

018775

BLACK HILLS, BLUE RIBBON, BLUE GROUSE

REPORT ON LEHTO RESOURCES
GLACIER CREEK PROPERTY
STEWART AREA
CASSIAR DISTRICT, B.C.
(129°N 55°W - N.W.)

103A/13W

~~103 A-0 - 03 (224)~~

103P 084

+
103P 224

Lehto Resources Ltd. (N.P.L.) own eighteen claims and one fraction located at the headwater of Glacier Creek approximately 5 miles east of the town of Stewart, B.C. at an elevation of 4500 feet.

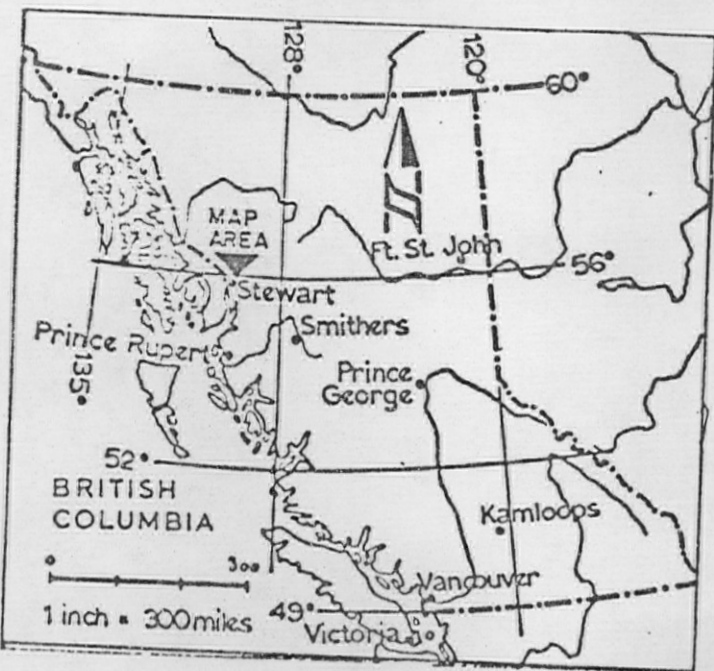
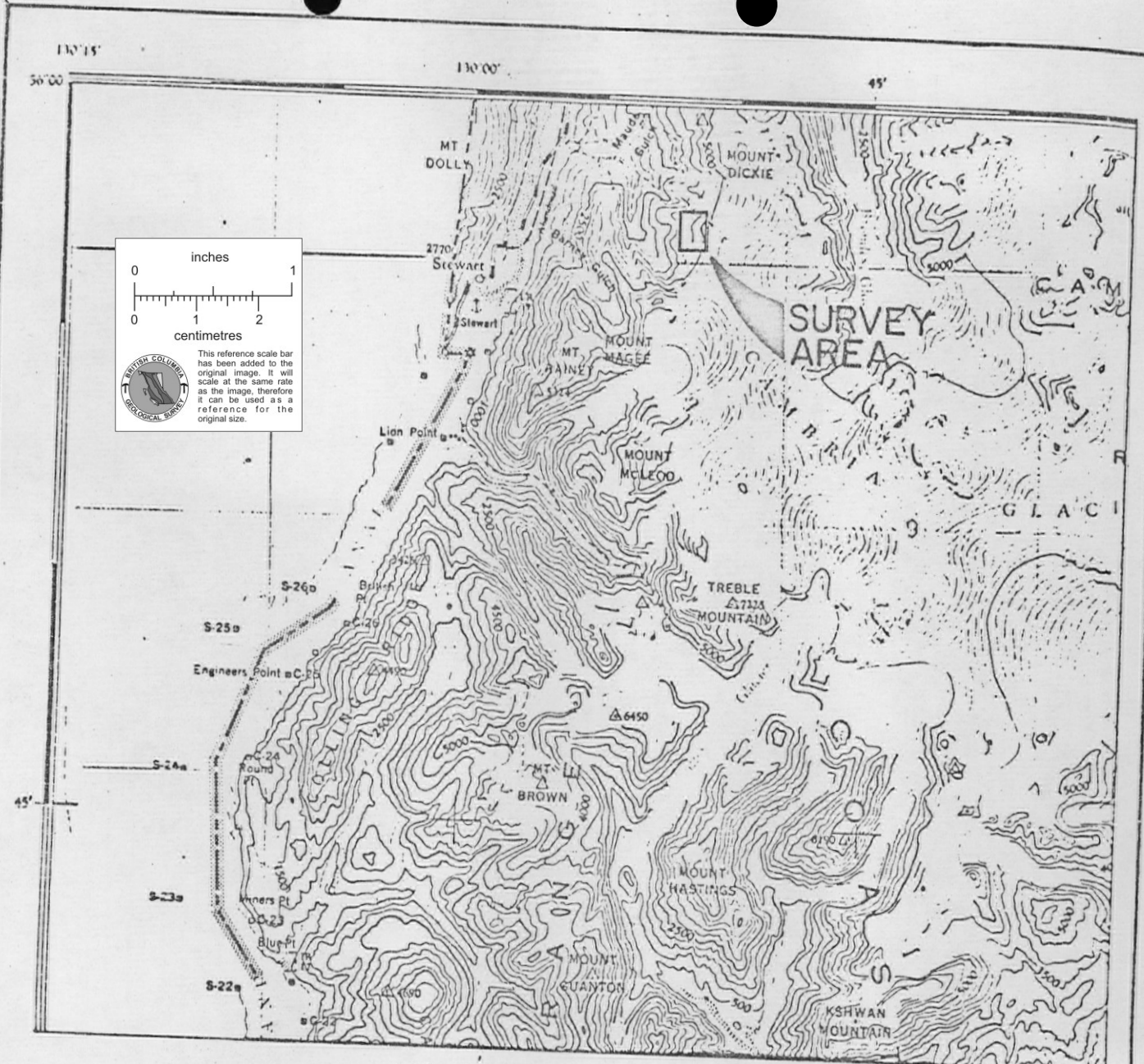
A series of narrow high grade lead-silver veins are associated with a regional fault which crosses the property. A 300' adit on one of the veins has exposed a mineralization approximately 300 feet in length and varying from a few inches to a few feet in width.

