

MEIP proposal. Property: RED ROSE. Applicant: John Ball

TARGET: At the Red Rose property a 4 foot wide quartz vein was mined during the past for tungsten and copper without recovering the gold or cobalt which is also present. 20,000 tons are blocked out in the old workings above the lowest level. The strong shear structure which hosts the mineralized quartz veins has not been tested below the lowest level or along strike. The mineralized quartz may also be present over widths many times greater than the widths which were mined previously, as indicated by one drill hole. The target is to prepare sites and to drill to test the shear structure for continuation at depth of the known ore shoot, for further mineralized shoots laterally, and for the true widths.

LOCATION: The Red Rose group of 15 crown granted mineral claims are located 15 kilometers south of Hazelton, and reached by 18 kilometers of gravel road from highway 16 at Skeena crossing. The old mill site is at 4000 feet elevation. The NTS is 93 M 4 E.

OWNERSHIP - MINERAL RIGHTS: John Ball has purchased 100% of the mineral rights in an agreement over 1 year with Cominco Ltd. An estate holds 15% of the net profits royalty.

HISTORY OF PRODUCTION: From 1941-'43 and 1951-'54 115,000 tons were milled which averaged 1.4% WO<sub>3</sub>, 0.09 ounce/ton gold, and 1.5% copper, with cobalt and silver present but not assayed for or recovered. Although the mill heads averaged 0.09 ounce/ton gold, only 0.01 ounce was recovered.

REASON FOR MINE CLOSING: Western Cobalt Co. leased the property from Cominco during the 1951-'54 period to produce tungsten concentrates for the U. S. Government. They began to be penalized for having too much ferberite (iron) in the concentrate, and, in 1954 had a fire, after which time they closed, leaving 20,000 tons of broken and blocked out ore in the mine stopes. Cominco have held the ground since and no physical work has been done.

REGIONAL AND LOCAL GEOLOGY: Through the Rocher Deboule mountains late Jurassic Hazelton group sediments are intruded by Cretaceous granodiorite stocks and by diorite tongues. The property is underlain by hornfelsic argillite and siltstone cut by elongate fine-grained diorite bodies. The single Red Rose shear structure strikes N 40° W in the mine diorite and follows the hill slope in dipping 65° SW. Within this structure 2 separate mineralized quartz veins, the 'northern orebody' and the 'southern orebody' form vertical shoots from 50 to 250 feet in length, from 2 to 12 feet wide (averaging 4 feet), and over a 1200 foot vertical extent.

GRADE: The ore grade was very consistant throughout the 1200 vertical feet which was developed within the northern and southern orebodies. The minerals noted were gold, scheelite, cobalt (in arsenopyrite), chalcopyrite, silver, and ferberite. The grades were:

- Gold - 0.09 ounce/ton. From 1942 to '54 recovery averaged 0.01 ounce as gold was not a priority, however mill heads averaged 0.09 ounce/ton when recorded in '53 and '54. (See Cominco reports: March, '53, pg. 2; and July, '53, pg 2).
- Tungsten - 1.4% WO<sub>3</sub> was the mill head average.
- Cobalt - Cobalt was mentioned in Cominco reports as being present, however assays were not recorded. In 1981 Dave Cooke of Cominco staff visited the property and took one sample from a dump alongside an outcrop of the main vein which assayed 0.57% cobalt. (See report: Oct. 26, '81, pg.1)
- Copper - 1.5% was the mill head average.
- Silver - the grade was not recorded.

EXPLORATION CONDUCTED TO DATE: Before the mine closed in 1954 hardly any exploratory drilling was completed. One drill hole intersected 23 feet of mineralized quartz vein material in the area of the 1000 level (See map). Only two holes were drilled under the lowest level and these were meant to test the downward extension of the southern orebody, located well south of the downward extension of the northern orebody (See map).

with Future Application  
Red Rose

On the lowest level the oreshoot of the northern orebody averages 1.8% WO<sub>3</sub>, 0.1 ounce per ton gold, and 1.5% copper over 4.5 feet for a 110 foot length. Geologist A. Sutherland Brown visited the mine just before it closed and wrote a 10 page report printed in the 1954 B. C. Min. of Mines report which included a detailed plan view of the the mine workings, and which concluded with the paragraph:

" Nothing is known of the downward extension of the northern orebody. Two deep diamond drill holes were driven well south of the possible continuation of this orebody. On the 1100 level (the lowest level), this orebody is as wide as it is anywhere in the mine and more extensive than on the 1000 level (the next one above)....In addition, the shear has not been explored along it's continuation to the south." (1954 B. C. Min. of Mines Report, pg. A 95).

