A BRIEF SUMMARY ON THE DENNY CLAIMS N.T.S. 82K/14W by Eric Denny - December 31,1983

Claims - 116 units or almost 10 square miles consisting of 3 crown grants, 7 reverted crown grants, 2 - 2 post claims and 104 modified grid units, which have been gradually acquired or staked by the owners since 1978. Enough work has been filed this year to keep all claims in good standing for at least another year. For many of them 2 years work was filed.

Owners (50% each) - Eric Denny, and Jack Denny,

(Both full time prospectors)

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Location - 40 air miles ESE of Revelstoke.

Access - by helicopter at present but building 6 miles of 4 wheel drive road following t'e existing trail up Ferguson Creek is quite feasible and could be done for a reasonable cost.

Type of country - some of it is rugged and steep, some of it is gently sloping alpine meadows, the lower levels have a fair covering of timber except where crossed by snow slides. Elevations range from 4000 to 8000 feet above sea level. On an average year most of the ground is bare of snow by July 1 and should remain so until the end of October.

Geology-in the Kootenay Arc Formation - the main structures run from N.W. to S.E. and include the Badshot and other limestone bands interspersed with bands of schist and phylite running in anticlinal and synclinal form. The ground actually covered by these claims had never been mapped in detail so in September 1983 we hired Gordon Turner, a consulting geologist, to map and make a report on part of the property. A copy of his conclusions and recommendations is enclosed and the full report is available to anyone who wishes to make a copy.

Types of Mineralization

- (1) Quartz veins with values in silver, gold, lead and zinc, e.g. Black Warrior. (see also M. of M. Repts. for 1924, etc.)
- (2) Replacement and disseminated lead, zinc, and silver ore in limestone. e.g. Blue Jay. (partially ours) (see also M.of M.Repts for 1928, etc.)
- (3) Contact ore between chlorite schist and limestone with replacement of the latter (considerable of this may be of the "sedex" type. e.g.

 Ellsmere see Turner's Report for details. (see also M.of M. Repts. for 1917, etc.)

(4) Heavily oxidized ore, in places covered with an iron capping and on which considerable work was done (mostly prior to 1900) on a zone containing long shaped lenses of this material that runs for approximately 2½ miles within the claim boundaries and called the "Horne Ledge" - see Turner's Report for details. (see also M.of M.Repts. for 1893-1900.)

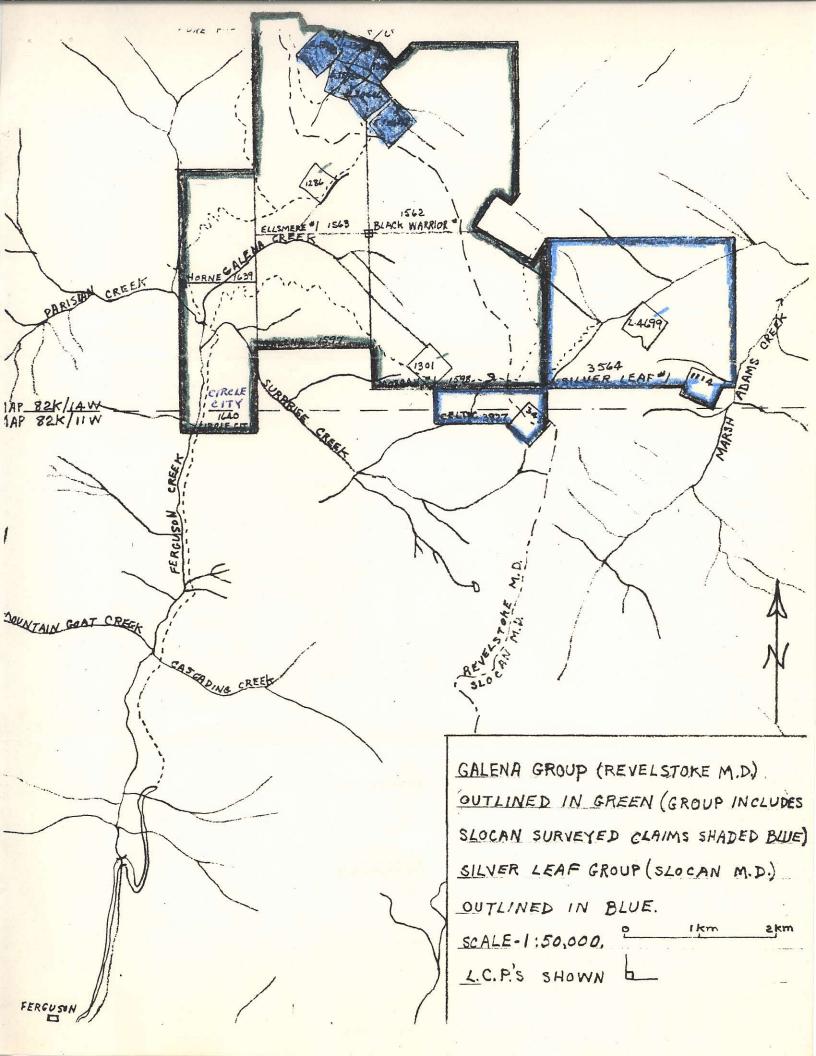
Development Done - There was over 3000 feet of underground development done and hundreds of open cuts made in the old days. The owners have cut out some of the old trails, cleaned out some of the old open-cuts, cut some grid, hired a geologist, taken samples, opened some of the portals, done considerable prospecting and generally concentrated on getting to know the ground and make it more accessible. All told my son and I have spent over \$30,000. cash on these claims and that is allowing nothing for our time. That is why we would like to option them to a reliable company that would do the worthwhile development work that is warranted and which we cannot afford. Work was stopped in the old days mostly because planned transportation that had been promised didnot materialize. Today, good all-weather roads reach within a few miles of these claims.