A recent Turam survey over the vein system indicates several conductive zones on which drilling is recommended.

A development programme is recommended at an estimated cost of \$100,000.00 in two stages.

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LEHTO RESOURCES Ltd.

LOCATION MAP
STEWART AREA B. C.

SCALE 1 : 250,000
4 miles 0 4 miles

Survey by SEIGEL ASSOCIATES LIMITED
AUGUST 1972

FIG. 1

CLAIMS (See attached claim statement)

	<u>Claim No.</u>	<u>Due Date</u>
Blue Grouse	E.14541	1978
Blue Grouse No.2	E.13637	1979
Blue Grouse No.3	G.14005	1979
J. L.	K.15376	1978
J. L. Fraction	K.26983	1978
Salt	E.31207	1978
Crown Claims	L.5245	
	L.5240	
	L.5241	
	L.5249	
SR 1 - 9	37491 - 37499	

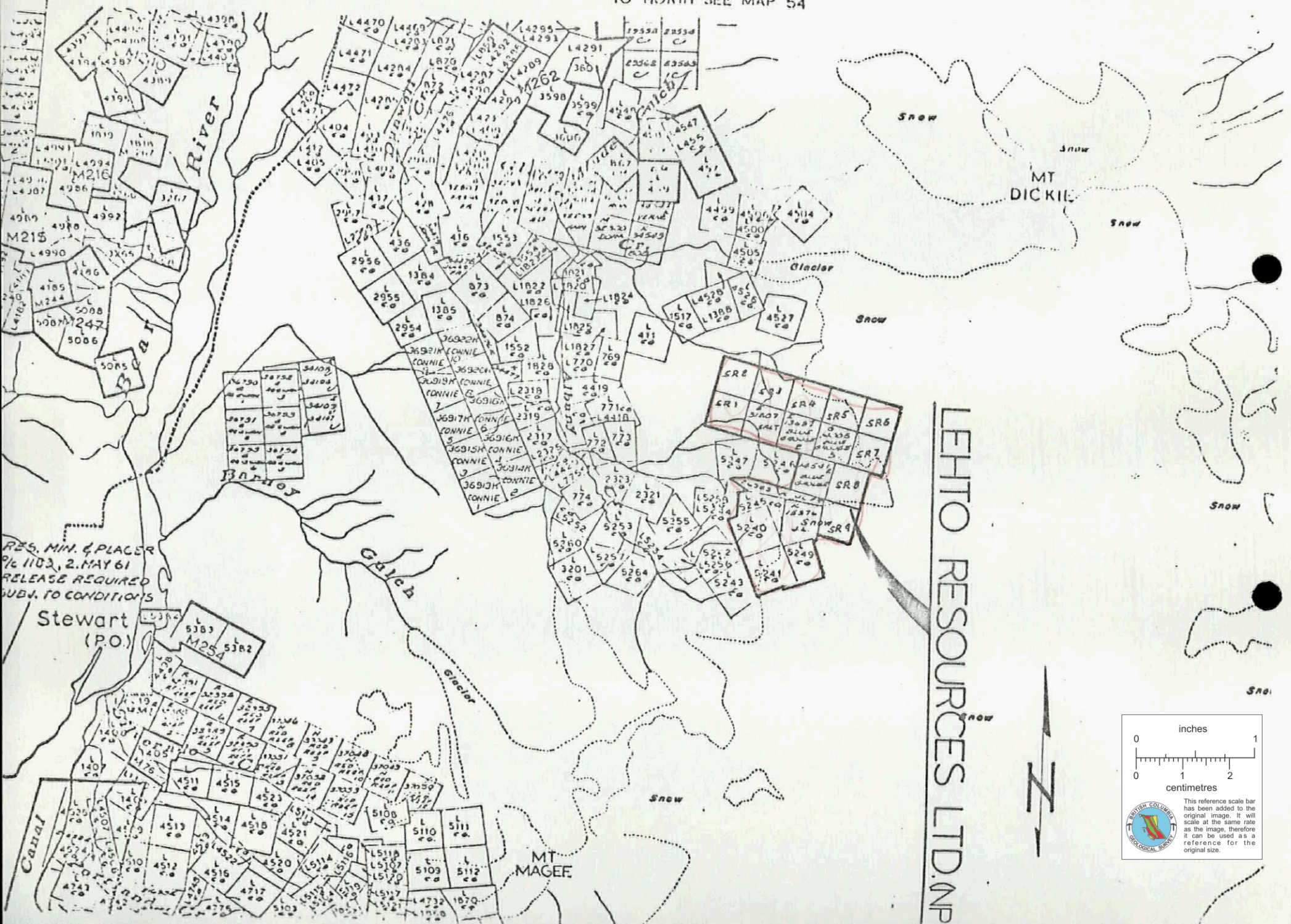
LOCATION

The claims are situated on a gently sloping plateau on Black Hill at the headwaters of Glacier Creek 5 miles east of Stewart at an elevation of 4,600 feet. Access is by helicopter from Stewart. The flying time from Stewart to the property is about 5 minutes which covers a distance of 5 air miles. The terrain is rocky and lies above timberline. An access road has been started up Glacier Creek.

TOPOGRAPHY

The claim group is difficult of access at present due to the rugged topography. The group itself, however, is situated on an alpine plateau and is rolling and easily negotiable on foot. Rock outcrops are plentiful. Hillsides are covered with shallow tauls overburden.

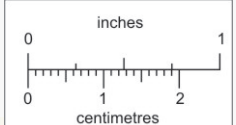
TO NORTH SEE MAP 54



RES. MIN. & PLACER
% 1103, 2. MAY 61
RELEASE REQUIRED
SUBJ. TO CONDITIONS

Stewart
(P.O.)

LEHTO RESOURCES LTD. (NPL)



BRITISH COLUMBIA
GEOLOGICAL SURVEY