Ron McEachern, the assistant to Cominco's chief geologist at that time, visited the property and recommended in a '53 report a drill program to test the downward and lateral extensions of the main vein. He wrote:

" One or two holes could be drilled from the U2 set-up (an underground station) to intersect the vein...and then fanned to the NW at 75 feet between inter-sections....This would explore the continuation of the shear-vein in the NW direction. " (See Cominco Report on Geology. 1953, by R. McEachern, pg. 5)

WORK PROGRAM: The following 3 stage program is recommended:

I : Open 800 portal, bulk sample, assay, and conduct metallurgical tests...	\$10,000
II : Dewater, drill 10 meter holes into vein footwall, collect bulk sample, assay and conduct metallurgical tests, and do geophysical, (IP), testing...	\$17,000
III : Prepare drill site, and drill 1600 meters to test downward and lateral extensions of the orebodies. 1600 meters x \$120/meter=.....	\$212,000
3 STAGE PROGRAM TOTAL = \$240,000	

STARTING DATE: The estimated starting date is July 1st, completion is Oct. 31st.

FUNDING: Funding for the applicants' share of the program is private funding by John Ball to the amount of \$100,000, if results of stage I & II are encouraging.

#### REFERENCES:

##### A. UNPUBLISHED COMINCO REPORTS (in chronological order):

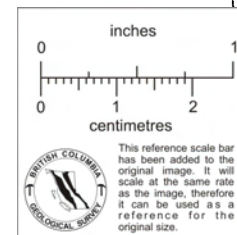
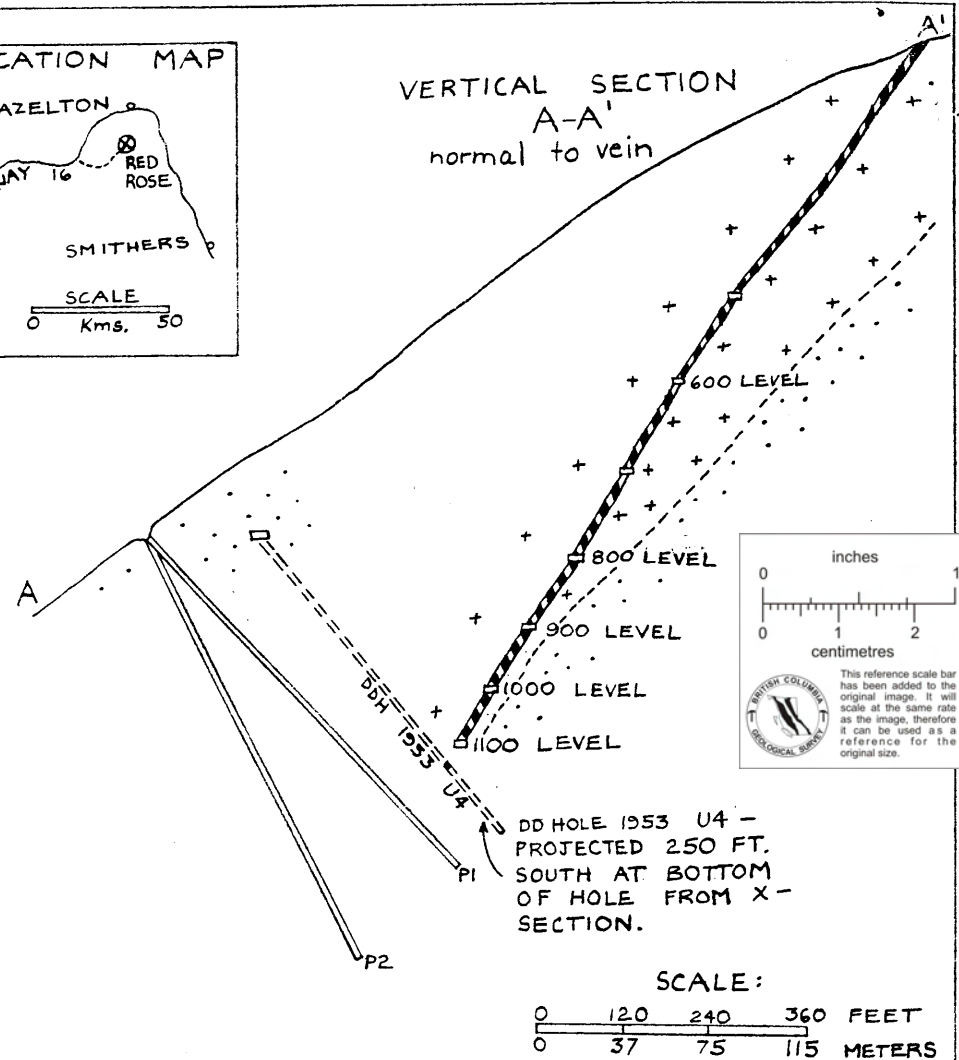
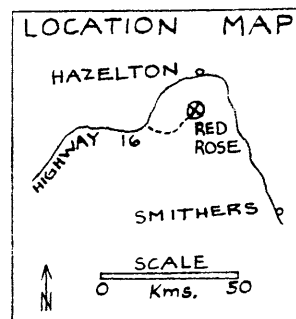
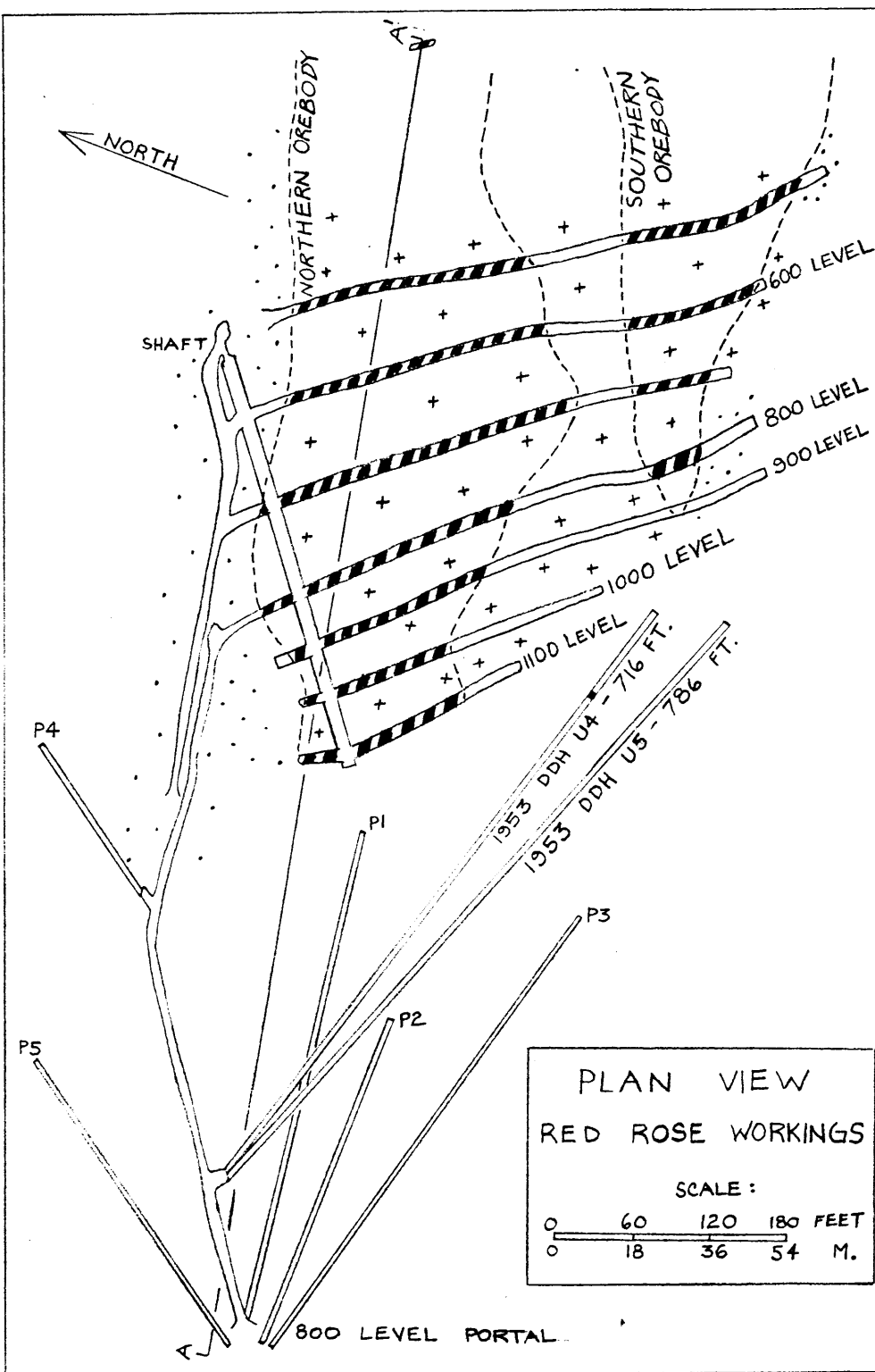
Memo on Red Rose Visit. Oct. 26th, '81, by D. Cooke (senior geologist)  
Memo - Red Rose. Sept. 25th, '81, by D. Cooke.  
Shut Down Report - Red Rose Mine. Dec., '54, by Neely Moore (explor. geol.)  
CM&S - Red Rose Inspection Report. March, '54, by N. Moore.  
CM&S - Red Rose Inspection. July, '53.  
Underground Diamond Drill Logs. 1953, by R. G. McEachern (geologist)  
Red Rose Report. March, '53, by N. Moore.  
Red Rose Geological Report. 1953, by R. G. McEachern.  
CM&S Engineering Report and Mill Flowsheet. April 5th, '44, by P. Emery.  
Red Rose Geological Report. Nov. 20th, '1942, by G. Gilbert.

