

Chettin

521400  
Chieftain

Apr/22/81  
82K/4E

Optn: to Castellac ←

of Sunny Rainbow SUB OF

Angus Madson  
Scout for Sunny.

according to.

93 units total  
GOAT -  
BOW -  
etc.

MARCH 27/81

C. MARSHAL @ BURTON

Chifton property

CG CLAIMS

& others but with Carlson Cont.

ASSAULT

SNOW away

~~FR S.~~  
~~SCMPUR.~~  
4 BRICAN  
(24/25)  
MT. Melur.  
5 C.G.S



**WELCOME NORTH MINES LTD.**

1027 - 470 Granville St., Vancouver, B.C. V6C 1V5 • Telephone (604) 687-1658

April 23, 1981

Mr. C. Marshall  
c/o P.O.Box  
BURTON, B.C.

*April 28/81* Ken is seen in Nakusp.  
- stuff in mail.  
- went up to examine.

Dear Mr. Marshall:

With reference to our last telephone conversation of March 27th, we have yet to receive any data from you regarding your CHIEFTAIN Property.

Could you please advise me if indeed the information was sent, as we are still interested in pursuing the possibility of an option on this property.

Yours truly,

WELCOME NORTH MINES LTD.

John S. Brock  
President

- Remmunda Harold removed as cat skinner.  
- Brian took MT. Merlow.

*Opt. Summary*  
*1/10*

CHIEFTAIN RESOURCES LTD.  
Box 40  
Nakusp, B.C.  
VOG 1R0

Phone: 604-265-3635

April 4, 1981

TO WHOM IT MAY CONCERN:

Chieftain Resources is the registered holder of some 89 staked claims and 4 Crown Granted mineral leases situated in the Caribou Creek area some 13 miles from Burton, B.C. It is almost opposite the Millie Mack mine which was a producer at the turn of the Century and is presently being worked by Semper Resources Ltd.

The geology of the district surrounding this section of Caribou Creek is complicated and the structural features of the formation are difficult to follow. The upper portion of the ridge forming the south side of the creek is composed of Valhalla granite, which is a medium-grained light-coloured quartzose rock. From this batholith dykes and stocks have invaded the crystalline and highly metamorphosed rocks of the Shuswap series, which form the lower slopes of the mountain. On the northerly side of the creek remnants of the Slocan series form the upper portions of Grey Wolf mountain, on which the Millie Mack mine is situated. This formation has also been intruded by rocks of igneous origin.

It was in the early nineties when prospectors first found their way up this creek and staked a number of claims, among which was the Chieftain.

The vein is a quartz-filled fissure cutting the formation and having a dip of about 20° to the south-west. It strikes in an easterly and westerly direction obliquely across the hillside, which latter has a slope of 35°.

The workings consist of two adit-tunnels situated situated at an elevation of 4,300 feet above sea-level, or about 600 feet above the creek. The upper tunnel has been driven along the vein for 105 feet, at which point a 50-foot winze has been sunk. In this tunnel the vein shows a width of from 3 to 5 feet and consists of shattered and crushed quartz, from which the metallic sulphides have been largely leached and oxidized by surface waters. Some high gold values are said to have been extracted from this level. A sample across a width of 3 feet of the vein at a point opposite the winze assayed as follows: Gold, 0.02 oz.; silver, 3.8 oz. While a sample from a small pile of sorted ore from this tunnel gave the following returns: Gold, 1.32 oz.; silver, 8.6 oz.

The vertical distance from the top of the winze to the surface is about 70 feet. The lower tunnel gains an additional vertical depth of 40 feet on the vein. The vein was struck at a distance of 152 feet, at which point 69 feet of drifting has been done. The formation encountered in the crosscut is composed of quartzites and highly metamorphosed slates.

A sample taken at 3 feet from the east face across a width of 13 inches ran: Gold, 0.24 oz.; silver, 5 oz.; zinc, 1 per cent.

At a distance of 11 feet from the face and across a width of 14 inches a sample ran: Gold, trace; silver, 296 oz.; lead, 0.5 per cent.; sinc, 2 per cent.

The ore is a "dry ore," the principal values being in silver and gold, the former being associated with grey-copper and a little argentiferous galena and the latter with the iron sulphides. Samples taken from the dump ran from 0.224 oz. to 2.068 oz. in gold values and from 11.44 oz. to 101.44 oz. in silver.