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.

GENERAL GEOLOGY

The claims are underlain for the most part by sedimentary and volcanic rocks of the Hazelton Group then strike northwesterly and dip steeply south. These are intruded in the general area by Coast Range Intrusive but no large bodies of intrusive were observed on the claims block. At one locality a series of porphyry dikes cuts the lavas and sediments. The lavas are massive and fine ground and show a general northwesterly lineation caused by regional shearing. The dips are steeply south at around 80 degrees. The argillites are black fine ground carbonaceous rocks that show closely crumpled along a northwesterly axis and show a variety of dips from flat lying to vertical. They show magnetic lows.

The most prominent structural feature is a 3 to 4 foot vertical transcurrent fault that cuts across the lava and sedimentary facies in a North 27° East direction for a strike distance of at least 2,000 feet. This is believed to be the locus of a series of narrow conjugate north-easterly quartz veins containing lead-zinc-silver mineralization.

The location of the Lehto Group conforms to locality No. 91 described by George Hanson in G.S.C. Memoir 175, 1935, page 109, as follows;

"The holdings of the Black Hill Mining Company are on the east side of the south fork of Glacier creek and consists of the Black Hill group and other claims that are a relocation of the older Excelsior group.

The country rock is a body of augite porphyrite holding inclusions of argillite and of volcanic rocks. The edges of the porphyrite body show concordant relations in many places with the bedding of the intruded argillite.

