

EXPEN PROPOSAL FOR QUEEN CHARLOTTE IS. AUG 30 1978  
REV: JAN 4. 1979

JCS OFFICE

EXPLORATION PROPOSAL

for

GOLD

in the

QUEEN CHARLOTTE ISLANDS

103 F,G, 53°30', 132°00', Skeena M.D.

by

J.T. SHEARER, M.Sc.

for

McINTYRE MINES LIMITED

Vancouver, B.C.

August 30, 1978

Revised: January 4, 1979

671531

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Region:  $52^{\circ}00'$  to  $54^{\circ}20'$ ,  $133^{\circ}15'$  to  $131^{\circ}00'$   
103 F,G, Skeena M.D.

by

J.T. SHEARER, M.Sc.

for

B.C. GOLD SYNDICATE

Vancouver, B.C.

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SUMMARY

1. An overview of the potential for bulk tonnage disseminated gold mineralization in the Queen Charlotte Islands is presented.
  2. Environments discussed are:
    - a) Specogna-type deposits in Skonun sediments.
    - b) Acidic volcanism throughout the Masset Formation.
    - c) Sulfide systems in Yakoun Formation.
    - d) Pervasive replacement in Kunga Formation argillaceous carbonates.
  4. A brief history of the area is outlined.
  5. The proposed program is attractive because of highly favorable and relatively little prospected geological environments and initial low exploration costs.
  6. A discussion of the Specogna deposit is included.
  7. Conclusions and recommendations from the Summary Report (December 20, 1978) are included.
- Note: The original report (August 30, 1978) has been divided into 2 separate reports (a) This report - Queen Charlotte Islands, and (b) Boundary - Lightning Peak Area. The Queen Charlotte section is supplemented by notes from Phase I work (in small type January 4, 1979).

INTRODUCTION

Preliminary investigations during 1978 indicate two broad areas in which diverse geological environments are favourable to bulk tonnage gold deposits. Disseminated gold mineralization is known in both areas, however systematic exploration has not been done in the key settings as detailed in this report.

The two areas are: (A) Queen Charlotte Islands and (B) Boundary District. This proposal deals exclusively with grassroots reconnaissance programs. Follow-up work resulting from the many property examinations done during the early part of 1978 are to be the subject of a comprehensive summary report to be completed in October on receipt of all assays and drafting compilations. Refer to interim progress reports and exploration proposals (Proserpine Prospect - J. Shearer, June 20 and August 20, 1978, plus inter-office correspondence).

(refer to Summary Report on Queen Charlotte Reconnaissance, J. Shearer December 20, 1978.)

In the Charlottes, potential for large low grade gold deposits is shown by a recent discovery, the Specogna deposit, which is estimated to contain at least 50 million tons of 0.06 oz Au/ton mineable by open pit. At present this is uneconomic due to difficult metallurgy and low grade but continued drilling suggest higher grade intervals at depth.

(refer to attached report)

In the Boundary District, this report is not concerned with the multitude of small gold showings or the substantial gold content of the Phoenix skarns. The target is the neglected Tertiary section where correlated rocks along trend to the south have been productive in the Republic District of Washington State. At Republic, although the majority of gold production has come from veins in the underlying Mesozoic volcanics, open pit mining was started in 1936 on a low grade blanket deposit in the basal Tertiary lake-bed series. Currently Houston Oil and Minerals is conducting a multi-year drill program directed toward outlining additional disseminated gold zones