In return for 100% equity interest in the property the following schedule of payments is required:

- (a) \$10,000 upon signing of any Agreement
- (b) \$10,000 in six months
- (c) \$20,000 on 1st anniversary date
- (d) \$20,000 on 2nd anniversary date
- (e) \$30,000 on 3rd anniversary date
- (f) \$40,000 on 4th anniversary date and each succeeding year in which the purchasing company gives notice to Chieftain Resources Ltd. of its intent to place the property into commercial production. Following such Notice of Intent to place the property into commercial production the purchasing company shall continue to pay to Chieftain Resources Ltd. the sum of \$40,000 annually until the net profits payment due Chieftain as outlined below for a given year of commercial production exceeds \$40,000. Thereafter Chieftain shall receive the greater of net profits interest payments in quarterly instalments or the annual sum of \$40,000 but not both.

Upon giving written notice to Chieftain of its intent to place the property into commercial production, the purchaser shall be deemed to have earned a one hundred per cent equity interest position in the property subject to the purchaser making the annual payments or Net Profits Interest payments as specified.

Chieftain shall be entitled to receive seven per cent (7%) of the Net Profits resulting from commercial production of the purchasers. Net Profits is defined as the amount, if any, by which gross revenues derived from production exceed the aggregate of all operating, development and exploration costs, working capital, interest at the prime commercial rate of the Royal Bank of Canada plus two per cent (2%) on funds advanced or borrowed by the purchaser, all payments to Chieftain and any other direct and indirect cost applicable to the exploration, development, and operation of mining and milling facilities with respect to the property.

The purchaser may purchase the seven per cent (7%) Net Profits Interest by making a lump sum payment to Chieftain as specified below:

- (a) if made before 5:00 pm. Pacific Standard Time, on December 31, 1986, the sum of Seven Hundred Thousand Dollars (\$700,000.00) Canadian Funds.
- (b) if made before 5:00 pm. Pacific Standard Time, on December 31, 1988, the sum of One Million Dollars (\$1,000,000.00) Canadian Funds.
- (c) if made any time after 5:00 pm. Pacific Standard Time, on December 31, 1988 the sum of One Million Five Hundred Thousand Dollars (\$1,500,000.00) Canadian Funds.