The mineral deposits consist of two series of veins. The veins of one series strike north, are about a foot wide, consist of quartz, calcite, and barite, are well mineralized with sphalerite, galena, tetrahedrite, and jamesonite, and carry good silver values. The veins of the other series strike east, are about 8 inches wide, and consists of quartz sparsely mineralized with sphalerite, galena, tetrahedrite, and chalcopyrite.

Twenty tons of ore shipped in 1929 yielded 2,920 ounces of silver and 6,460 pounds of lead. One ton shipped in 1930 yielded 112 ounces of silver and 168 pounds of lead."

HISTORY

In recent years the claims were owned by John Lehto, Stewart, B.C., prospector who drove 135 foot tunnel by hand along a lead silver vein at grid location 13 + 50 north on the base line.

Several tons of high grade ore were back packed to Stewart and shipped to Trail smelter. Lehto reports the ore ran in the order of 100 oz. per ton in silver and 3590 combined lead and zinc. A smelter return is attached as Appendix No. 1.

Lead Settlement - Preliminary



Our Serial No.
in Account With

S290-C
John Lehto
P.O. Box 263
STEWART, B.C.

Trail, B.C.

Jan. 30 1969

Lead ore Lot No. 1 Car No. 1 truck Received Dec. 23/6
4 pallets
Bought Value Freight Rate tare wgt. of "

Scale Weight			Weight of Shipment						
Gross	Tare	Net	Gross	No. Sacks	Wt. of Sacks	Net Wet Wt.	% H ₂ O	Net Dry Wt.	Dry Tons
lbs.	lbs.	lbs.	lbs.		lbs.	lbs.	lbs.	lbs.	
						15,580	.6	15,487	7.7435
							93		

Assays									
Gold	Silver	Wet Lead	Zinc	Sulphur	Silica	Iron	Lime	Arsenic	Antimony
oz. per dry ton	oz. per dry ton	%	%	%	%	%	%	%	%
0.25	113.25	12.1	23.2	16.9	6.4	14.4	2.5	1.4	1.0

Quotations

Ag	January 17	1969	Exchange				
Pb, Zn	Tadanac Realized Prices Ave.	Dec.	1968				
Gold	\$35.00	U.S.		Less \$1.25	Net \$		oz.
Silver	New York Price \$ 1.935	U.S.	7.25	Less .02	Net \$ 2.10891		oz.
Lead	10.869	C. lb. Can.		Less .6	Net 10.269		C. lb.
Zinc "PW"	11.677	C. lb. Can.		Less 5.5	Net 6.177		C. lb.

Contents and Value

Contents	Contents Paid for	Net Quotation	Value
3/10.95 Oz. Gold	%	ozs. @ \$	\$
1,874 Oz. Silver	95 %	2.10891 /oz.	1,756.93
3,593 Lbs. Lead	155 # M.D %	10.269 C./lb.	176.52
	1,549 @ 35 %	6.177 C./lb.	33.48
		Less: Total Gross Value	\$ 1,966.93
		Treatment @ \$ 19.92	154.25
		Details Below	\$ 1,812.68
		Trucking	
		Switching 123.20	
		Freight 274.00	397.20
			\$ 1,415.48
			\$ 1,415.48

Northland Shipping (1962) Co. Ltd.
C.P.M. Services

Less % Royalty on \$ to

Treatment Rate	
Base Charge	\$ 15.00
Wet Zinc Penalty	
Arsenic Antimony	1.9 @ 1.25 2.38
Moisture	
Extra handling	sacks 2.00
Lead credit	17.9 @ .10 1.79
Silica Lime credit	8.9 @ .14 1.25
	\$ 19.92
TOTAL TREATMENT PER DRY TON	

Advance \$ 1,060.00

JS/dm

In recent months Lehto Resources Ltd. N.P.L. installed a modern camp near the tunnel entrance and rehabilitated the adit entrance preparatory to re-sampling and driving the tunnel further.

A base line and cross lines were picketed across the claim group along the strike of the regional fault. An MF-1 magnetometer survey and Turam Survey completed over the Salt Claim, The Blue Grouse claims, and J.L. claims.

The adit extension had advanced to a distance of 300 ft. beyond the portal at the end of August.

GEOPHYSICAL SURVEY

The results of the geophysical survey were summarized by M. J. Lewis, M.Sc., Geophysicist, Seigel and Associates, Vancouver, B.C. as follows:

"The survey grid is divisible into zones of differing electromagnetic and magnetic characteristics as indicated on Plate 1.

In Zone 1 a group of highly conductive zones have been delineated - current axes are interpreted to come to within about 50 feet of the ground surface.