DIXON ENTRANCE

Masset to Prince Rupert—84 m

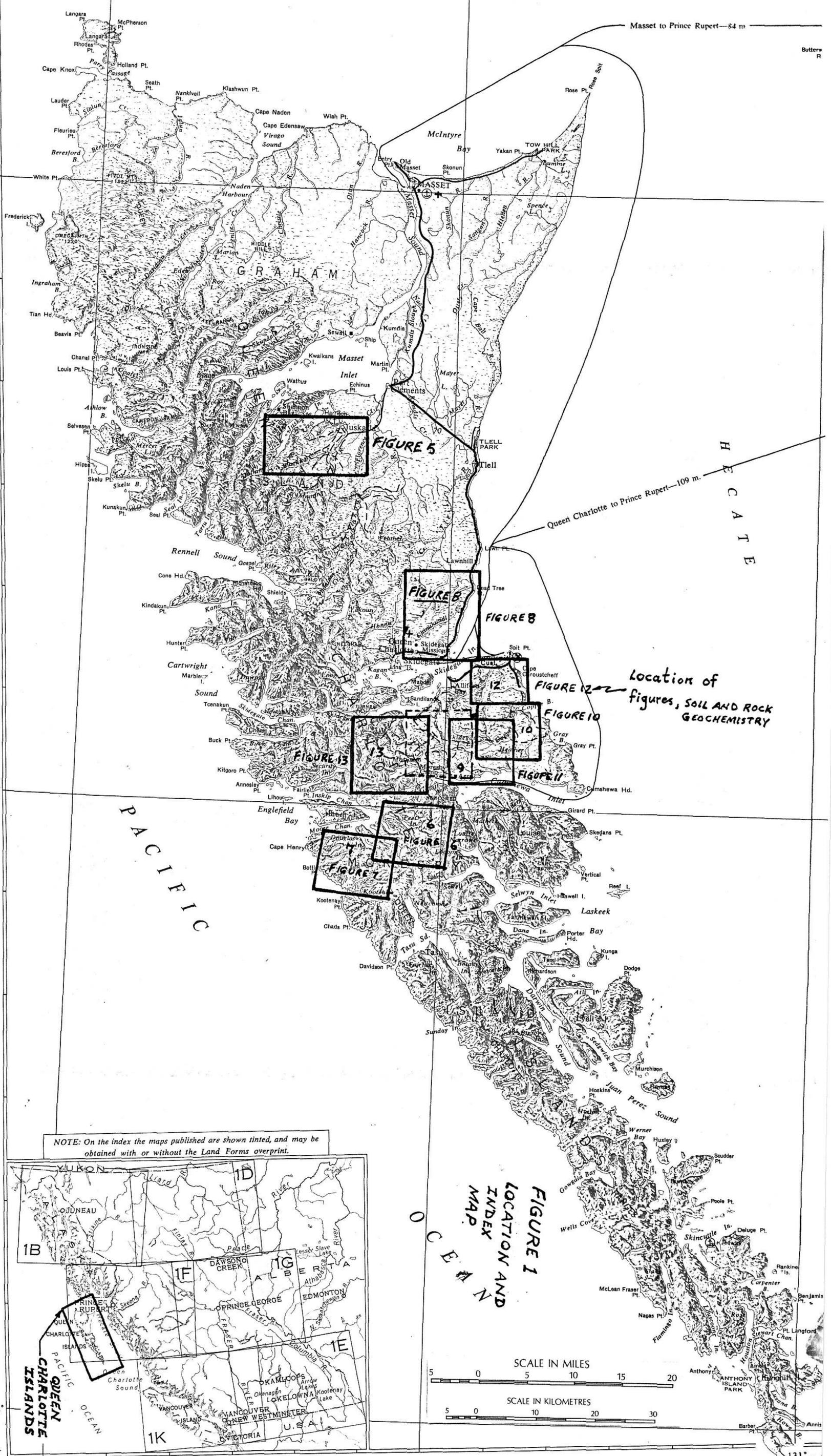
Butter  
R

54°

53°

H  
E  
C  
A  
T  
E

Queen Charlotte to Prince Rupert—109 m.



Location of  
figures, SOIL AND ROCK  
GEOCHEMISTRY

NOTE: On the index the maps published are shown tinted, and may be obtained with or without the Land Forms overprint.

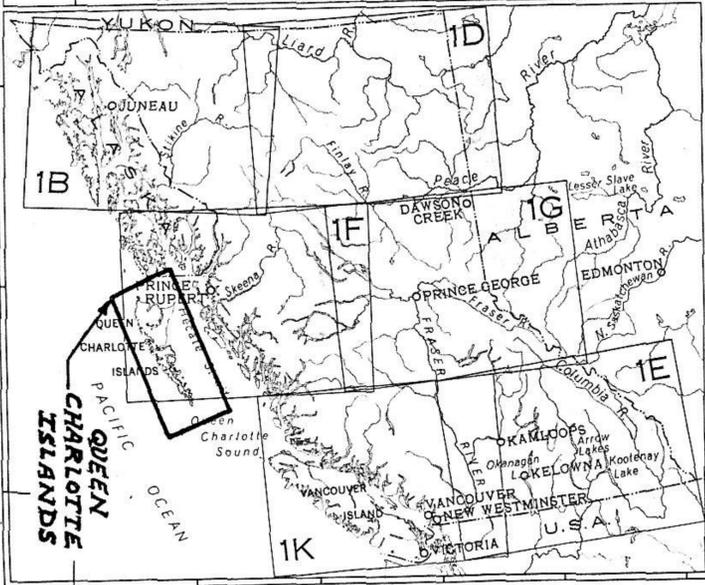
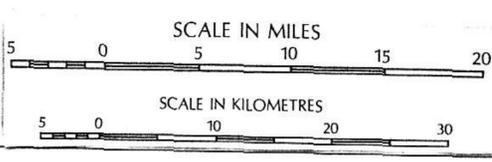