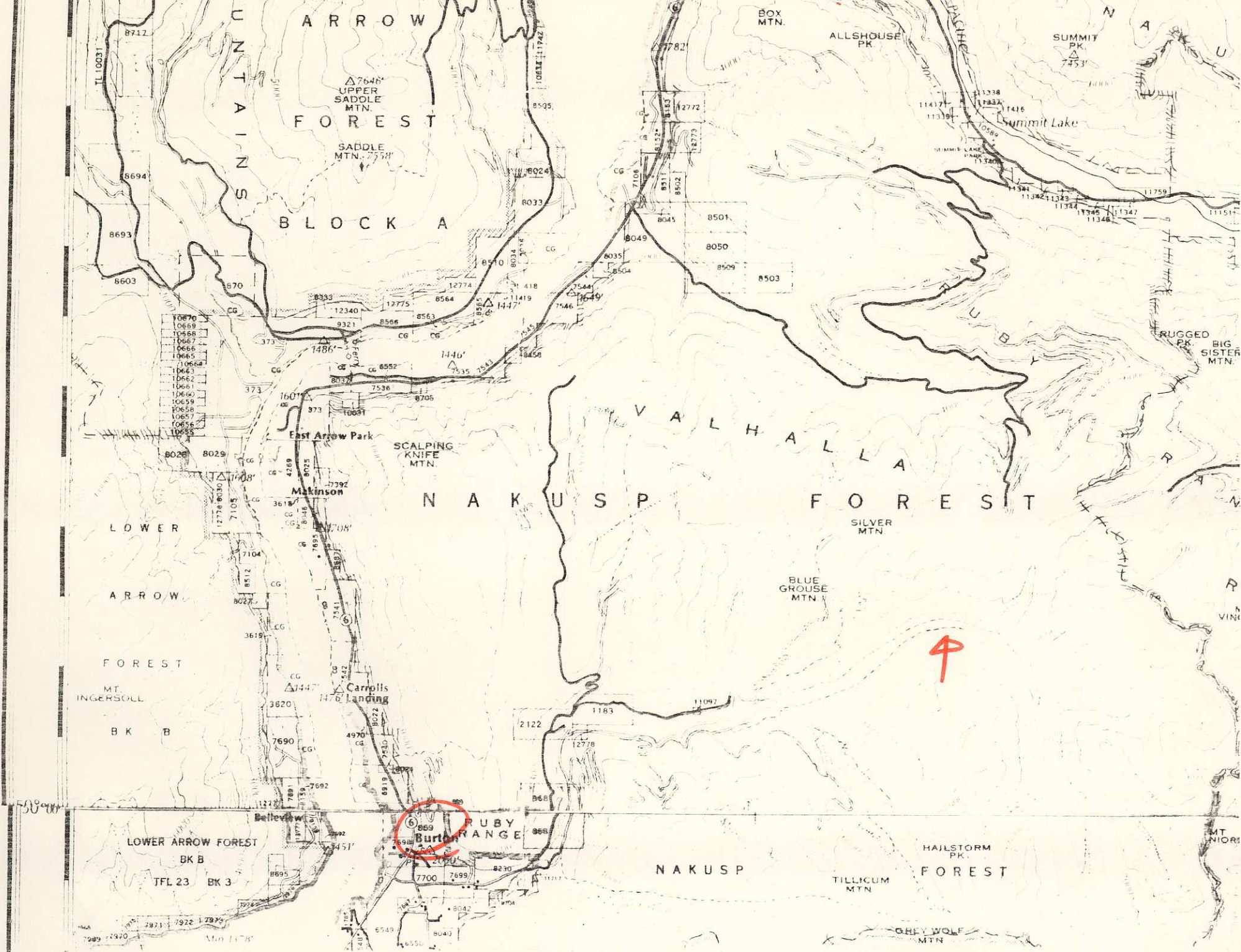
Yours truly,

CHIEFTAIN RESOURCES LTD.