A magnetic high striking about NW and coming to within about 50 feet of the ground surface occurs in Zone 1. There is no definite correlation between this high and the Electromagnetic responses.

In Zone 2 one localized electromagnetic anomaly, correlating with a magnetic low; has been observed.

In Zone 3 three prominent electromagnetic anomaly axes have been interpreted trending almost parallel to the magnetic grain.

It is recommended that all the conductor locations outlined on Plate 1 be investigated geologically and, possibly, by trenching. If warranted the following diamond drill holes are tentatively suggested.

<u>COLLAR</u>	<u>DIP</u>	<u>DIRECTION</u>	<u>MINIMUM DEPTH</u>
L-10 N; 0 + 50 E	-45°	East	150 feet
L-6 N; 8 + 00 E	-45°	East	150 feet
L-2 S; 2 + 50 E	-45°	East	150 feet
L-6 S; 6 + 00 E	-45°	East	150 feet

SHOWINGS

The writer spent one day examining the showings on the property in August. Several claim posts were examined and found to be staked according to the British Columbia Mining Act.

COPPER

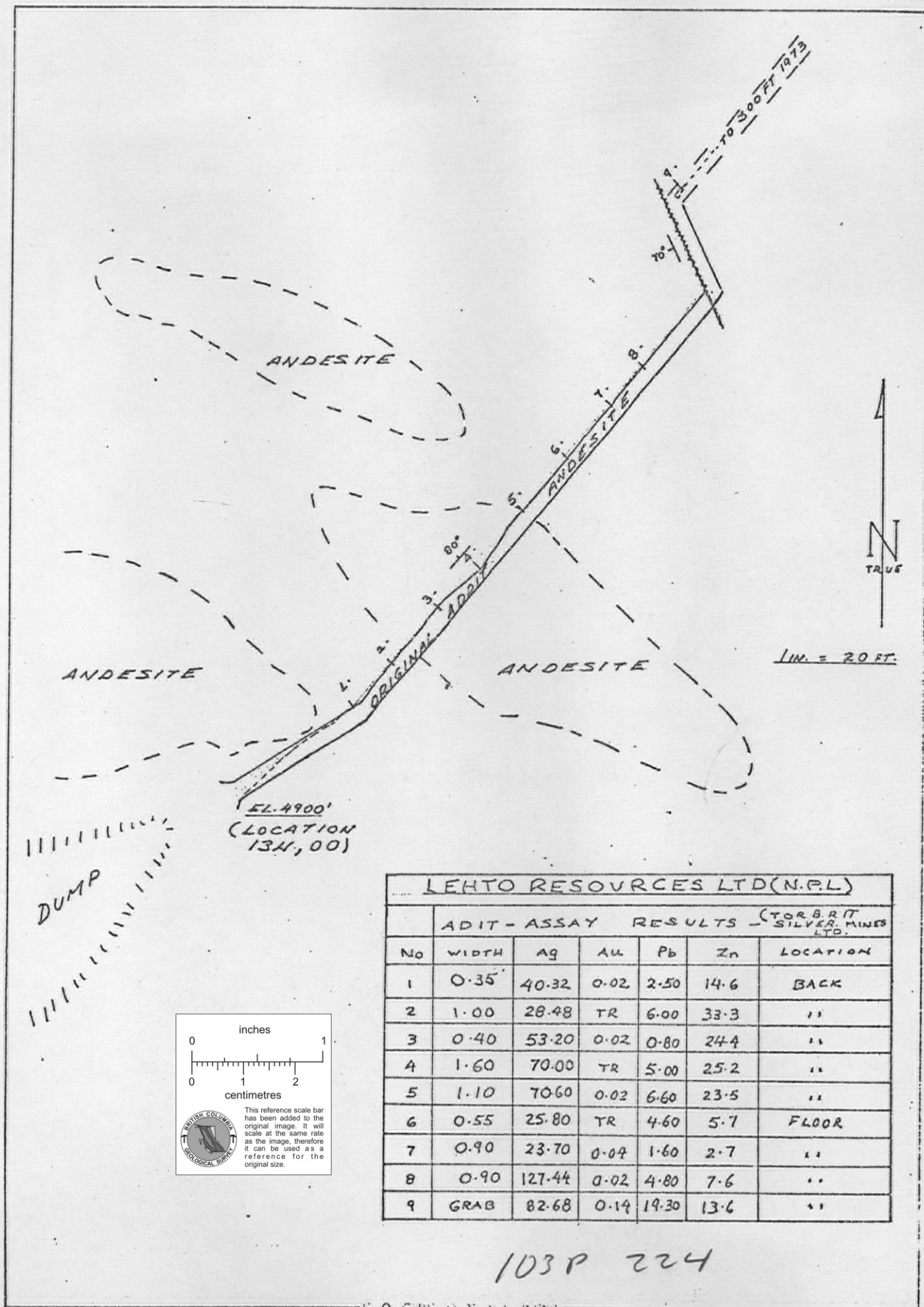
LOCATION A 1300 + 50' N on NS BASE LINE

(103P 224)