##### B. PUBLISHED REPORTS.

B. C. Ministry of Mines Annual Reports: 1954, pg. A 86 - 95, by A. Sutherland-Brown; 1953, pg. 93; 1952, pg. A 92 - 93, by S. Holland, 1951, pg. 111-112, 1943, pg. 78, 1926, pg. 126.

G.S.C. Memoir 223, 1940, by E. Kindle, pg. 56.  
Can. Instit. of Mining & Metal., Jubilee Vol. - 1948, pg. 129.

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DD HOLE 1953 U4 -  
PROJECTED 250 FT.  
SOUTH AT BOTTOM  
OF HOLE FROM X -  
SECTION.

**LEGEND**

- P1 PROPOSED D.D.HOLES TO TEST DOWNWARD AND LATERAL EXTENSIONS OF NORTHERN OREBODY.
- 1953 DDH 1953 DEEP D.D.HOLES - SOUTH OF NORTHERN OREBODY.
- QUARTZ VEIN CONTAINING ORE GRADE MINERALIZATION.
- FINE-GRAINED GREEN DIORITE.
- HORNFELSIC ARGILLITE AND SILTSTONE.

DRAWING BASED ON COMINCO  
COMPANY PLANS: DRAWN BY:  
JOHN BALL 24.5.87.

RED ROSE PROPERTY  
1987 PROPOSED WORK PROGRAM -

3 STAGES

STAGE I :

(a) Open 800 portal and safety check level .....	\$4,000	
(b) Collect 500 pound bulk sample .....	\$1,000	
(c) Assay and conduct metallurgical tests.....	\$5,000	
		<u>\$10,000.....\$10,000</u>

STAGE II :

(a) Dewater levels below 800 level .....	\$4,000	
(b) Drill 10 meter D D holes into footwall of 800 1000, and 1100 levels - 50 meters x \$120/meter = \$6,000 .....	\$6,000	
(c) Collect 1000 pound bulk sample and assay .....	\$2,000	
(d) Conduct IP testing of the ground NW and SE of the mine workings to attempt to identify the location of the shear structure .....	\$5,000	
		<u>\$17,000 .....\$17,000</u>

STAGE III :

(a) Push a 4-wheel drive road with a cat through the fine talus 3 kilometers from the mill site to the 800 portal .....	\$10,000	
(b) Drill from the 800 portal and in other locations to test the downdip extension of the northern orebody, and to test for other orebodies both laterally and at depth - 8 DD holes x 200 meters/hole = 1600 meters 1600 meters x \$120/meter = \$192,000 .....	\$192,000	
(c) Collect 1 ton bulk sample and conduct metallurgical tests .....	\$10,000	
		<u>\$212,000 .....\$212,000</u>

TOTAL .....\$240,000

Estimate prepared by:  
John Ball, Pres., Ball Resource Services Ltd.  
Date: May 27th, 1987.