

GEOLOGICAL REPORT
ON THE
EDITH PROPERTY
ARGENTA RESOURCES LTD.
KAMLOOPS M. D.
92I9W

BY
EDWARD D. CHISHOLM, P.ENG.

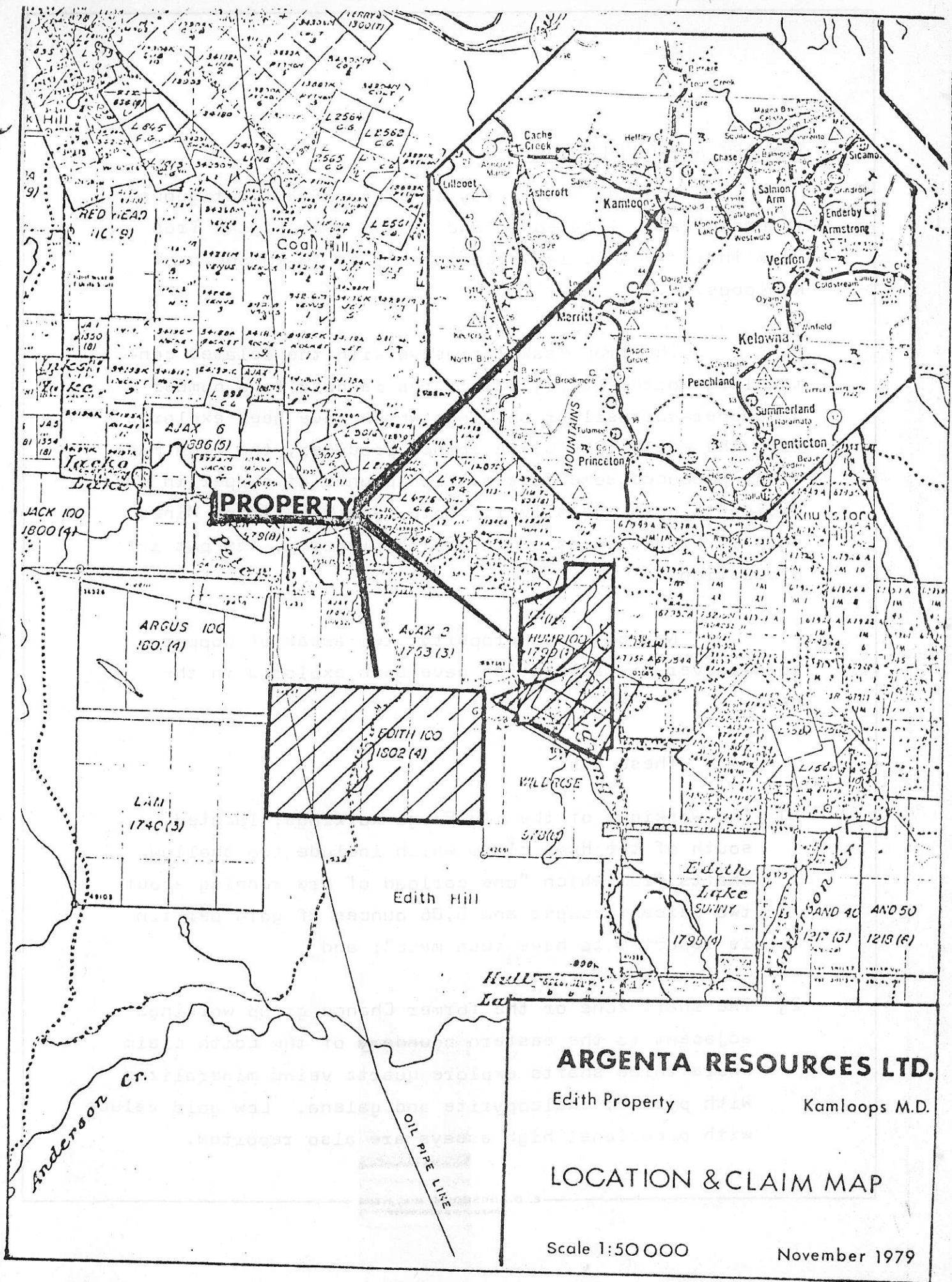
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ILLUSTRATIONS

LOCATION AND CLAIM MAP - 1:50,000
 E.M. RESULTS - 1:5,000



ARGENTA RESOURCES LTD.
 Edith Property Kamloops M.D.
LOCATION & CLAIM MAP
 Scale 1:50 000 November 1979

SUMMARY AND CONCLUSIONS

The Edith property consists of 28 contiguous mineral claims located on and to the west of the Iron Mask Intrusive-Nicola Volcanic contact 10 km south of Kamloops, B.C.

