520700

REPORT ON EXPLORATION WORK DURING 1983

SPANISH MOUNTAIN PROPERTY

CLAIMS INVOLVED:

Don 1-4	4 Units
Mar 1	15 Units
Peso	9 Units
Jul 2	9 Units
My Fr.	1 Unit
Apr Fr.	1 Unit

CARIBOO MINING DIVISION

N.T.S.	93 A/11
Lat:	52° 36'
Long:	121° 33'

Owner: Diana V. Mickle

Work Completed for: Canadian Minerals Joint Venture 1980

Author: David St. C. Dunn

Date: September 27, 1983

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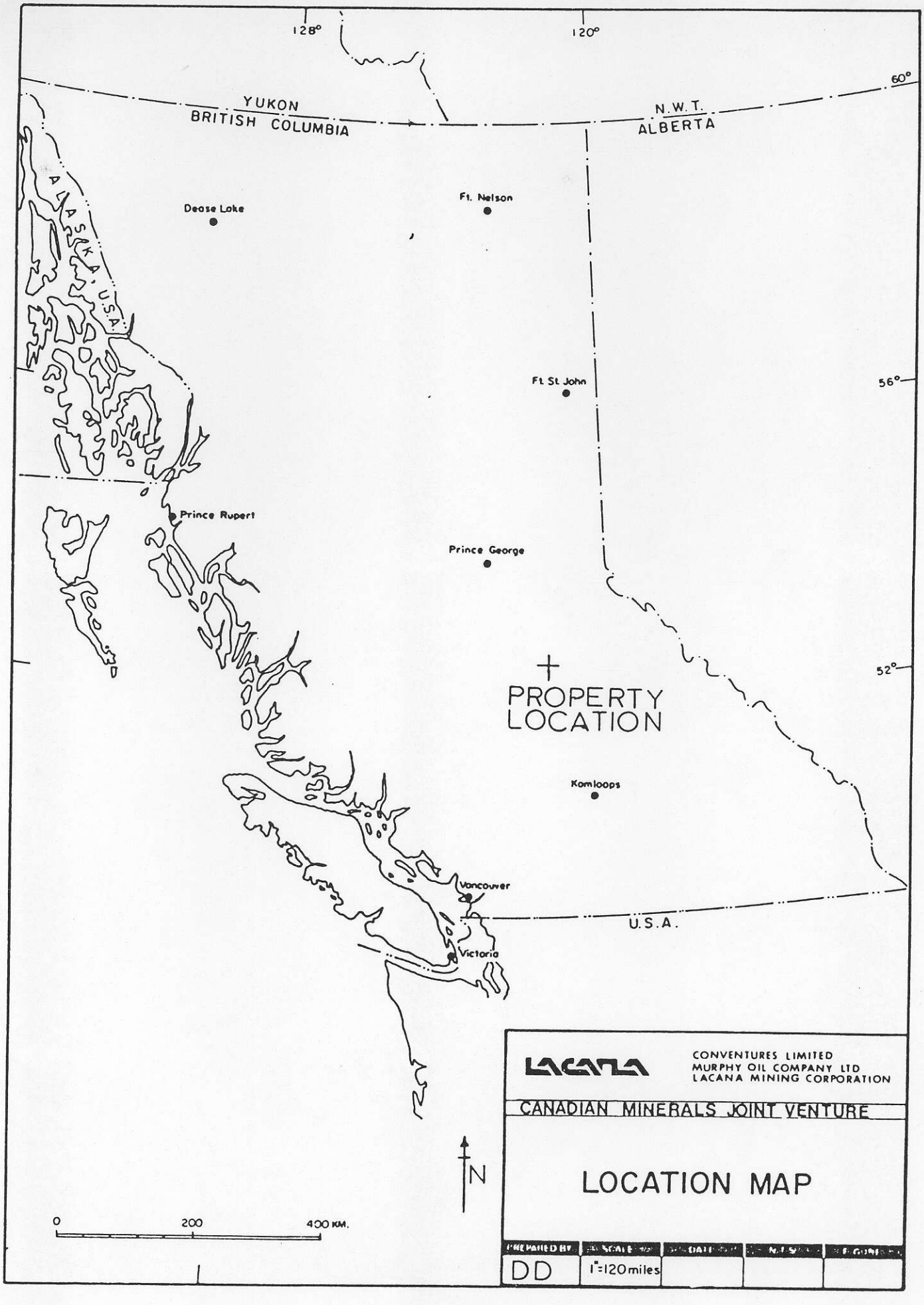
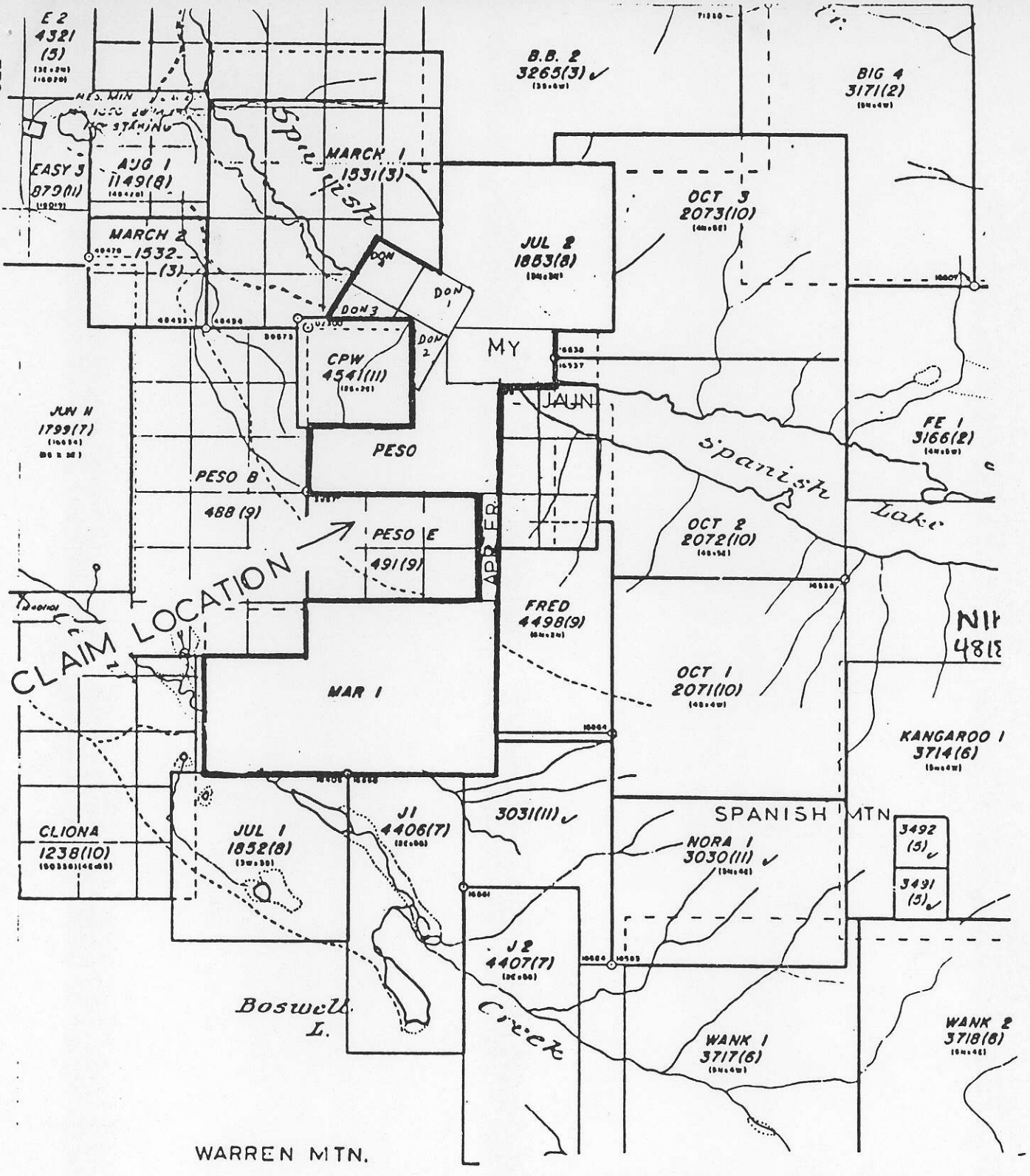
SUMMARY