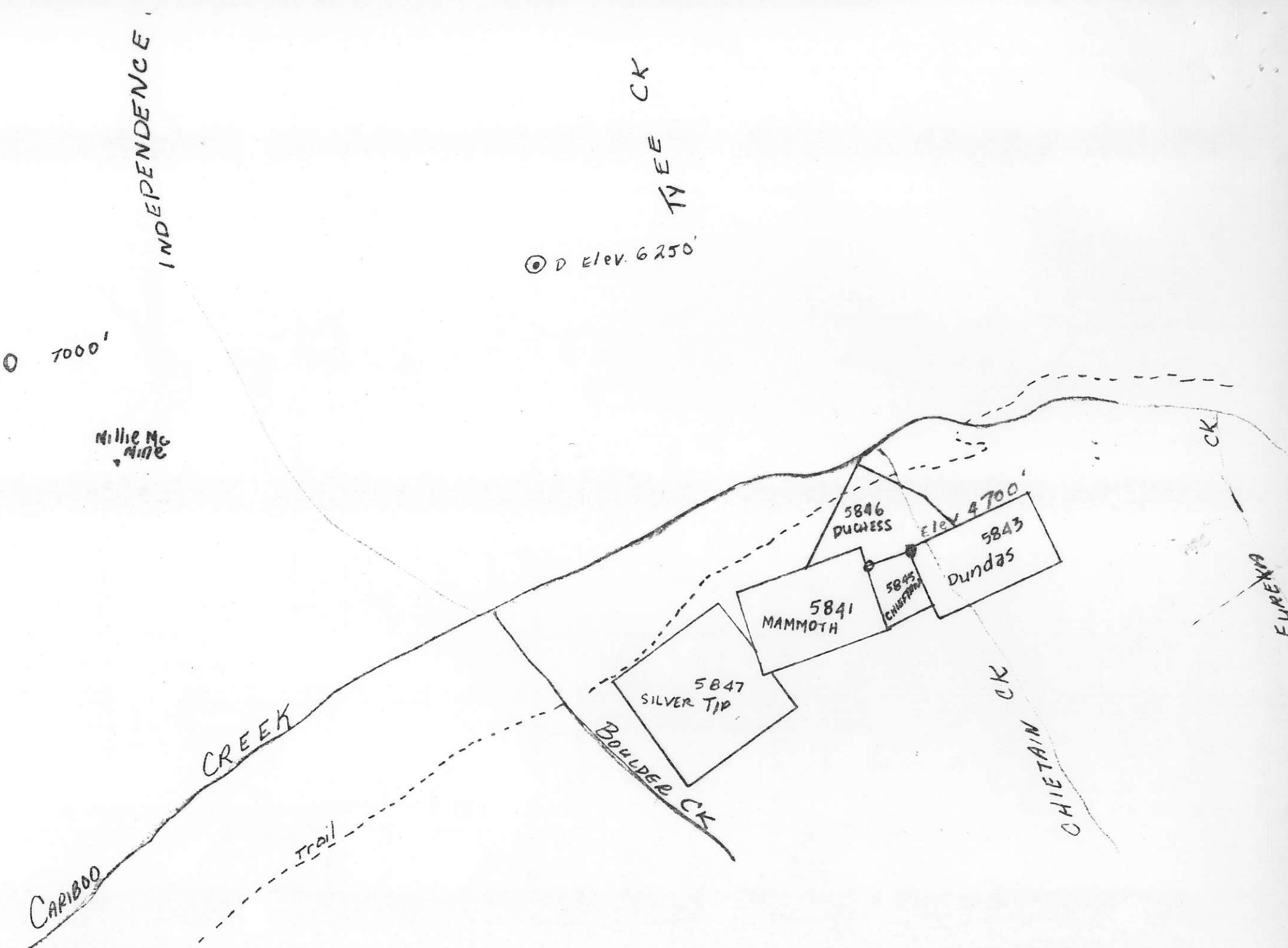


Ken G. Marshall

KGM/ez







INDEPENDENCE

CK  
TREE

⊙ D Elev. 6250'

7000'

Nillie Mc Mine

CREEK

CARIBOO

Trail

BOULDER CK

5847  
SILVER TIP

5841  
MAMMOTH

5846  
DUCWESS

5845  
CHIEFTAIN

Elev 4700'

5843  
Dundas

CK

CHIETAIN

CK

EUREKA



TO WEST

TOTAL 13

MM 2  
1101(2)

MM 3  
1102(2)

SILVER  
904(10)  
SILVER  
2 L  
VOL 17

MM 5  
1103(2)

MM 4  
1103(2)

Bow 3 + 4 U Rec # 2411 + 2410  
Bow # 5 + 6 Rec # 2422 / 2423  
Bow # 7 Rec # 2409

SILVER  
MTN.

Bow 16

Blue Grouse

BLUE GROUSE  
MTN.

Las  
1191 (5)

DLS  
1190 (3)

RWS  
1188 (3)

LMS  
1189 (5)

EURAKA

Bow 3

Halifax 2391

2392

2393

2397

CARIBOU 2  
1384(8)

CARIBOU  
1303(1)

TO SOUTH SEE MAP

SLOCAN MINING DIVISION

DEPARTMENT OF MINES AND  
MAGNETIC

82 RHE

To: Cheifan Resources Ltd.

REPORT NO. A20 - 1498

PAGE No. 1

**BONDAR-CLEGG & COMPANY LTD.**

DATE: October 10, 1980

Box 40

Nakusp, B.C.

VOG 1R0

**CERTIFICATE OF ASSAY**

Samples submitted: September 24, 1980

Results completed: October 10, 1980

*I hereby certify* that the following are the results of assays made by us upon the herein described ore samples.

MARKED	GOLD		SILVER		Percent	Percent	Percent	Percent	Percent	Percent	Percent
	Ounces per Ton	Grams per Metric Ton	Ounces per Ton	Grams per Metric Ton							
<b>C 1</b>	<b>0.57</b>		<b>25.00</b>								
<b>2</b>	<b>0.39</b>		<b>39.50</b>								
<b>3</b>	<b>1.78</b>		<b>92.60</b>								
<b>4</b>	<b>0.11</b>		<b>22.50</b>								

*15"-36"*

NOTE:  
Rejects retained three weeks  
Pulps retained three months  
unless otherwise arranged.

# GENERAL TESTING LABORATORIES

A SHERIDAN COMPANY CANADA

1005 EAST 10TH AVENUE VANCOUVER B.C. V6L 1A1  
PHONE (604) 271-1111 TELEEX 54 4111

TO:  
Cheiftan Resources Ltd.  
Box 40  
Nakusp, B.C.  
VOG 1R0

## CERTIFICATE OF ASSAY

No 7910-3059      DATE Nov. 8/79

I hereby certify that the following are the results of assays on Ore

MARKED	GOLD	SILVER	XXX	XXX	XXX	XXX	XXX	XXX
	oz/st	oz/st						
parts Dump lower tunnel	0.224	47.98						
parts from dump lower tunnel	0.228	11.44						
yellow quartz dump	0.008	0.48						
lower tunnel	0.790	13.61						
yellow ore lower tunnel	2.068	101.44						

REPORTS RETAINED ONE MONTH. COPIES RETAINED THREE MONTHS. ORIGINALS AND RESULTS WILL BE DESTROYED FOR A MAXIMUM OF ONE YEAR.  
WE ARE NOT RESPONSIBLE FOR CLIENTS PUBLICATION OR STATEMENT OF RESULTS. REGARDING OUR REPORTS, SIGNATURE AND ANY LIABILITY ATTACHED, THEREIN, WE ACCEPT NO RESPONSIBILITY.

L. 4047