The Iron Mask Intrusive with the related controlling northwesterly structures is host to a number of copper-gold-silver showings which have been explored from the early 1900's. A former producer, the Iron Mask Mine, produced some five million pounds of copper in addition to gold and silver. More recently, Afton Mines, some 10 km northwest of the Edith property, was put into production.

Nearby Edith property, two areas of copper-gold-silver mineralization have been explored in the past.

These are:

- 1] The workings of the old Fargo workings, located south of the Hump claim which include two shallow shafts from which "one carload of ore running about two percent copper and 0.06 ounces of gold per ton is reported to have been made"; and
- 2] The shaft zone or the former Chance group workings adjacent to the eastern boundary of the Edith claim where three shafts explore quartz veins mineralized with pyrite, chalcopyrite and galena. Low gold values with occasional high assays are also reported.

On the Edith property an alteration occurs with localized pyrite and chalcopyrite mineralization. The zone is exposed for up to a 50 meter width and may extend for 900 meters to the west. A previous magnetometer and geochemical survey across zone indicated anomalous areas.

A localized E.M. survey over the zone carried out by Argenta Resources showed two anomalous trends correlating with the shaft zone and/or trenches exposing alteration. A grab sample of quartz within the zone assayed .094 oz Au/ton, .13 oz Ag/ton and .31% Cu.

The Edith property covers a geologically favorable area for the occurrence of copper-gold-silver mineralization. The results of former exploration, in addition to known mineral zones within the immediate area, are encouraging and an exploration program is warranted to outline prime target areas for drilling.

RECOMMENDATIONS

A three stage exploration program is recommended on the Edith property.

Stage I consists of geological mapping in conjunction with an E.M. survey, estimated to cost \$10,500.00.

Stage II to consist of localized geochemical surveys and an I.P. survey to determine prime target areas for the Stage III test drilling of significant targets.

The recommended exploration program is estimated at \$33,500.00.

INTRODUCTION

The writer has not carried out an examination of the property but is familiar with the geological condition of the area from past work carried out five years ago on the Rainbow property and others some three miles to the northwest.

The data for this report is taken from published geological and private reports listed in the Appendix.

Any legal aspects of the property are beyond the scope of this report.

PROPERTY

The property consists of two unit claims totaling 23 units; one fractional claim; and four two post claims as follows:

<u>Claim Name</u>	<u>Record No.</u>	<u>Expiry Date</u>
Tyler 1 - 4	503907M-910M [Tag No.]	November 29, 1980
Edith 100 [15 units]	1802	April 9, 1980
Hump 100 [8 units]	1799	April 9, 1980
Sam 1 Fr.	49670 [Tag No.]	November 29, 1980

LOCATION AND ACCESS

The property is located 10 km south of Kamloops, B.C., and between Edith Lake to the southeast and Jacko Lake to the northwest.

Access is south via a secondary road from Knutsford, which is four km south of Kamloops. The Goose Lake road is adjacent to the northern portion of the property, two km from the junction and passes through the Edith claim, six km from the junction. Six km south and westward from this point is the Logan Lake-Kamloops Highway.

WATER AND POWER

Sufficient water for all phases of an exploration or development program is available from lakes and streams within the property.

A power transmission line is located about seven km north.

AREA HISTORY

The Kamloops area has been explored for copper-gold-silver mineralization since the turn of the century. Exploration to the area originated with the discovery of gold in the Tulameen area near the Canada - U.S. border. Exploration northward to and beyond Kamloops is marked by pits, trenches, shafts and adits predominantly within the Nicola band of rocks where numerous occurrences of mineralization occur. The Iron Mask Batholith, an elongate northwesterly intrusive south and west of Kamloops, was a prime exploration area due to its significant mineralization.