FIGURE 1  
LOCATION AND  
INDEX  
MAP



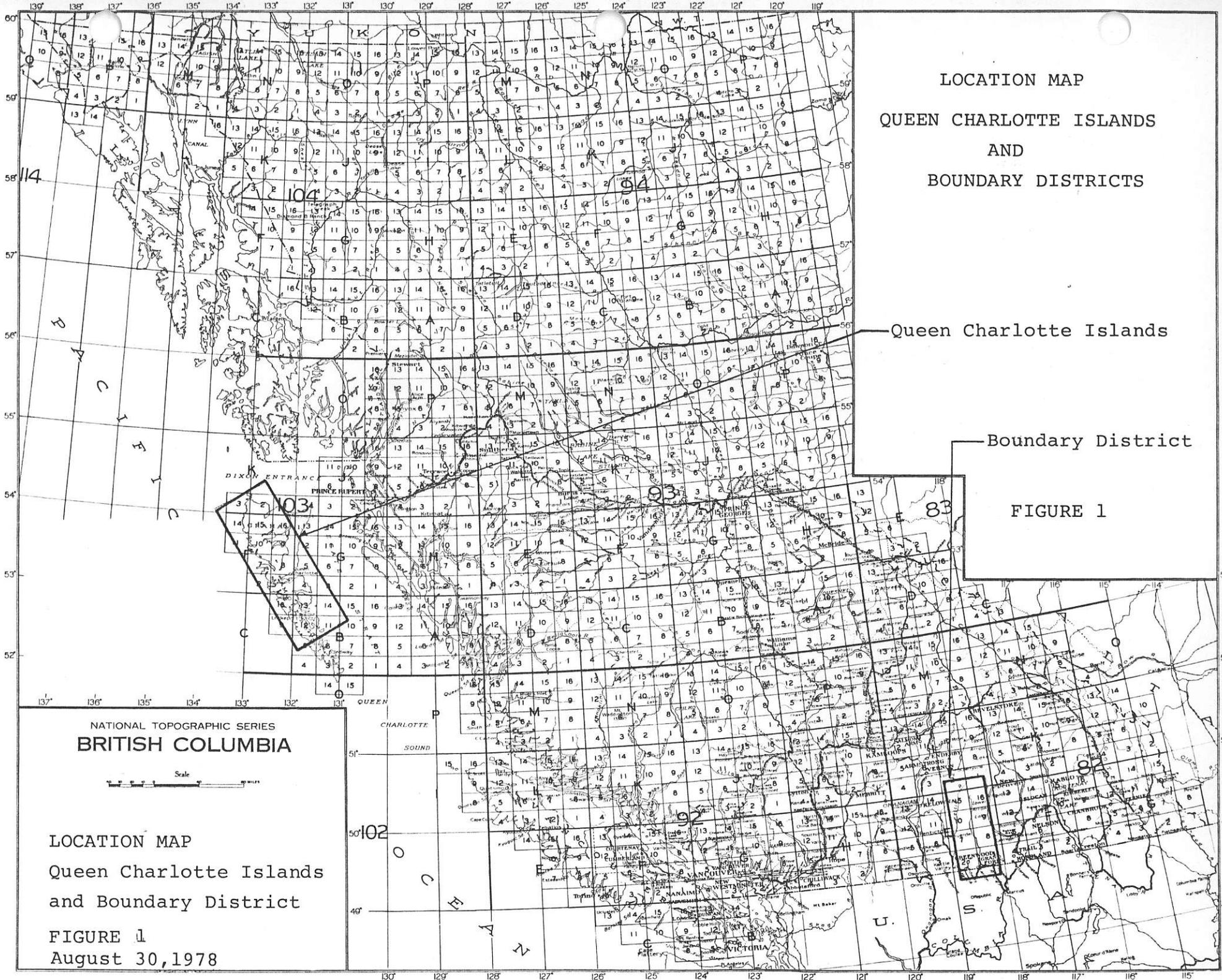
52°

133°

132°

131°

112



LOCATION MAP  
 QUEEN CHARLOTTE ISLANDS  
 AND  
 BOUNDARY DISTRICTS

Queen Charlotte Islands

Boundary District

FIGURE 1

NATIONAL TOPOGRAPHIC SERIES  
 BRITISH COLUMBIA



LOCATION MAP  
 Queen Charlotte Islands  
 and Boundary District

FIGURE 1  
 August 30, 1978

in Tertiary sediments around the old Flag Hill Mine. A very similar structural and lithological setting occurs in British Columbia at the old Franklin Camp. All gold production at Franklin came from veins in the older rocks but some showings are noted in Tertiary acid volcanics. Other possible, less documented extrapolations are indicated from preliminary work done this summer by the writer.

The target environments dealt with in this proposal for bulk gold area:

(A) In the Queen Charlotte Islands

1. Silicified breccia zones in Skonun sediments along deep rooted structures.
2. Eocene acid volcanics (Masset Formation) vent and subsidence zones, pyroclastic accumulations.
3. Silicified sulfide systems in the Yakoun Formation in intermediate volcanics and fine clastics.
4. Replacement zones in argillaceous Kunga Formation carbonates.

(refer to Figure 1a for areas investigated by Phase I)

(B) Boundary District

1. Porous basal rubble zones, subvolcanic caldera collapse zones, acid volcanic vent area, within Tertiary section adjacent to graben boundaries.

The two areas logistically compliment each other in that a very low cost program can be started early in the spring in the Boundary district which can progress to a relatively low cost ongoing Charlotte's program beginning around mid-July. Estimates of the involved costs are tabulated in Appendix I.

This proposal is of necessity somewhat brief and accompanied by rough illustrations due to lack of available time and drafting services.

### LOCATION AND ACCESS

The Queen Charlotte Islands are at the western edge of the continental shelf seaward of central British Columbia. They lie between  $52^{\circ}$  and  $54^{\circ}$  north latitude and  $131^{\circ}$  and  $133^{\circ}$  west longitude mainly in N.T.S. 103F as shown on Figure 1. Considering the amount of activity in the forest industry the islands are relatively isolated. There are daily flights from Vancouver and Prince Rupert by P.W.A. and T.P.A. but no regular ferry service exists. Rivtow Ltd. provides a contract barge service from Prince Rupert. Access to many parts of the islands is provided by an intricate network of private logging roads or by small boat to various inlets. Vancouver Island Helicopters have a base at Sandspit. Queen Charlotte Helicopters also has a base at Sandspit and both have Jet Rangers.

### GEOLOGY

#### a) General

The Queen Charlotte Islands together with Vancouver Island and part of southwest Alaska form a distinct structural (tectonic) province referred to as the Insular Belt. The Insular Belt lies to the west of the Coast Plutonic Complex and is considered by many workers to be allochthonous with respect to the North American craton. It has been suggested that the basic elements making up the Insular Belt were emplaced by latest Paleozoic or early Mesozoic right lateral trans-current faulting from the south.

The stratigraphic and tectonic history of the Queen Charlotte Islands is very similar to the better documented Vancouver Island but with differences of timing and facies which progressively diverge from the beginning of mid-Jurassic time.

## b) Stratigraphy and Lithology

Regional geology is shown on Figure 2 (1 inch = 20 miles) and a generalized stratigraphic column is illustrated in Figure 2. Details of each formation of particular interest is given in the section on exploration targets.