a 6' x 6' tunnel has been driven into a hillside along a quartz vein for some 300 feet. The tunnel curves west at 95 feet from the entrance for 45 ft. then continues northwards on the original vein or a parallel vein. At the end of the tunnel a narrow vein was seen in the face of the tunnel. At the entrance the brow of the tunnel exposes two quartz veins 2 feet apart striking N 20° E. The west vein is 1 foot wide and dips 52° W. The east vein is 3 inches wide and dips west at 45°. It appears to be a forked offshoot of the west vein.

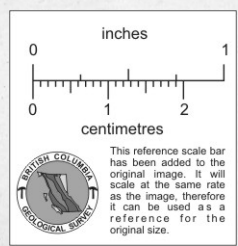
A two foot chip sample across the west vein including 1 foot of wall rock assayed:

Fig. 1.



LEHTO RESOURCES LTD (N.P.L.)

ADIT - ASSAY RESULTS - (TORBRIE SILVER MINES LTD.)						
No	WIDTH	Ag	Au	Pb	Zn	LOCATION
1	0.35	40.32	0.02	2.50	14.6	BACK
2	1.00	28.48	TR	6.00	33.3	"
3	0.40	53.20	0.02	0.80	24.4	"
4	1.60	70.00	TR	5.00	25.2	"
5	1.10	70.60	0.02	6.60	23.5	"
6	0.55	25.80	TR	4.60	5.7	FLOOR
7	0.90	23.70	0.04	1.60	2.7	"
8	0.90	127.44	0.02	4.80	7.6	"
9	GRAB	82.68	0.14	19.30	13.6	"



103P 224



CHEMEX LABS LTD.

212 BROOKSBANK AVE.
NORTH VANCOUVER, B.C.
CANADA
TELEPHONE: 985-0648
AREA CODE: 604

• CHEMISTS • GEOCHEMISTS • ANALYSTS • ASSAYERS

CERTIFICATE OF ASSAY

CERTIFICATE NO. 20522

INVOICE NO. 6289

RECEIVED Oct. 1/71

ANALYSED Oct. 6/71

TO: Mr. S. Ramani
630 - 890 W. Pender St.,
Vancouver, B.C.

ATTN:

SAMPLE NO.:	% Copper	% Zinc	% Lead	Oz/Ton Gold	% Cadmium	Oz/Ton Silver
73006	0.24	6.45	7.60	0.047	0.085	81.7
73007	0.96	35.2	11.6	0.016	0.39	230.

These are the channel samples taken approximately 50 feet from the portal of the adit.

Sample #73006 was taken over a width of 3½ feet, i.e. the width of the tunnel.

Sample #73007 was taken over a width of 20 inches, i.e. the width of the mineralized vein.



MEMBER
CANADIAN TESTING
ASSOCIATION

S. Ramani
REGISTERED ASSAYER, PROVINCE OF BRITISH COLUMBIA

4.15% lead, 17.40% zinc, 24.20 oz./ton silver; 0.002 oz/ton gold, 0.24% cadmium.

A 2 foot sample between the veins assayed .02 lead, 0.14 zinc, 0.48 oz/ton in silver, nil gold, nil cadmium.

A 3 foot sample across the east vein including 2'9" of wall rock and 3 inches of massive sphalerite and galena mineralization. It assayed 1.34% lead, 0.31% zinc, 1.84 oz/ton silver, nil gold, nil cadmium.

A representative sample of massive lead-zinc sulphide from a vein 8" wide located 50' north of the adit brow assayed 0.74% copper, 52.18% lead, 10.30% zinc, 349.00 oz/ton silver, .014 oz/ton gold and 0.16% cadmium.

A contiguous sample of wall rock representing 8" of width assayed 0.20% copper, 3.30% lead, 9.74% zinc, 52.10 oz/ton silver, 0.002 oz/ton gold and 0.12% cadmium.

A row of soil samples taken at 25 foot intervals 250 feet north of the adit showed very high values in lead, zinc and silver over the projected trace of the vein, and indicated the vein extends beyond the adit into the hillside to the north.

It also indicated the feasibility of tracing the vein under shallow overburden in this direction by means of detailed geochemical survey.