The Iron Mask Mine, located on the northern periphery of the Iron Mask Intrusive and eight km northwest of the Argenta property, was worked to around 1930 and produced some five million pounds of copper, 3,630 ounces of gold and 41,292 ounces of silver during the period from 1901 to 1928. This was extracted from 189,230 tons of ore.

More recently, Afton Mines has placed a copper-gold property in production at the northwest end of the Iron Mask Intrusive and ten km northwest of the Argenta property.

Other significant mineralized zones associated with the Iron Mask Intrusive include the Rainbow property of Seadrift Resources eight km to the northwest. Two mineralized zones occur, one of which is reported to contain 16,596,100 tons of a weighted average grade of .53% copper. Additional drilling is presently in progress.

Cominco has reportedly blocked out a copper zone on the Jacko Lake property within two km to the northwest. This occurs along the southern edge of the Iron Mask Intrusive.

The Iron Mask Intrusive is under active investigation by a number of companies.

The Edith property was held in part by Rolling Hills Copper Mines, R. Graham and Bata Resources in 1972.

R. Graham held a group of 16 claims named the TIA 1-14 and HOPE 1-2 southeast of the shaft area [center of claims] covering the upper portion of Goose Lake and two claim lengths northwestward. This ground is covered by the Edith claim.

GEOLOGY

The property lies along the eastern boundary of a north-south arcuate band of Nicola rocks extending from Princeton in the south through Merritt and beyond Kamloops Lake to the north. Peripheral rocks are predominantly intrusives in addition to cappings of younger sediments and volcanics. Stocks and plugs of intrusives occur throughout the Nicola band.

Numerous copper-gold-silver occurrences have been located within the Nicola rocks which have been explored to various degrees. The deposits of the producing Similkameen mine in Princeton and the Craigmont deposit at Merritt occur within Nicola rocks and are associated with intrusives.

The Iron Mask Intrusive has been of greater interest because it contains numerous mineral occurrences. The Afton deposit is associated with early exploratory workings situated at the northwest end of the Iron Mask Intrusive. The Iron Mask Mine is also associated with the Intrusive.

Three major northwesterly trending fault zones within and peripheral to the Intrusive, in addition to secondary north-south and east-west structures, appear to control mineralization.

A zone of alteration on the Edith claim within greenstones of the Nicola volcanics, trends westerly from the eastern shaft zone. The zone is within westerly trending fault structures, which contain quartz-calcite flooding to variable degrees. The zone where trenched at location "A", shows thin bedded argillites intercalated with altered volcanics. The argillites are locally brecciated fissile and were healed with a quartz-calcite matrix. An altered fine grained diorite with xenoliths of dark volcanics is intimately associated with the Nicola rocks. The zone contains intermittent alteration up to 50 meters wide. A similar altered zone occurs 175 meters south of Zone A. Westward extensions of these zones occur along Line 200E.

Alteration is similar to that occurring at the shaft zone where three shafts explore quartz veins containing copper mineralization.

On the Hump claim a northerly trending Nicola-Iron Mask contact, is indicated on a regional geological map of the area. A major northerly trending inferred fault zone is associated with the contact zone. A copper showing occurs on the Fargo group between the Hump claim and Edith Lake within the Iron Mask diorite.

RESULTS OF FORMER AND RECENT WORK
ON THE EDITH PROPERTY AREA

In a 1972 report on work done by Lori Explorations Ltd. on the TIA group of claims, J.A. Mitchell, P.Eng. reports that "although no outstanding [copper-silver] anomalies were found, the generally high background, and the fact that some copper mineralization has been found, indicates that areas that are possibly anomalous should be further investigated..."

A magnetic low occurs to the east of the shaft areas, trends westerly, and generally correlates with intermittent copper anomalies. Trenching and possibly percussion drilling was carried out.