Further Information -

- (1) Gordon Turner's 1983 Geological Report. Cover only port of property (2) All of the Reports in the Minister of Mines Reports, Memoirs and
- (2) All of the Reports in the Minister of Mines Reports, Memoirs an Bulletins. We have a copy of all of these together with a more complete summary than this, all of which amounts to considerable data.
- (3) Air photos, photographs, old survey field notes, and plans, ore samples, numerous maps (some of them out of print).
 - (4)A short 1983 report by a company geologist.
 - (5) A private report on the Ellsmere.
 - (6) Trout Lake Topic newspaper articles 1897-98.
 - (7) Ferguson Eagle newspaperarticles 1900.

June 1984. - We have now fixedthe bridge across Ferguson Creek and slashed outnearly all the old trail to Circle City which is just over four miles from the present roadend.

Nov. 1984 - Assessment work done I recorded this year has putall claims in good standing until at least 1986 and new showings have been discovered this year.



2. CONCLUSIONS AND RECOMMENDATIONS

Conclusions reached on the basis of work completed on the Denny Claims may be summarized as follows:

- The Denny Claims cover a conformable transgressive sequence of sedimentary (minor volcanic) rocks which are transected by at least two phases of isoclinal folding.
- 2. The Lade Peak Formation, Badshot Formation and Reeves Member are lithologically related.
- 3. The lead-silver-zinc mineralization at both the Ellsmere and Horne localities display an extensive continuity along the strike of a limestone / schist contact.
- 4. The lead-silver-zinc mineralization is likely genetically related to similar mineralization in the Salmo district and is of a replacement and/or Sedex depositional origin.
- 5. The lead-silver-zinc mineralization is locally structurally controlled at the Horne locality by an anticlinal structure.
- That geochemical soil sampling is ineffective as an exploration tool at the Horne locality.
- 7. The possibility of locating mineralization of an economic tonnage and gnade on the Denny Claims is good, as both the depositional environment and structural setting are encouraging and resemble that of the past producers in the Salmo district.

Based on these conclusions it would seem that the property warrants an extensive work program. A tentative work program is outlined below:

Road access to the Horne locality by the construction of
 5 km of four wheel drive road from the terminus of the
 Ferguson Creek logging road.

- 2. Cut grids to IP standard over both the Horne and Ellsmere localities utilizing a baseline, azimuth 305 degrees, covering all existing workings. Tie lines should be established perpendicular to the baseline and extend 500 meters to either side. All lines should be tight chained to 25 m station intervals.
- 3. Detailed geologic mapping over both grids at 1:2500 scale.
- 4. Reconnaissance geologic mapping/prospecting along the mineralized horizons and at the Black Warrior locality.
- 5. Magnetometer surveys over both grids.
- 6. Crone E.M. shootback and/or VLF surverys over both grids.
- 7. 1000 meters of B.Q. surface diamond drilling.

Emphasis should be placed on the Horne locality as it appears to be both geologically and structurally favorable for extensive mineralization.

Should the above proposals conclude favorably, a rehabilitation of the existing workings should be considered.

Respectfully Submitted,

Gordon W. Turner, P.Geol.

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15 November, 1983