The oldest rocks are mid Triassic, thick accumulations of submarine basic lavas, sodic pillow basalt and breccia belonging to the Karmutsen Formation. Chemically these rocks resemble oceanic basalts in both major and minor element with a slightly alkaline bias. The Karmutsen Formation is extensively exposed on Moresby and adjacent islands but is rare on Graham Island.

The Kunga Formation conformably overlies the Karmutsen and is composed dominantly of thick carbonates and argillite. The Kunga-Karmutsen - Coast Intrusive suite has been extensively prospected in the past for copper-magnetite skarn mineralization. The Kunga Formation is correlative with the Quatsino limestone and Parson Bay Formations on Vancouver Island.

The Yakoun Formation is characterized by its diverse lithology and can be subdivided into 5 separate members based on composition and abundance of volcanic rocks. The Yakoun is broadly comparable to the Bonanza Group on Vancouver Island which is marked by explosive eruptions of porphyritic andesite agglomerate and tuffs. Completely volcanic structures, 6,000 feet thick were built in some areas whereas in others considerable quantities of marine volcanic sandstones and argillite interfinger.

The Longarm Formation is composed of turbiditic greywacke and siltstone occurring in a graben-like trough grading southeastward to a thinner section of cleaner sandstones and shoreline conglomerates.

Much of the middle to late Jurassic was marked by uplift, intrusion and minor deformation.



IDEALIZED STRATIGRAPHIC SECTION  
QUEEN CHARLOTTE ISLANDS

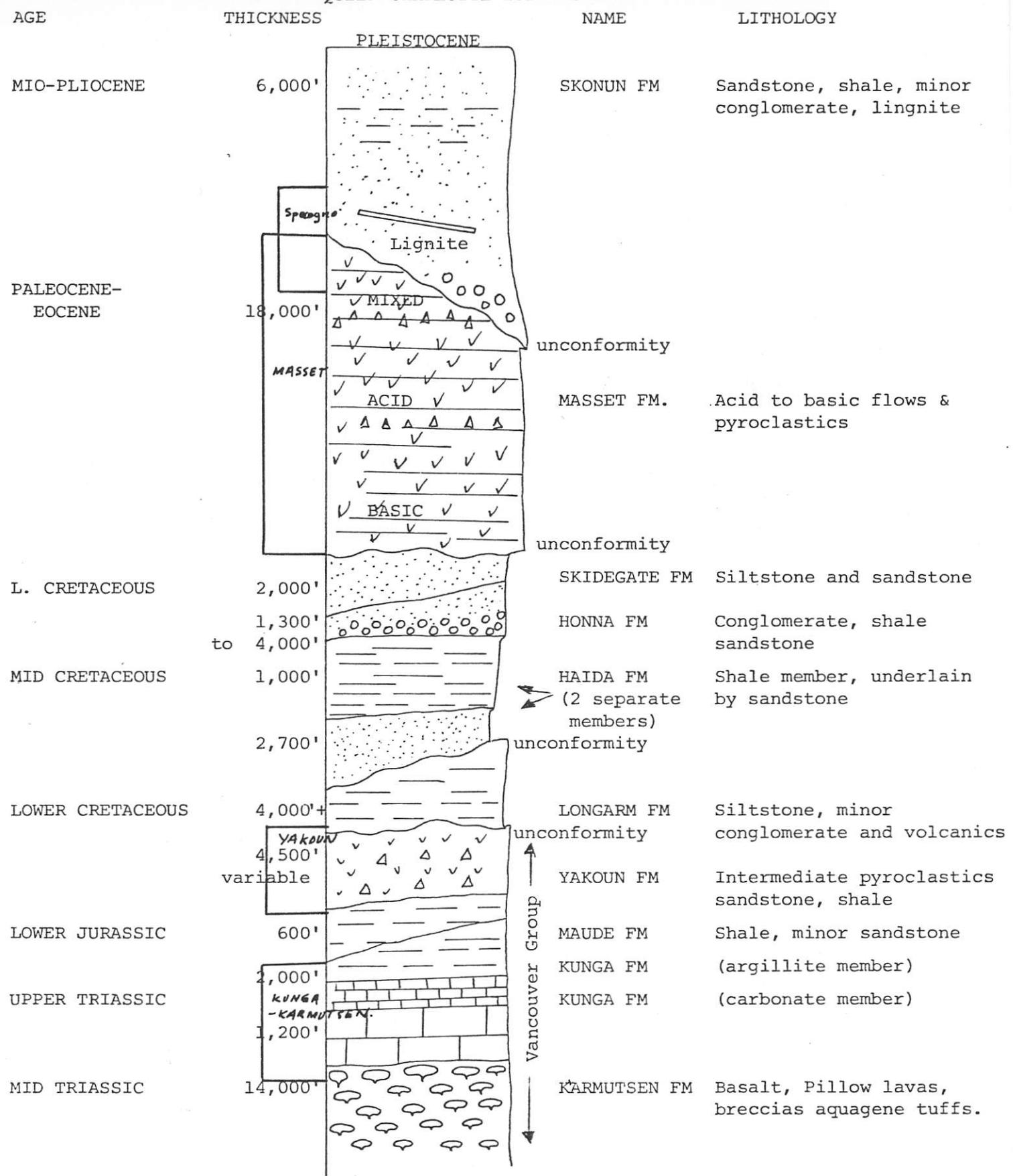


Figure 3  
Idealized Stratigraphic Section  
QUEEN CHARLOTTE ISLANDS  
Drawn by: JS Date Aug.30,1978

Just before and during the beginning of the Late Cretaceous, marine sandstone and shale of the Hiada Formation were deposited. The basal pebbly sandstone contains the first granitic debris evident in the Islands.