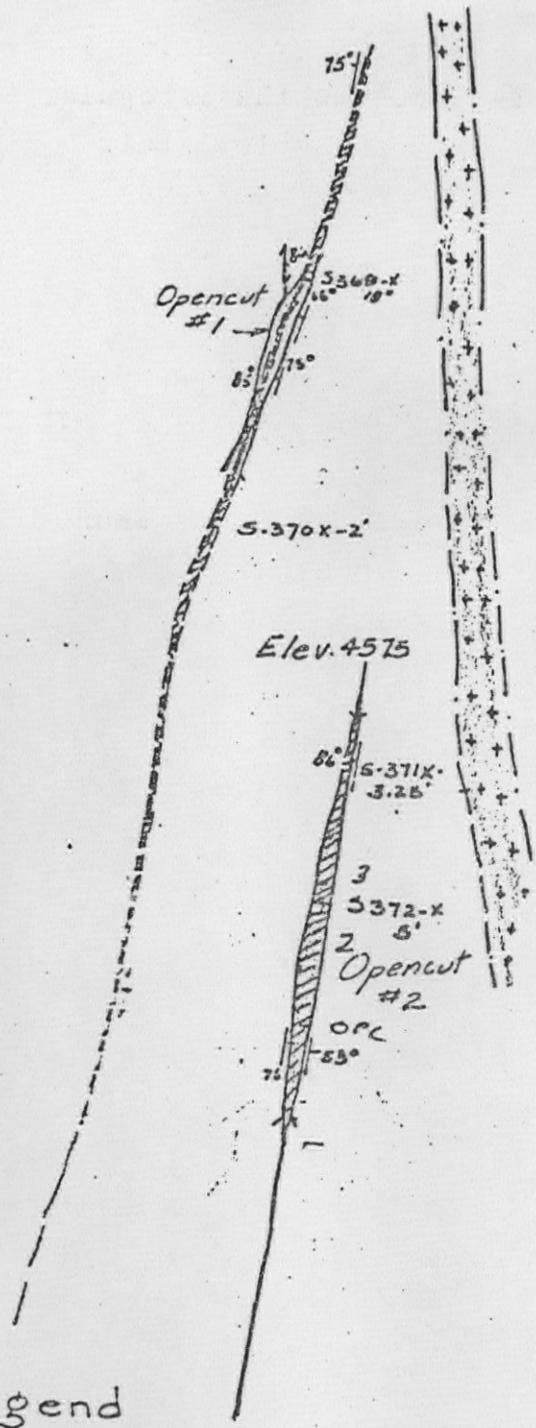
The adit zone was mapped and sampled by Torbrit Silver Mines Ltd. whose results are shown on Figure 1.

The arithmetic average of the samples is 58 oz. per ton approximate width of 1 foot for a vein length of 100 ft.






ASSAY RESULTS					
SAMPLE	W. Dth	Au ^g	Ag ^g	Pb ^g	Cu ^g
369-X	18'	Tr.	1.7	0.06	0.79
370-X	2'	Tr.	0.4	0.01	0.54
371-X	3.25'	Tr.	3.2	0.28	0.59
372-X	5'	Tr.	33.6	0.4	1.13

103P 084




Legend

-  - Vein
-  - Porphyry dyke
-  - Gabbro

inches
0 1

centimetres
0 1 2



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.

SAMPLE PLAN
LEHTO-BLACK HILL PROPERTY
GLACIER CK. AREA-SKEENA M.D.

SCALE: 1 in = 50 feet.
NEWCONEX LTD.

*R.F. Knutsen
Sept 1960*

It is cited that there is considerable variation in the silver values from individual assays due to the irregular distribution of tetrahedrite in the vein bar samples. Bulk supply will be necessary to obtain a representative grade of silver.

LOWER ADIT

A lower adit was collared 80 feet below the upper adit and driven northeasterly into the hillside for a distance of 85 feet where it intersected the downward extension of the vein.

Approximately 3,000 tons of vein material has been stockpiled at the adit entrance.

GEOLOGICAL SURVEY

A detailed geological survey of the property was made by plane table at a scale of one inch to 40 feet. This work delineates a second vein system lying some 2,000 feet south westerly of the adit vein. The intervening ground is covered by a gravel deposit. This may represent a continuation of the adit vein or a series of conjugate fractures along the general transcurrent fault feature that crosses the property. The sampled sections of this structure are described as follows:

LOCATION B LINE 0 + 300 SOUTH 100° EAST (103P 084)

A two foot vein is exposed in a 2 ft. X 8 ft. X 20 ft. cut. The vein strikes N 20E and dips West at 85°. The vein appears to coincide with the regional fault structure at this location. It lies 1,800 ft. south of the adit.

