520322 92E/15W

<u>REPORTON</u>

BEANO GROUP OF MINING CLAINS

LOCATED NEAR ZEBALLOS, B.C. By - Mr.C.F.Crowe

THE BEANO GROUP of Mining Claims is located approximately 32 miles east of Zeballos, B.C., a small mining town established some five years ago at the head of the North Arm of Nootka Sound on the West Coast of Vancouver Island, B.C. The town is located on deep water and besides the service established by the Canadian Pacific Steamship Company, whose coastal boats call every ten days at Zeballos, the Canadian Airways operate an air service direct from Vancouver to Zeballos at least tri-weekly and oftener when business demands.

THE BEANO GROUP consists of 15 located contiguous claims and Fractions Mining Claims containing an area of 500 acres more or less. The names of the Claims are as follows:

| "Beano", "Beano No.1", "Beano No.2", "Beano | No.3", |
|---|-----------|
| "Lima No.l", "Lima No.2", "Lima No.3", "Li | ma No.4", |
| "Lima Fraction", "Elk", "Wedge", "Wedge Fr. | action", |
| "Pat No.1", "Pat No.2", and "Pat No.4". | |

The claims have been surveyed and survey map prepared but not yet registered, though sufficient work has been done and registered to guarantee securing of CROWN-GRANTS-PATENTS. The titles are in good standing and free from any indebtedness.

<u>TIMBER</u>: Splendid stands of timber grow on the property and ample timber is available for all needs, mining and domestic. The principal trees are fir, spruce, cedar and balsam and the average thickness at the butt is about 18" while the length of the trees is well over 100 feet. A lumber mill is in operation at Zeballos.

WATER: Close to the camp building a small stream with a sheer drop of 150 feet will supply all domestic needs. Close to the lower part of the workings, and with a sheer drop of 150 feet down the east wall of the canyon, another small stream will supply sufficient water for mining purposes. However, if it be thought advisable to carry on operations at the existing open cut which is 200 feet higher than the floor of the canyon and on the west side, it would be necessary to pump water to the workings. <u>GEOLOGY</u>: The mineralized area where exposed in the cuts shows a width of 16 feet, 3 inches. This is not a vein but appears to be a replacement dyke cutting through the country rock with a general direction N-55W and dipping 76 degrees to the N.E. (Mag).

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The hanging wall is a fine grained altered diorite, the foot wall being banded diorite and line. The mineralized dyke is a gabbro, showing heavy pyrrhotite mineralization and in common with other producing mines in the area, where pyrrhotite is found in quantity, gold values are high. The zone dips into the canyon and, while it was impossible to get down onto the floor of the canyon to check up the downward extension, we were able to get down 80 feet to a point where we could see the outcrop exposed in the canyon walls, the hanging wall having been eroded away in the canyon. I understand that this exposure in the canyon is some 300 feet long, this information being obtained from Mr. Alec Stewart the original staker of the property, but who now has no interest in the mine. Mr. Stewart also informed me that at a point some 600 feet further down the canyon where it swings to the South, the mineralized zone again appears in the canyon walls. As this is hearsay I pass it on as such, though Mr. Stewart now has no interest in the property, I could see no reason to disbelieve him.

Various engineers have estimated the amount of ore in sight at from 20,000 tons to 36,000 tons. My estimate is about 30,000 tons of ore in sight. The following assays by J. R. Williams & Son of Vancouver, B. C. are from channel samples taken across the zone in as fair a manner as possible:

| 1. 1. 21 3 | - | | 3 6 3 6 2 | | | VALUE | |
|------------|------------|----------------|-----------|------------------------------|--|---|--|
| No. | 1 | - | 1.24 | ozs. | Gold | \$46.50 | Channel sample across 5 ft. |
| NTo | 2 | | 1 01 | | 12 | 16 50 | From foot wall. |
| NO. | 2 | | To Kth | ozs. | | 40.50 | Channel sample across last |
| ~ | | | | | | | 33" of Sample No. 1. |
| No. | 3 | - | 2.28 | ozs. | n | 85.50 | Channel Sample across 11'3" |
| | | | | | | | of open cut from No. 1. |
| No. | 4 | | 3.80 | ozs, | 88 | 142.50 | Grab sample of massive ore |
| 1. L - 1. | | | | | | | from center of open cut. |
| | No. No. | No. 2 No. 3 | No. 2 - | No. 2 - 1.24 No. 3 - 2.28 | No. 2 - 1.24 ozs. No. 3 - 2.28 ozs. | No. 1 - 1.24 ozs. Gold No. 2 - 1.24 ozs. " No. 3 - 2.28 ozs. " No. 4 - 3.80 ozs. " | No. 1 - 1.24 ozs. Gold \$46.50 No. 2 - 1.24 ozs. " 46.50 No. 3 - 2.28 ozs. " 85.50 |

ASSAY NO. 1 was taken from the West (Footwall) over 5 feet to the east edge of a badly leached area.

ASSAY NO. 2 was taken over 33" of the leached area included in Assay No. 1. This channel sample was taken to find out if the leached area showed any material increase in gold values.

ASSAY NO. 3 was taken over the remaining 11'3" of the mineralized zone and over the area that showed heavy pyrrhotite mineralization.

ASSAY NO. 4 was a picked sample taken from the center of the 11'3" area of Assay No. 3 and was taken for the express purpose of checking the increase of gold values with the increase of pyrrhotite in any given sample. The results of this assay show that the increasing gold values are closely associated with the increase of pyrrhotite in the ore. <u>CONCLUSIONS</u>: The high values obtained over the extraordinary widths exposed in the open cut are most convincing. The width of 16'3" as exposed in the open cut with the possible depth of at least 200 feet and a possible length of 300 feet represents a large body of ore ready to be mined with the least possible delay. This does not take into consideration any further depth or length than those already indicated from the open cut to the canyon floor, though there seems no reason to doubt that further depth and length is to be expected.

It should be possible after completion of the road and installation of machinery to commence actual mining of ore in a very short time, and a good grade of shipping or milling ore could be mined, ready for shipment within a period of approximately 90 days.

It is suggested that the work be commenced at once and that a portion of the profits accruing from the shipment of ore be set aside for further development of the property into a larger mine. The property appears to warrant this expenditure and I would recommend that the work be started immediately.

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Respectfully submitted,

(Signed) "Geo. E. Crowe".

VANCOUVER, B. C. July 15, 1941.

R. W. Jones, Esq., Seattle, Washington.

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