The eruption of an extensive and very thick sequence of columnar basalt flows, breccias and rhyolitic ash flows (Masset Formation) started in the Paleocene and continued into the Eocene. Almost all these rocks accumulated subaerially except in an area on the southeast of Moresby Island where breccia of mixed basalt and rhyolite clasts appear to have been formed sub-aqueously. The Masset Formation has some interesting affinities to the acid volcanics of the Midway-Boundary District which are discussed at the end of this report.\*  
(see attached report)

The last significant sedimentary event was the deposition of the thick Skonun Formation in Mio-Pliocene time on eastern Graham Island composed mainly of poorly consolidated sands, shale and conglomerate.

Syntectonic plutons with associated amphibolitic borders are concentrated along the western flank of Moresby Island whereas late, post tectonic intrusives are distributed throughout but dominantly east of the earlier ones.

### c) Structure

Complex faulting govern the present distribution of rocks and characterize the tectonic style. Major faults are conspicuous for their continuous linkage in a northwestward trend. There are three subparallel systems, as shown on Figure 2,: (1) the Sandspit fault zone in the east, (2) Rennell Sound - Louscoone Inlet fault zone in the centre, and (3) the Queen Charlotte System offshore to the west. The Queen Charlotte fault forms a small part of the transform suture making up the western margin of the North American plate and eventually connects to the Mid-Pacific ridge. Faulting is still active in this region which is the most active seismic area in Canada.

Folding is of much less importance and in many cases is related to fault tectonics.

Most northwest trending faults have the following characteristics according to Sutherland-Brown (1968):

"They have been active since at least Early Cretaceous; they generally combine right hand wrench movement with normal, east block down displacement; they are spatially related to post-tectonic plutons and some sedimentary sequences; and they have the same orientation as late folds."

A detail analysis of many structural relationships throughout the Islands is presented in Sutherland-Brown (1968) from page 147 to 164. A preliminary inspection of Landsat images reveals substantially more linears than those shown on Figure 26 (Sutherland-Brown (1968) pg 148). As discussed in the following sections these strong, deep seated vertical structures form an important prospecting criteria. A thorough study of the Landsat images may provide additional targets or focus attention within a broad area.

#### HISTORY OF PREVIOUS EXPLORATION

Mineral deposits in the Queen Charlotte Islands were first explored more than 120 years ago. Mitchell Inlet was the site of the first Lode metal mine in British Columbia. Starting in 1852 gold shipments were made under the ownership of the Hudson Bay Company and resulted in the Islands becoming a Crown Colony.

In 1862-63 Francis Poole explored the vicinity of Skincuttle Inlet and discovered copper-magnetite showings at Jedway and Jib. Coal exploration started about 1865 and continued sporadically until the early 1900's. Currently MacMillian-Bloedel hold the coal rights for much of the Graham Island. During the years 1906 to 1914, prospecting was intense and a large percentage of the copper showings known today were found. Between 1918 and 1939 little exploration was accomplished, however development of the 5 known gold vein properties and beach placers occurred in this period concentrating on:

- 1) Blue Mule at Kootenay Inlet
- 2) Homestake at Cumshewa Inlet
- 3) Early Bird, Mitchell Harbour
- 4) Southeaster, near Skidegate
- 5) Ellen, Shuttle Island

Some work on a joint venture, Umex-Falconbridge, was performed in the early 1970's on the Cumshewa Inlet prospect.

The most prolonged period of intense exploration was from the mid 1940's to mid 1960's, when several major copper-magnetite ore bodies were outlined. Details of this phase are given on page 166-167 of Sutherland-Brown(1968). The highlights are:

- 1) 1953 - acquisition of crown grants at Tasu by Wesfrob.
- 2) 1956 - drilling of Tasu orebody, drilling at Copper Queen and Jedway.
- 3) 1959-60 - drilling by Silver Standard at Harriet Harbour.
- 4) 1961 - Granby purchases Jedway from Silver Standard.
- 5) 1962 - Production from Jedway, Canex drills Iron Duke.
- 6) 1963 - Highland-Bell drills Burnaby Island.
- 7) 1966 - Tasu starts production.

Little or no concentrated effort towards copper skarns in the Charlottes has been recorded since around 1972.

Between 1971 to 1975 a flurry of activity for low grade gold was initiated due to the discovery of the Specogna deposit. At one time most of the Sandspit fault was staked by such companies as Kennco, Cominco, Canex-Placer, Silver Standard, Umex and Quintana. However the restrictive policies introduced by the N.D.P. government coupled with the failure to locate any new showings along the fault resulted in the current 3 year lull in exploration. However this state of affairs predictably will not last and the coming 1979 season already has several drill programs planned on gold bets.





## CURRENT GOLD EXPLORATION

The prospective resurgence in gold exploration in the Queen Charlotte Islands is mainly a result of three factors:

- 1) rise in gold price making lower grade mineralization more attractive especially in ideal mining situations.
- 2) favourable legislation by the present government.
- 3) persistence by a small group of individuals and a junior company in working on gold showings on the Islands.

Much of the credit for maintaining interest in the area and evolution of geological ideas must go to K. Sanders of Consolidated Cinola and J. Christie, G. Richards and W. Livingstone, all former Quintana Minerals employees who have continued prospecting on an individual basis. Current exploration holdings are tabulated in Table I and the corresponding claim groups are shown on Figure 5. Each of these properties will be discussed under the appropriate geological environment.

