

1968 M.V. L. DOWNSHILL:				
PERSONNEL:				
WORK DONE BY THE GRASBY MINING CO. LTD.				
NAME	POSITION	DATES	RATE PER DAY	TOTAL
J. PAXTON	GEOLIST	APRIL 7-25 June 6,10,11,12	\$49.00	\$760.00
T. S. SMITH	GEOLIST	APRIL 8-18	\$36.00	\$324.00
E. T. FORSHAW	ASSISTANT	APRIL 23-25 29-30 MAY 1,2,3,4,7, 10,11,12,13, 23,24,27,28, 29	\$22.72	\$704.32
C. GLAUVILLE	STUDENT HELPER	APRIL 24-25,29 MAY 2,5,6,9, 12-14,19,22,	\$22.16	\$443.20
S.D. SCHER	SURVEYOR	MAY 27 (half day) JUNE 5 (half day)	\$24.72	\$24.72
P. HARRISON	STUDENT HELPER	MAY 27	\$22.16	\$22.16
HOU KIM	GEOLIST	JUNE 5,6	\$30.00	\$60.00
R. HENKE	ASSISTANT	JUNE 2,3,4 (half days)	\$24.00	\$36.00
		Sub TOTAL:		\$2374.00
TOTAL ALLOWANCE FOR R.R.A., CANADA PENSION PLAN, etc. AT 15% OF SALARY COST.				
TOTAL GRASBY WORK				
TOTAL COST OF WORK				
				\$425.20
				\$2796.20
				\$2400.00

STATEMENT OF QUALIFICATIONS:

The layout of the cross-lines, chaining of the cross lines and most of the underground operation was done by Mr. E. T. Forshaw. Mr. Forshaw is a grade 13 graduate who has worked for the past three summers on exploration projects for Grasby doing staker work. He has been given thorough instruction in magnetometer operation, and in compass surveying by the author.

The planning of the project, the surveying of the base-line and direction and supervision of the field personnel was done by the author. He graduated in 1953 from the University of Saskatchewan with a Bachelor of Arts and Science degree in geology. He also took one year of post-graduate work in geology at the University of Manitoba. He has worked for The Grasby Mining Company Limited as a geologist since October 1964. He has supervised magnetometer surveys and line cutting programs during the past three summers. He was given thorough instruction on magnetometer survey methods, and on the operation of the M-1 Magnetometer by Grasby's chief geologist, Mr. K. C. Fabre, Professional Engineer.

This report is respectfully submitted by:

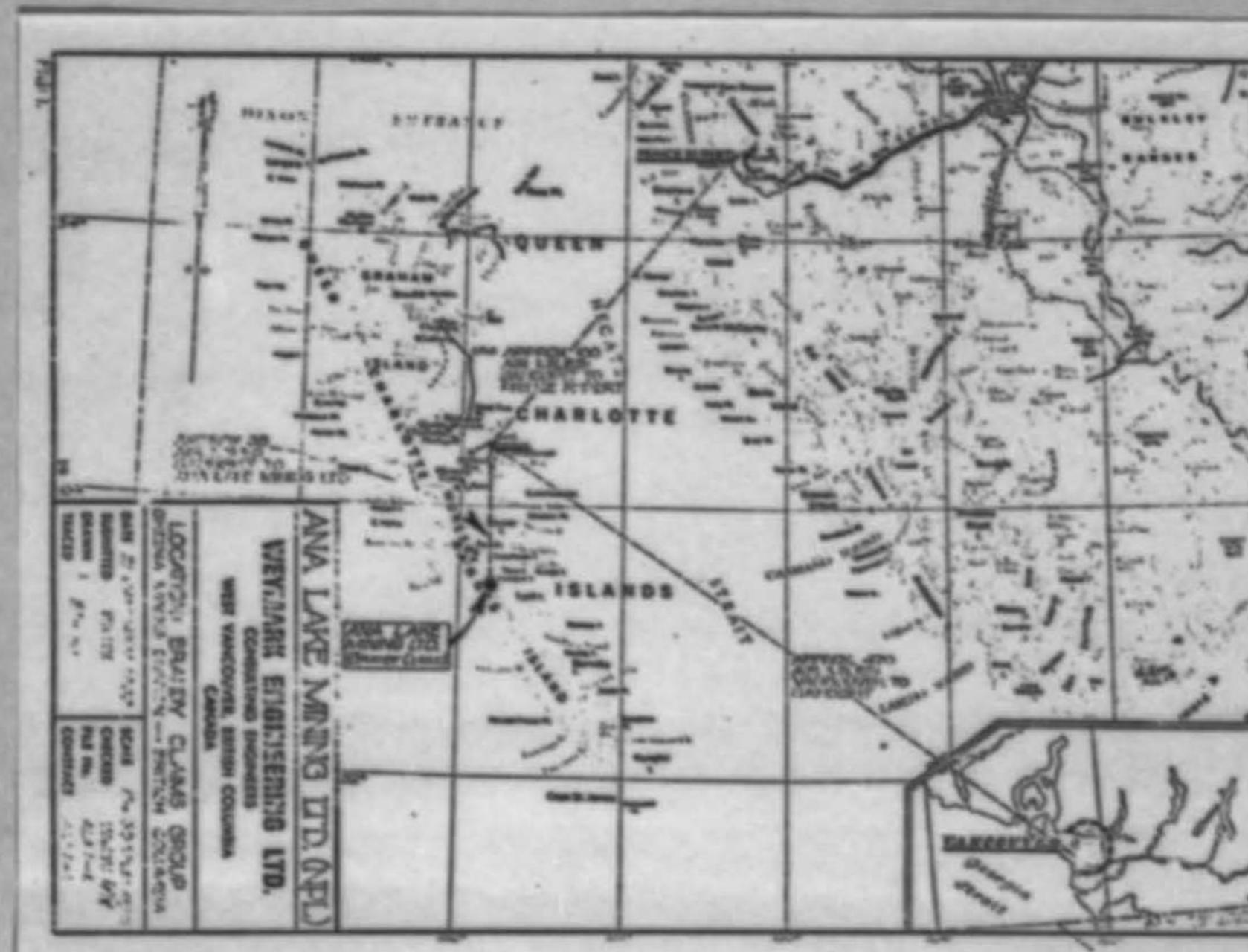
The Grasby Mining Company Limited
Phoenix Copper Division

J. Paxton, B. Sc.
Mine geologist

G. Alice, B. Sc.
Professional Engineer
Mine Manager

29 pag

Appendix	
ANNEX A-1 thru A-4	Synopsis of Diamond Drilling compiled by Grasby Mining, 1968
ANNEX B-1 thru B-2	Pages 1 & 2 of Report "Communication Ties on Bulk Samples of Copper Ore" by British Research Limited, Vancouver, British Columbia, 22 January 1970.
Illustrations	
Figure 1	Frontpage, General Location
Figure 2	Bundy Claims Group, Claims Locations
Figure 2a	Bundy Claims Group, Main Topographical Feature
Figure 3	General Bulk Sampling Areas, New Anna Zinc Assays and Fossils from Zinc Assays
Figure 3a	Adit Pit - Cosmic Lake Mine by Frost Paxton, P. Eng.
Figure 4	Aerial Magnetometer Survey, Isometrics
Figure 5	Bundy Claims Group, Geology
Figure 6	Ann Lake Mining Ltd., Diamond Drill Sections, Bundy Mineral Claims
Figure 7	Adit Ann Geology
Figure 8	Bulk Sampling - Salmon Creek Side



1. INTRODUCTION:

The writer was engaged on November 27, 1970 by W.J. Waymark, President of Waymark Engineering Ltd., to examine and advise all available information relating to the Bundy Mineral Claims of Ann Lake Mining Ltd. and the Queen Charlotte Islands, Province of British Columbia, (See Figure 2). They are situated in the Queen Charlotte Islands, 25 miles south of Hazelton, 150 miles eastward from Prince Rupert and 470 miles northwest of Vancouver.

The property consists of two islands lying between Anna Lake on the west and Hazelton Bay on the north and east. The location is 20 miles south of the old abandoned town of Hazelton.