The results of sampling carried out by Newconex Ltd. are shown in Figure 2.



CHEMEX LABS LTD.

212 BROOKSBANK AVE.
NORTH VANCOUVER, B.C.
CANADA
TELEPHONE: 985-0648

CHEMISTS GEOCHEMISTS ANALYSTS ASSAYERS

CERTIFICATE OF ANALYSIS

TO: Mr. S. Ramani
#750 - 390 W. Pender,
Vancouver, B. C.

CERTIFICATE NO. 19195
INVOICE NO. 8156
DATE RECEIVED Aug. 31/72
DATE ANALYSED Sept. 8/72

ATTN: "Lehto"

SAMPLE NO.:	PPM Lead	PPM Zinc	PPM Silver
# 1	161	320	11
2	212	233	21
3	449	960	23
4	660	1200	40
5	>4000	> 4000	> 100
6	2283	2800	50
7	>4000	> 4000	> 100
8	1920	> 4000	57
9	250	1000	72
10	650	2000	23
11	1090	> 4000	> 100
12	300	1040	14
13	290	680	8.5
14	89	320	4.5
15	134	305	13.
16	161	225	5.5
17	172	240	4.5
18	>4000	> 4000	> 100
19	600	400	14.
20	107	400	6.0



MEMBER
CANADIAN TESTING
ASSOCIATION

Certified by

P. L. Swaites

LOCATION C 0 + 600 ft. SOUTH, 100° EAST

A series of shallow trenches expose narrow quartz veining similar to Location A.

OBSERVATIONS AND CONCLUSIONS

A regional fault structure up to 3 feet wide and 2,000 feet long has been traced by a series of trenches at widely spaced intervals across the property. At low angles to the fault, a series of conjugate quartz veins containing high values in base metals and silver have been found.

A Turam survey indicates the presence of structures associated with some of the veins and other conductors. These have not been explored.

RECOMMENDATIONS

A programme of detailed exploration along the fault structure is recommended involving detailed mapping, geochemical survey, underground work, diamond drilling and rock trenching. An access road to the property should also be constructed if feasible.

ESTIMATED COST OF STAGE 1

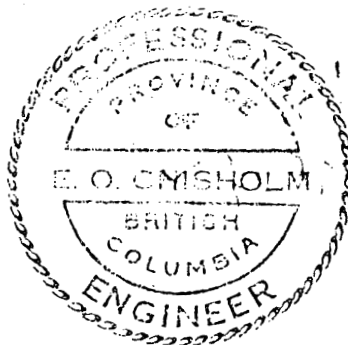
Diamond Drilling - 1,000' @ \$8./ft.	\$ 8,000.00
Driving the lower adit and raising - 400' @ \$80/ft.	32,000.00
Helicopter Support - 3 months.	5,000.00
Assays	2,000.00
Engineering Supervision	4,000.00
	<hr/>
	\$51,000.00
Contingencies and head office	1,000.00
	<hr/>
	\$52,000.00

STAGE 11

Depending upon the results of the drifting and diamond drilling, further advancement of the upper and lower adits would be necessary. Also the Southern vein extension should be explored by driving adits following the veins. This program would cost approximately another \$50,000.00.

Respectfully submitted.

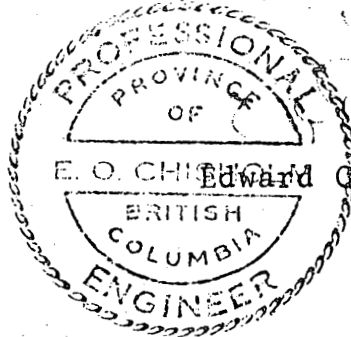
Edward O. Chisholm, P.Eng.



I, Edward O. Chisholm of the City of Vancouver in the Province of British Columbia, hereby certify that:

1. I am a geologist with offices at 821 - 602 West Hastings Street, Vancouver, B.C.
2. I am a graduate of the University of Toronto, Ontario, Master of Arts, 1945.
3. I am a member of the Professional Engineers of Ontario and British Columbia.
4. I have no direct interest or indirect interest in either the property or securities of Lehto Resources or its affiliates, nor do I expect to receive any such interest.
5. This report is based on an examination of company records, maps and sections and also on a visit to the property in August, 1972.

DATED AT VANCOUVER, BRITISH COLUMBIA
May 30, 1973



Edward O. Chisholm, P.Eng.