## PROPOSED EXPLORATION PROGRAM

### a) SKONUN Formation

The Skonun Formation is composed of marine and non-marine sands, sandstone, shale, lignite stringers and conglomerates of Mio-Pliocene age. It overlies Masset Formation usually with slight angular unconformity. Skonun rocks are generally friable and do not outcrop well, consequently much of the detail known about the unit are from sections in several exploratory wells drilled by oil companies. The areas underlain by Skonun Formation are shown in Figure 6.

The Specogna Gold deposit is at least partially hosted by Skonun sediments. It is difficult to precisely identify the age of the mineralized rocks because of intense silicification and introduction of rhyolite fragments through brecciation (intrusion?). However at the margins of the deposit, sections undoubtedly Skonun age (fossiliferous) are also silicified and carry anomalous Hg and Au.

TABLE I  
 CLAIMS IN GOOD STANDING \*  
QUEEN CHARLOTTE ISLANDS  
 August 30, 1978

<u>CLAIM</u>	<u>OWNER</u>	<u>STATUS</u>
BABE	E. Specogna	Drilling by Continental Cinola (Specogna deposit)
SUN	C. Kowall	Tie on to Specogna
KEN	R. Schumacher	Tie on to Specogna
FIVE, Etc.	UMEX	South of Specogna, drilling in 1978
PENDULUM	R. Standbridge	Independent prospector
BONANZA	"	" "
OLD TRAIL	J.Christie, G. Richards	Former Quintana employees, optioned to Chevron, Yakoun Formation
MANY YEARS	"	" "
RILEY	"	" on Courte Sb trend
BUCKHORN	"	" in Kunga Formation
OVERPROOF	"	" "
TWO by TWO	"	" "
BATEAUX	"	Not optioned, in Kunga
KING	"	Optioned to Newmont. Yakoun
DOME	on Harrison Island	Masset Formation
STIB	UMEX	On Courte Sb trend - overstaking -

\*over 500 units have been located in a staking rush after the Consolidated Cinola drill hole 78-6 announcement. See Figure 5a

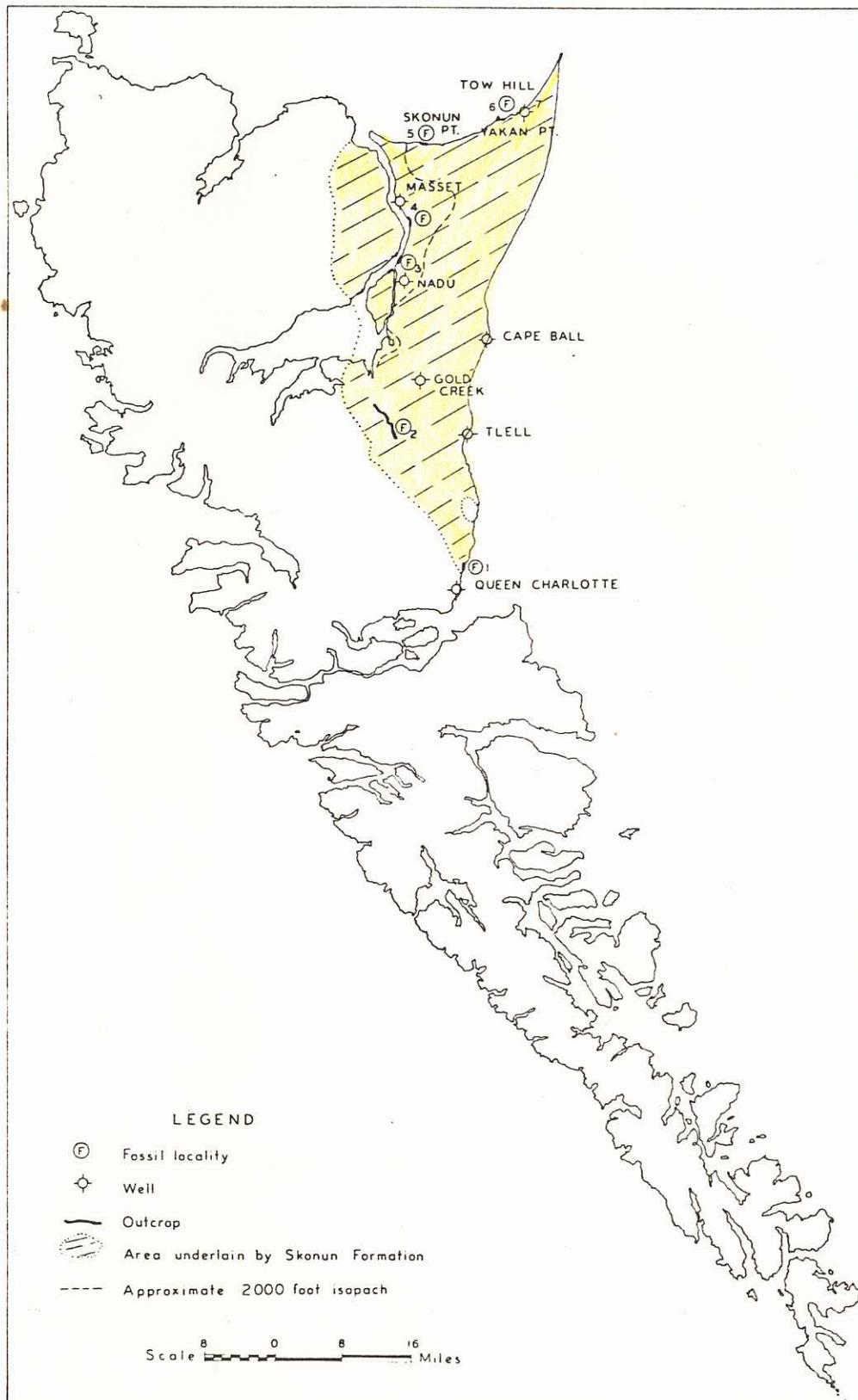


Figure 6 Skonun Formation: Distribution, wells and fossil location from Sutherland-Brown (1968)

