyroxene (aëgirine ?) with possibly some hornblende. All outcrops seen were of fresh, fairly massive rock.

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for copper and by contouring this value outlines three anomalous areas.

The two most easterly anomalies (Nos. 2 & 3) lie at the base of hills on which thick sequences of Tertiary volcanics are well exposed and it is considered that the anomalies are related to higher than background amounts of metal in these rocks.

The critical copper anomaly lies on the edge of the stock as projected under glacial cover from outcrop and aeromagnetic evidence. As contoured by Archer it is about 4,000 ft. X 2,000 ft., being elongated in an east - west direction. The silver values are anomalous over the same area although not so pronounced. By using the more reasonable threshold calculation of mean +  $2\frac{1}{2}$  standard deviations a value of 60 ppm for copper is obtained. Contouring of this value gives only scattered highs through the "anomalous" area.

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A re-sampling of the critical area will be necessary before any further work could be contemplated.

#### Location and Access

The claims lie about 24 miles from Houston, B.C. along a good all weather gravel road. Houston is on the main C.N.R. line from Prince George to the seaport of Prince Rupert and is also served by Highway 16 between the same centres.

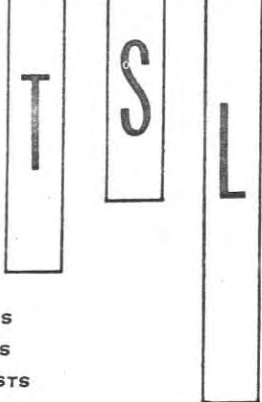
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Apparently there was no work or staking before that time.

Richard Overstall  
Geologist.

Smithers, B.C.  
August 1971.



# Laboratories Limited

325 HOWE STREET - VANCOUVER 1, B.C.

TELEX: 04-50613  
CODE NAME: TSL-LABS-VCR.

TELEPHONE 688-3504  
AREA CODE 604

ASSAYERS  
CHEMISTS  
GEOCHEMISTS

## CERTIFICATE OF ANALYSIS

SAMPLE(S) FROM *Canadian Superior Exploration Ltd.,  
Box 100  
Smithers, B.C. Lakes Dwer Mines*

REPORT NO.  
**510511**

SAMPLE(S) OF *Soil*

RESULTS IN PARTS PER MILLION

	SAMPLE No	Cu	Pb	Zn	Ag	Ni	Mo	Co
1	<i>LRM 1</i>	<i>16</i>			<i>&lt;0.5</i>			
2	<i>2</i>	<i>38</i>			<i>1.0</i>			
3	<i>3</i>	<i>37</i>			<i>0.5</i>			
4	<i>4</i>	<i>22</i>			<i>0.5</i>			
5	<i>5</i>	<i>22</i>			<i>&lt;0.5</i>			
6	<i>6</i>	<i>20</i>			<i>&lt;0.5</i>			
7	<i>8</i>	<i>12</i>			<i>&lt;0.5</i>			
8	<i>9</i>	<i>8</i>			<i>&lt;0.5</i>			
9								
0								
1								
2								
3								
4								
5								
6								
7								
8								
9								
0								

DATE *Aug 3/71*

SIGNED *R. S. Mode*

N.B. Samples discarded after 3 months unless otherwise requested.



August 5, 1971

Lewes River Mines Ltd. (N.P.L.),  
355 Burrard Street,  
Vancouver, British Columbia.

Attention: Mr. E. Kruger.

Dear Sir:

RE: GAIL-GMGW PROPERTY, GOOSLY LAKE AREA, B. C.

Since our meeting last week we have considered your proposal regarding the above property and have carried out a field examination. We feel the property merits further work but that the terms of the proposed agreement indicated by you are too onerous. We would, however, consider entering into an agreement on the following basis:

1. Canadian Superior would make a firm commitment to incur \$15,000 in exploration expenditures on the claims by March 31, 1972.
2. On making the above commitment, Canadian Superior would have the sole and exclusive right to explore the claims until March 31, 1977 providing it fulfilled the conditions stated in sub-paragraphs 3(a) to (d) below. The right and option will be referred to as the "Working Option".
3. The Working Option would terminate
  - (a) on March 31, 1973 unless by that date Canadian Superior had incurred a cumulative total of \$75,000 in exploration expenditures, and
  - (b) on March 31, 1974 unless by that date Canadian Superior had incurred a cumulative total of \$150,000 in exploration expenditures, and
  - (c) on March 31, 1975 unless by that date Canadian Superior had incurred a cumulative total of \$250,000 in exploration expenditures, and
  - (d) on March 31, 1976 unless by that date Canadian Superior had incurred a cumulative total of \$500,000 in exploration expenditures, and
  - (e) on incorporation of a new company as described in paragraph 4 below.

Lewes River Mines Ltd. (N.P.L.) (. .continued)

August 5, 1971

4. (a) During the currency of the Working Option and in any event no later than March 31, 1977, after spending \$1,000,000 on the property Canadian Superior would have the right to cause a new company to be incorporated for the purpose of acquiring the property.
- (b) The new company would have an authorized capital of 3 million shares.
- (c) Lewes River would sell the property to the new company for the consideration of 600,000 fully paid and non-assessable shares. Canadian Superior would acquire shares in the new company at the rate of one for each one dollar incurred in exploration expenditures prior to incorporation.
- (d) After the issue of the shares contemplated in paragraph 4(c), Canadian Superior would have the right to purchase the balance of the authorized capital in order to provide funds for the further development of the property, at such prices or price as Canadian Superior deemed appropriate.
- (e) Canadian Superior would have the right of first refusal of the offer by Lewes River to sell any or all of its shares in the new company for a period of 3 years dated from the time the company is incorporated.
5. In addition to the above basic terms we suggest,
- (a) C.S.E. would keep all of the claims in good standing until at least a date 1 year from the present expiry date.
- (b) After the above condition had been met, Canadian Superior would have the right to exclude claims from the agreement so long as they were in good standing for no less than 60 days thereafter.
- (c) Lewes River would have access to all records pertaining to work carried out by Canadian Superior.

