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R. H. SERAPHIM ENGINEERING LIMITED GEOLOGICAL ENGINEERING

316 — 470 GRANVILLE STREET VANCOUVER 2, B.C.

HAYWIRE NICKEL ALICE ARM

SUMMARY AND CONCLUSIONS

This prospect has a mineralized outcrop approximately 50 ft long, which is a small north-facing-bluff twenty to thirty feet high. Precise evidence of the strike and dip of the mineralized gabbro which forms this outcrop is not readily determinable. The outcrop contains abundant iron oxide, and a little pyrrhotite and chalcopyrite, together with 'niggerheads' of fresh gabbro one to two feet in diameter. Specimens of nearly massive sulfide are reported to contain 2.12% nickel and 1.58% copper.

Two short drill holes under or near the showing intersected only ten feet of gabbro with a trace of pyrrhotite and chalcopyrite. The limited size, and the low grade of the mineralization do not invite further exploration.

INTRODUCTION

The property was optioned by the Joanne B.C. Syndicate, controlled by A. Cockshutt and T. McQuillan, from Dwight Collison of Alice Arm. The writer made a brief examination of the prospect on May 22 and 23, 1971, primarily to direct a small drill program. The core from the two drill holes was shipped to Vancouver and examined upon completion of the program.

HISTORY

The property was discovered many years ago during the construction of a telephone line to Stewart from Alice Arm. It was optioned from Dwight Collison in 1965 by Falconbridge. Falconbridge completed geophysical and geochemical surveys, and subsequently dropped the option. A small amount of hand-trenching is the only other work known on the deposit prior to the subject drill program.

LOCATION

The mineralized outcrop is only 500 feet from the beach, and ten miles from the settlement of Alice Arm. The immediate area is very brushy, but otherwise not difficult to traverse.

GEOLOGY

The area contains Cretaceous 'Hazelton' sediments near the main contact with the Coast Range granitic intrusives. A 10 to 20 foot wide feldspar porphyry dyke outcrops on the beach, and similar outcrops are found in the small creek. The gabbro outcrop which carries the pyrrhotite-chalcopyrite mineralization is the only known mineralized outcrop in the area, but other unmineralized gabbro outcrops are found further to the west.

The width and grade of the nickel-copper mineralization are difficult to determine because of oxidation and lack of outcrop. However, the two drill holes were drilled approximately across the general strike and against the dip of the argillite wall rocks. The strike appears to be more westerly than expected, and the dip is to the north. The one drill hole under the showing cut only 10 feet of gabbro with no visible sulfides. The hole further-to-the-west-cut-only-13 feet-of gabbro, in which two segregations of pyrrhotite-chalcopyrite, each ½ inch or less in diameter, were observed. The gabbro is distinctly orbicular.

June 21, 1971.

R.H. Seraphim.

HAYWIRE GROUP- 4 Chuns - Opposite Her HIII- Alice Am. Open Cut - Seepse Looking 1300 Scale 1"= A. - Quide Schicks by 0 1 2 centimetres
This reference scale bar has been added to the Medium-gramed Cabbro - derk gray - meg. As white blogga - 55% holde & proposent fairly bresh vock with 14" how alled blobs of po remarkly co.

Massine rock #1 C-65-654

Small lines of hear massine sulkides in central posterior of and - no more than 15" wide-generally 12" - best exposed on exect side of and a fairly of the contract o Lipsonike Capping to soil were leaded zone - helphe with using. Massive sulfield may be filling shear zone @ 130 /50 N/ on edges of gabbro sill. Shap break between 15 + gabbro beneath. Soft provide she she zone world to form son their creek vally. 54 mgles 0 1 ft Chand- Marie Sulfide 2156 1; month 200 - Chap - 6 th, walth, 2157 3 Gab Sample of Gabbro, 2158 150 At to South on Smell Kidge - Barded Angillacens Caywacke Limits or stare of getting unknown - not on Maide of al 150 A. South of ch. - 77 At thou show 103P110