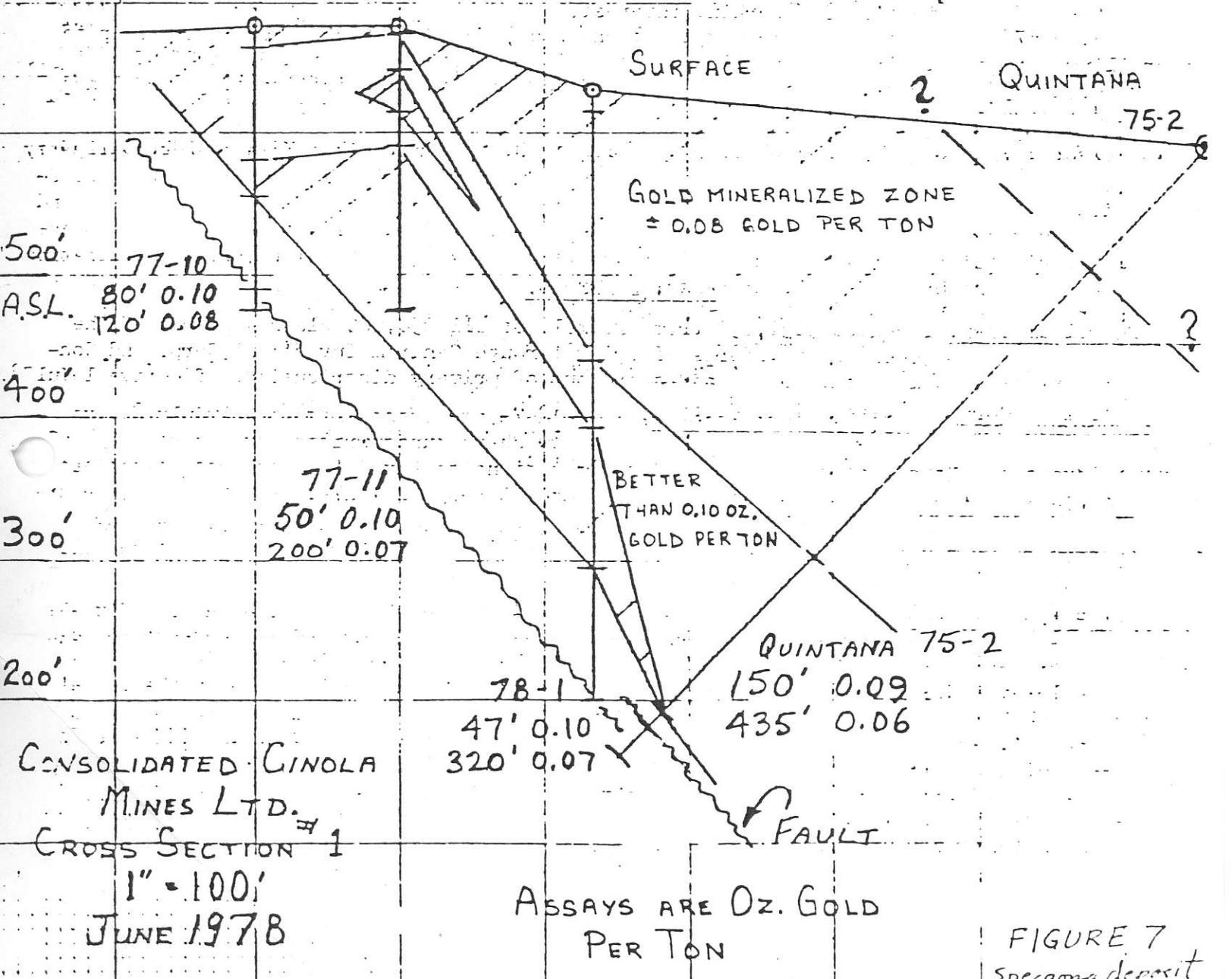
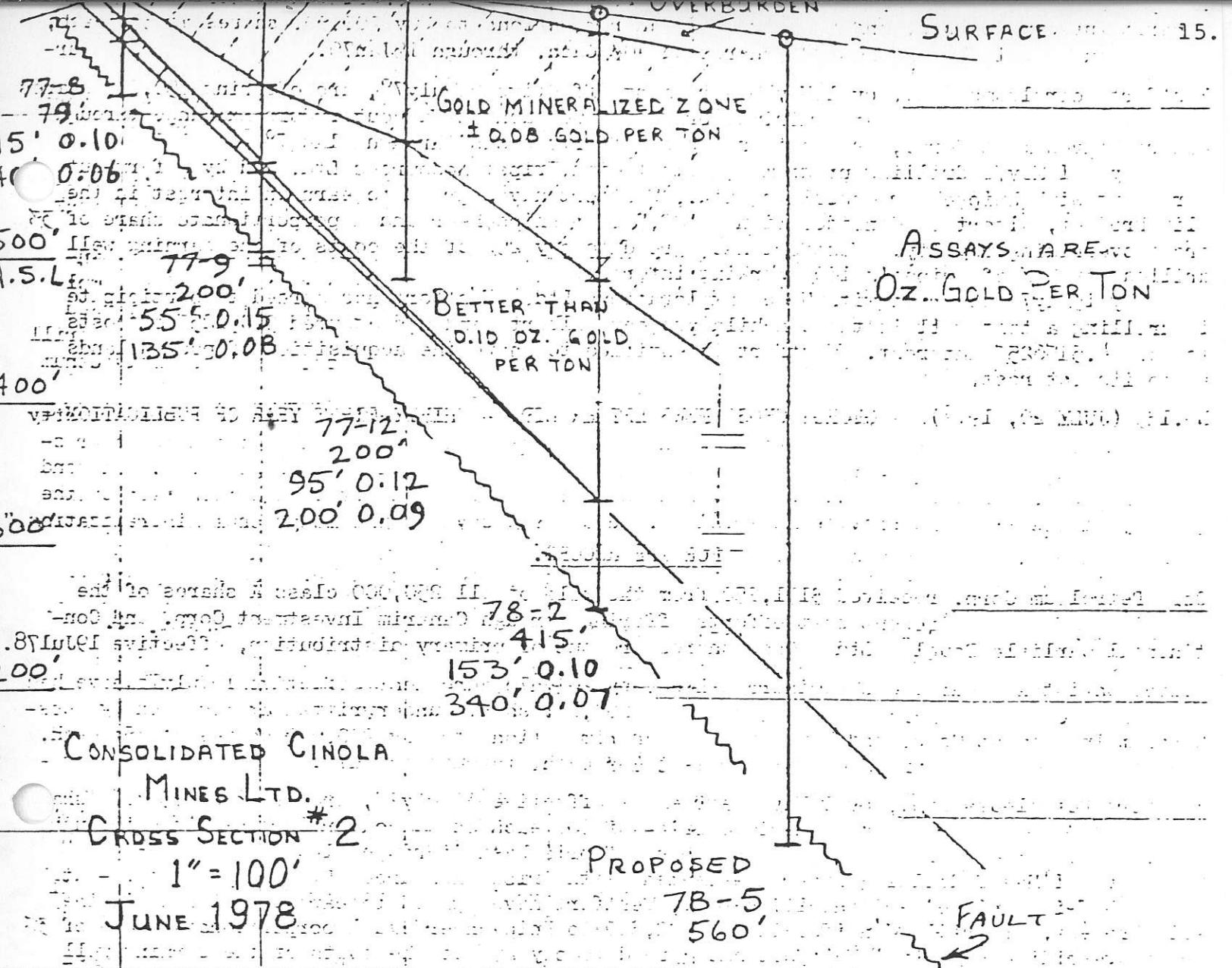