In 1978 an I.P. survey performed by Cominco Ltd. on the adjacent Wildrose claim adjoining the Edith claim to the east, disclosed localized low resistivity and un-correlated high chargeability values in the western Edith boundary area.

A preliminary E.M. survey was carried out by Argenta Resources in November 1979. The results of this survey disclosed two anomalies which correlate with known mineralized zones. The "B" anomaly covers the shaft zone adjacent to the eastern boundary of the property. The zone appears to extend easterly. Zone "A" correlates in part to old trenching within an altered zone, and trends east-west along the trend of the known zone.

MINERALIZATION

Mineralization on the shaft zone of the old Chance Group consists of "veins and stringers of quartz mineralized with pyrite, chalcopyrite and galena. Low values in gold are reported, with occasional "high assays".

In the old Fargo group, south of the Hump claim and north of Edith Lake, trenches, pits and shafts explore veins mineralized with chalcopyrite within the Iron Mask diorite. "A shipment of one carload of ore running about two per cent copper and 0.06 ounces of gold a ton is reported to have been made."

On the Edith property, trenches on easterly trending altered zones expose localized pyrite with occasional chalcopyrite mineralization.

A grab sample from the shaft zone assayed .094 oz Au/ton, .13 oz Ag/ton and .31% Cu.

Rock chip samples along the base line showed higher than normal spot values of copper in ppm.

RECOMMENDED EXPLORATION AND DEVELOPMENT PROGRAM

The initial exploration program should be designed to locate prime areas for more detailed exploration. The program should be carried out in three stages.

The first stage should consist of an E.M. survey to locate potential structures for localizing mineralization. A reconnaissance geological mapping program should be carried out as an aid in the interpretation of geophysical or geochemical information, and to determine the location of significant contact zones. Rock chip sampling may help establish favorable host rocks.

A second stage of reconnaissance geochemical survey should be undertaken and anomalous areas should be detailed. An I.P. survey should be carried out over prime anomalous areas to determine specific zones for diamond drilling.

ESTIMATED COST OF RECOMMENDED PROGRAMStage I

E.M. Survey	\$ 4,000.00
Geological mapping and sampling	4,000.00
Field expenses	1,000.00
Engineering and supervision	<u>1,500.00</u>
	<u>\$10,500.00</u>

Stage II

Geochemical Survey	\$ 4,000.00
I.P. Survey	4,000.00
Detailed Surveys	2,000.00
Field Expenses	1,000.00
Engineering and Supervision	<u>2,000.00</u>
	<u>\$13,000.00</u>

Stage III

Test diamond drilling - allow	<u>\$10,000.00</u>
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The first stage of the recommended program is estimated to take one month to complete.



E. O. Chisholm, P. Eng.

December 10, 1979
Vancouver, B.C.

REFERENCES

- COCKFIELD, W.E. - Geology and Mineral Deposits of the Nicola Map Area, B.C., Memoir 249, GSC 1961
- MITCHELL, J.A. - Report on Geochemical Survey on TIA Group of Claims, Kamloops M.D., August 2, 1972. Assessment Report No. 3762
- SCOTT, A.R. - Induced Polarization and Magnetics Survey, Wildrose Claims, Kamloops Area, Kamloops M.D., B.C., August 1978 Assessment Report No. 6826
- SOOKOCHOFF, L., P.Eng., - Personal communications
- CHISHOLM, E.O. - Summary Report on Leemac Mines Ltd., Rainbow Property, April 2, 1973

CERTIFICATE

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, 1939.
3. I am a member of the Professional Engineers of Ontario and British Columbia.
4. I have no direct or indirect interest in either the property or securities of Argenta Resources Ltd. or its affiliates, nor do I expect to receive any such interest.
5. The writer has not carried out an examination of the property but is familiar with the geological condition of the area from past work carried out five years ago on the Rainbow property and others some three miles to the northwest. The data for this report is taken from published geological and private reports listed in the Appendix.
6. I hereby consent to the use of this report by the Company in connection with a prospectus, or a statement of material facts relating to the raising of funds for this project.

DATED at Vancouver, in the Province of British Columbia, this tenth day of December, 1979.



E. O. Chisholm, P. Eng.