Lacana Ex. (1981) Inc. optioned the Spanish Mountain group of claims on behalf of the Canadian Minerals Joint Venture 1980, based on the geological potential for a large tonnage disseminated gold deposit in the area. Numerous samples taken before the option agreement was signed returned gold values in the 0.05 oz/t range. An extensive soil sampling program was carried out which outlined 3 major anomalous areas and 27 other areas with one or more samples greater than 100ppb Au. Geological mapping and a VLF survey indicated that most of these anomalies were associated with shear zones. All anomalies were tested by backhoe trenching or hand trenching. Where bedrock was reached sporadic gold values in the .01 oz/t to .05 oz/t range were encountered in assays of continuous chip samples.

RECOMMENDATIONS

The extensive development program carried out on the Spanish Mountain property did not outline any areas of economic gold mineralization at present gold prices. It is recommended that a small VLF survey and rock sampling program be carried out on the adjoining C.P.W. claims to outline and test the strongest V.L.F. anomaly encountered. This program would be carried out contingent on permission being obtained from the owner's to do so. The program should take approximately 10 man days to complete. Further work in the area would be dependent on positive results being obtained in this program.


128°
120°
60°
YUKON
BRITISH COLUMBIA
N.W.T.
ALBERTA
ALASKA, U.S.A.
Dease Lake
Ft. Nelson
Ft. St. John
56°
Prince Rupert
Prince George
52°
PROPERTY
LOCATION
Kamloops
Vancouver
U.S.A.
Victoria
N
0
200
400 KM.
CONVENTURES LIMITED
MURPHY OIL COMPANY LTD
LACANA MINING CORPORATION
CANADIAN MINERALS JOINT VENTURE
LOCATION MAP
PREPARED BY
SCALE
DATE
DD
1"=120 miles



DEPARTMENT OF MINES
AND PETROLEUM
RESOURCES

MINERAL CLAIM MAP 93A/11 W(M)
CARIBOU MINING DIVISION

INTRODUCTION

Location and Access (cf. pages 2,3 and Fig. 1)

The Spanish Mountain group of claims is located on the N.W. slope of Spanish Mountain, straddling Spanish Creek and the western tip of Spanish Lake, and on the S.W. slope of the adjacent unnamed mountain to the north. Terrain is moderately rugged topography in the foothills of the Goose Range. Elevations range from 920m to 1,400 m.

Access is from Likely, 2.5 km towards Kiethley Creek then right on Forestry road 1300. This is an all weather logging haul road. Proceed 4 km on this road then, approximately 1 km E of Hepburn Lake, turn left. Follow this road .5 km to the north then turn right and follow the property access road 2 km to the main showings. The property access road is a deteriorated logging road and may require a four wheel drive vehicle.

Claim Status (cf. page 3)

Claim status is summarized in the table below:

Claim	Record No.	No. of Units	Owner	M.D.
Don 1	1383 (12)	1	Diana V. Mickle	Cariboo
Don 2	1384 (12)	1	Diana V. Mickle	Cariboo
Don 3	1385 (12)	1	Diana V. Mickle	Cariboo
Don 4	1386 (12)	1	Diana V. Mickle	Cariboo
Peso	467 (9)	9	Diana V. Mickle	Cariboo
Jul 2	1853 (8)	9	Diana V. Mickle	Cariboo
My	4861 (5)	1	Diana V. Mickle	Cariboo
Mar 1	4716 (3)	15	Darrel L. Johnson	Cariboo
Apr Fr.	4771 (4)	1	Robert E. Mickle	Cariboo

History

This area has been worked intermittently for both placer and lode gold deposits since the time of the Cariboo Gold Rush.

The most recent work was carried out in 1981 by Robert E. Mickle and Norsemont Mine Ltd. This work consisted mainly of stripping the main showings with a D-7 and D-8 cat and digging numerous backhoe pits in the area of the main showings. Most of this work is shown on Figs. 4 and 5.

WORK PROGRAMME

Line Cutting

A Base Line was cut with powersaws and picketed at a bearing of 285° on the north side of Spanish Lake and Creek A parellel Tie line was similarly cut approximately 500m to the north of the Base Line. Two perpendicular Cross Lines were cut and picketed. One at 50+00W from 10+00N to 10+00S and the other at 55+00W from Base Line to 2+75S. (See Figs. 1-3, 7).

Soil Sampling

An orientation soil survey was carried out. This consisted of the analysis of -80mesh, +80--10 mesh, and +10 mesh fractions of samples taken from the A,B,C, soil horizons and underlying rock in two mineralized areas and two unmineralized areas. The presence of gold was determined before hand by panning. Au and Sb were found to have the best contrast of the elements analyzed. (Au, Ag, Cu, Pb, Zn, As, Hg, Sb, Te).

900 Soil samples were taken in the B- horizon where available and C-horizon where no B-horizon was available. Approximately 2% of samples were A-horizon samples where neither B nor C horizon could be reached. Samples were taken on a 100 m line spacing with 25 m sampling interval. Linespacing was reduced to 50 m in highly anomalous areas.

The samples were analyzed by Chemex Labs. Ltd. for Au and Sb by drying and sieving samples to -80 mesh, followed by wet extraction and atomic absorption analysis. The MIBK extraction method was used for Au on 10 gm splits of samples. A pre-concentration procedure was used for Sb. Detection limits were ± 10ppb for Au and ±100 ppb for Sb. (See Figs. 2 and 3).