If the above terms are acceptable please advise us and we will have a formal agreement drafted for your consideration. Our objective would be to carry out as much work as possible during the current field season. With this in mind we respectfully advise you that we would like an answer by August 16th, 1971 - if we do not hear from you by that date we will consider negotiations closed.

Yours very truly,



R. A. Dujardin,  
Chief Geologist.

RAD: bz

cc: W. G. R.

R. J. O. ✓

Canadian Superior Exploration Ltd.

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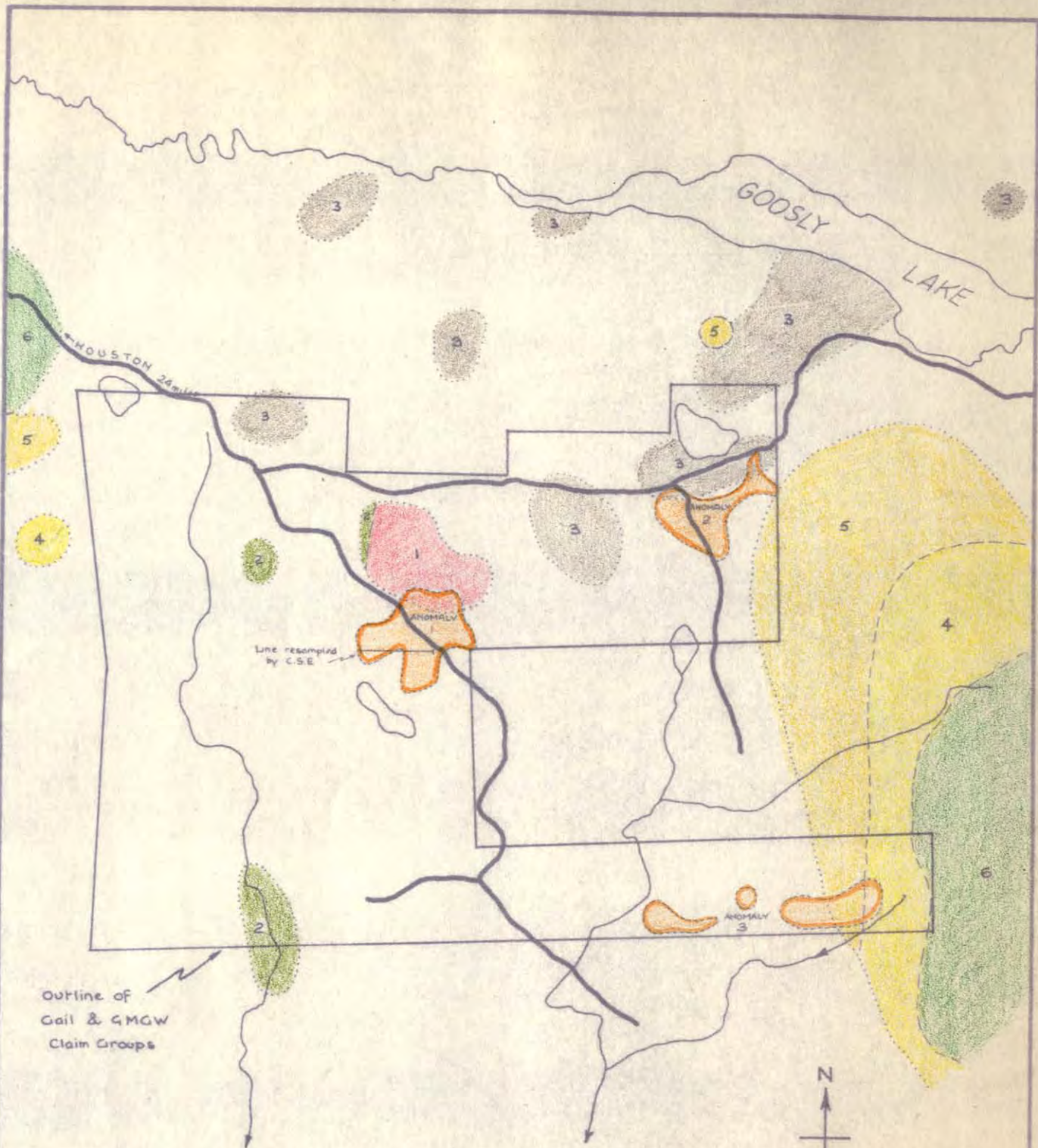
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Outline of  
Gail & GMGW  
Claim Groups

**LEGEND**

Bedded Rocks

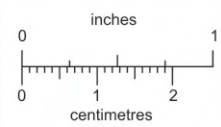
- 6 Miocene andesites
- 5 Eocene trachyandesite lavas
- 4 Eocene trachyandesite sills
- 3 Palaeocene andesites
- 2 Mesozoic - (Hazelton)

Symbols

- Outcrop area
- Geological contact
- Soil geochemical anomaly - copper

Intrusive Rock

- 1 Gabbro?



This reference scale bar has been added to the original image. It will scale at the same rate as the image, therefore it can be used as a reference for the original size.

CANADIAN SUPERIOR EXPLORATION LIMITED SMITHERS REGIONAL OFFICE		
PROPERTY EXAMINATION		
LEWES RIVER MINES LTD. Gail & GMGW Claims Goosly Lake Area B.C.		
DRAUGHTSMAN: RJO	SCALE: 1:50,000	DATE: AUG 1971