The geographical location of the Bundy Mineral Claims Group is approximately: Longitude 125°30' West and Latitude 52°30' North.

Access is by boat from the Town/Federal Airbase Limited of Hazelton, British Columbia or by boat and barge.

All assessments, conclusions and recommendations are drawn from the study and review of available literature.

2. DESCRIPTION AND LOCATION:

The Ann Lake Mining Ltd. property consists of 17 recorded claims located on the east side of Hazelton Island in the Queen Charlotte Islands, Province of British Columbia (See Figure 2). They are situated in the Queen Charlotte Islands, 25 miles south of Hazelton, 150 miles eastward from Prince Rupert and 470 miles northwest of Vancouver.

The property consists of two islands lying between Anna Lake on the west and Hazelton Bay on the north and east. The location is 20 miles south of the old abandoned town of Hazelton.

The geographical location of the Bundy Mineral Claims Group is approximately: Longitude 125°30' West and Latitude 52°30' North.

Access is by boat from the Town/Federal Airbase Limited of Hazelton, British Columbia or by boat and barge.

All assessments, conclusions and recommendations are drawn from the study and review of available literature.

3. GEOLOGY:

The writer's review of all available literature and maps of the Bundy Mineral Claims Group points out the following salient features:

(1) Copperiferous stratification is present in nearly all of the island exposures - the predominant rock type is the Bundy Claims Group.

(2) The prevalent stratification in the distant exposures makes the area a very worthwhile exploration target for a large low grade deposit.

(3) Metamorphic rocks clearly define and cause general distribution of chalcocite together with pyrite.

(4) The islands occupies the area between two fault zones and, as can be expected, locations and locations along the line of the faults are highly jointed, with some of the altered occurring along joints. It is possible that intensive oxidation of the pyrite will reveal other zones of fracturing and formation of contemporary age or different age which may have caused some of the alteration zones.

(5) Surface weathering on the bedrock tends to be relatively light, due to the values likely removed. Deep peaking may reveal greater concentrations of chalcocite stratification beneath the surface.

(6) The topography of the bedrock tends itself to a large lowstand, low-grade general operation of the area.

(7) Fewer water depths in the lakes and bay up to 25 feet, cause little difficulty in establishing docking facilities.

(8) Ann Lake is a potential source of adequate water for the operation.

(9) Ann Lake has a recorded area conducted by British Research Limited (See Annex 2), January 1970 on bulk samples contained copper values of 0.575 copper and 0.617 copper respectively.

Metallurgically, it was indicated that 94% of the copper would be recovered, with concentrate averaging 20% copper, 0.13% manganite and 0.1% iron.

4. CONCLUSIONS:

The Bundy Mineral Claims Area has a potential overall stratification of 0.65 copper. Only a small area of the claims has been tested. The favorable geology indicates that extensive exploitation and development will reveal the existence of stratification and conditions conducive to timely removal.

There is also the possibility that a depth program will indicate an increase in values.

As a final conclusion, the writer feels that a large low-grade copper deposit is possible in the area, with an average grade of 0.575 to 0.65 copper, along with the high price of copper (\$100) combine to give the Bundy Mineral Claims Group an excellent chance of being developed into an economic producer.

4A. RECOMMENDATIONS:

In view of these favorable elements it is recommended that an extensive exploration and development program be started as soon as possible. This program must be conducted until sufficient information is obtained to support production.

This will necessitate very large expenditures but it is recommended that the work be done in several phases, which will allow the success of the next phase and the expenditures required.

For the initial phase to be carried out in 1971, Ann Lake Mining Ltd. (OPL) should provide the sum of \$100,000.00.

5. ESTIMATED COST OF INITIAL PHASE OF EXPLORATION AND DEVELOPMENT:

Geological and Geophysical	.....	\$100,000.00
Sampling and Assaying	.....	\$10,000.00
Drilling (Diamond Drill Holes)	.....	\$10,000.00
Excavation	.....	\$20,000.00
Access Roads	.....	\$1,000.00
Administration	.....	\$1,000.00
Contingency	.....	\$10,000.00

Total estimated cost of initial phase of exploration and development is \$142,000.00.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.

It is recommended that the initial phase be conducted by a local company.