Rock Sampling

179 rock samples were taken in the area of the main showings. To accomplish this, picket lines were run through the main showings parallel to the Base Line and cross lines were run every 10 m. Trenches were dug along these cross lines and continuous chip samples were taken every 2 m with more selective samples taken in areas of variable lithology. (See Fig. 4,5,6).

Rock samples were analyzed for Au by Chemex Labs. Ltd. by fire assay with atomic absorption finish. The samples were dried and crushed to -20 mesh, then a 500 gm split ground to -100 mesh. A one assay ton split was taken from the 500 gms and a fire assay bead prepared. This bead was dissolved and run for Au using atomic absorption analysis. Detection limits were ±5 ppb.

VLF Survey

A VLF Survey was carried out using a Crone Radem. The Cutler Maine Station was used. Readings were taken every 25m on the same grid that soil sampling was carried out on. 22.5 line km of VLF survey were run. (See Figs. 10,11).

Geological Mapping

The area mapped, which includes the majority of the claim block, is underlain by undifferentiated Upper Triassic black shale, slate, and argillite, sillite, micritic limestone and limey sandstone according to G.S.C. O.F. 920. These units were divided for the purpose of mapping as follows.

Unit	
1	Feldspar Porphyry Andesite Tuff and Flow
1a	Spotty siliceous Andesite Tuff
2	Rusty Foliated Phyllite
2a	Argillite
2b	Graphitic Argillite
2c	Silicified Argillite
2d	Carbonate Horizons - generally boundinaged with 1 cm erratic quartz stringers
2e	Graphitic Phyllite
2f	Silicified Graphitic Phyllite
2g	Fault Gouge
3	Massive Vesicular Andesite Agglomerate
4	Siltstone - thinly laminated, grey weathering
5	Granitic - Aplitic dykes
6	Rhyodacite - associated Andesite
7	Gabbro Dyke
QV	Quartz Vein

In general, the strike of bedding parallels the strike of the most prominent foliation. The majority of these strikes vary from 100° to 130°. Dips are generally steep varying from 70° S to 50° N. A series of minor thrust faults is inferred from geomorphology and zones of quartz veining. These faults parallel bedding strike on the south facing slope north of Spanish Lake and Creek and are parallel to regional structures. The major regional structure mapped on G.S.C. O.F. 920 is a N.W. trending thrust fault with the upthrust block to the S.W. This fault is approximately 10 km to the N.E. of the mapped area. (See Fig. 1).

Trenching

All anomalies of greater than 100 ppb were trenched. Where access was possible a "2010" John Deere Cat was used. Roads were built using a loader bucket and trenches cut down hill using an attachable backhoe. Where access for the cat was not available trenches were blasted with ANFO and Forcite and hand dug. 450 m of backhoe trenching and 150 m of hand trenching were completed Where bedrock was reached, 2 m continuous chip samples were taken across foliation. Assays are plotted on the Trench and Main Showing Maps in the back pockets.

Approximately 25% of anomalous samples were found to be underlain by glacial material. Test holes were dug to 2 m by hand and 3 m by backhoe. If no bedrock was reached these sites were abandoned. (See Fig. 7, 8, 9).

LACANA MINING CORPORATION
Suite 312, 409 Granville Street
Vancouver, British Columbia V6C 1T2
604-687-6242

January 5, 1984

I, Jim Christie, hereby acknowledge receipt from Lacana Mining Corporation, of the following material:

Report (Line Cutting, Soil Sampling on the Fe 1, Mar 2, Mar 3, Nik)
Report on Don, Mar, Peso, Joe 2, My Fr. Apr Fr.
Bill Of Sale of Mineral Claim
Notice to Group
Bill of Sale Mining (Placer)Act
Bill of Sale Mineral Act

J Christie

Jim Christie

Date: Jan 5/84

JMT Services Corp.

8827 HUDSON STREET · VANCOUVER, B.C. V6P 4N1 · TELEPHONE 266-1811

JAMES S. CHRISTIE, PhD 228-8054
K. WAYNE LIVINGSTONE, MSc 266-4208
GORDON G. RICHARDS, M.A.Sc., P.Eng. 274-2839
GERALD LAUZON, Mgr. 277-4778
W.A. HOWELL, Geol. 277-7082

Mr. Dave Dunn
Lacana Mining Corp.
312 - 409 Granville St.
Vancouver B.C.

Dear Mr. Dunn:

This letter is my authorization to release copies of technical data pertaining to the Spanish Mtn claim area to Jim Christie or Wayne Livingstone of JMT. Thank you.

Yours truly,

R.E. Mackie

NO MORE NEGOTIATIONS WITH AURUN MINES

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