FIGURE 7  
 Specgona deposit  
 Recent drilling by  
 Cinola  
 August 30/78

For details concerning the Specogna deposit refer to inter-office correspondence (J. Shearer, Dec. 29, 1977). A file on the Specogna deposit was assembled from Mr. K. Sanders, President of Continental Cinola, the present operator, and through discussions with M. Wolfhard of Superior Minerals, Reno, formerly with Quintana. In August 1978 the writer had the opportunity to spend 3 full days on the property with access to the core. Many rock samples were taken along with orientation soil lines. Since the Specogna deposit represents such an important part in any exploration rationale for bulk tonnage gold mineralization a comprehensive report is planned (October '78) to document the more pertinent features. The essential broad features of the deposit are:

- 1) size: 50 million tons of 0.06 oz Au/ton at a 0.04 oz Au/ton cut off to a depth of about 200 feet.
- 2) localized along the Sandspit Fault between an eastward dipping ( $38^{\circ}$ ) fault ("Specogna Fault") that appears to limit the deposit at depth.
- 3) intense silicification, brecciation, introduction of rhyolitic material (extrusive felsic dome ??).
- 4) distinct trace element assemblage of As, Sb, Ba, Hg, Te, and Mo, Ag, W in core.
- 5) sericite alteration, near surface deposition of gold.

The 50 million ton estimate is only a minimum figure for a system that could conceivably be much larger. The area of 0.06 oz Au/ton is surprisingly uniform. Figure 7 shows the result of the 1978 drilling by Cinola to a greater depth than previous holes and the apparent emergence of a slightly higher grade wedge at depth (0.1 oz Au/ton) below the 0.06 to 0.08 slab.

The Skonun along the Sandspit Fault has been well prospected. New showings are reported on Moresby Island near Sandspit and should be investigated. Signs of silicification and trace element content should be noted on general reconnaissance traverses.

Drill programs along the Sandspit Fault proposed for 1979 are by UMEX and Consolidated Cinola.

## SPECOGNA DEPOSIT

Some pertinent features of the Specogna deposit can be summarized as follows:

- 1) Spatially associated with the Sandspit fault, a structure with major vertical and horizontal movement.
- 2) Bounded by an east dipping fault at shallow depth, (Specogna Fault).
- 3) Extensive crudely concentric pervasive alteration zoning - silicification, vertical fissure filling plus pervasive, phyllic alteration, seritization.
- 4) Host rocks are; near Specogna fault - flow banded rhyolite breccia plus coarse to fine clastic stratigraphy outward of fault (to east).
- 5) Distinct trace element assemblage, As, Sb, Ba, Hg, Te, low silver, high As, Sb, Hg, (Mo, Ag? W? in core).
- 6) Extremely large hydrothermal system. 100-150 million tons of 0.02 oz Au/ton, estimates of 50 million tons of 0.06.
- 7) Zoning of Au; Structure - outward from Specogna Fault.  
Stratigraphy - preferentially in certain beds.  
Higher grade sections at depth.

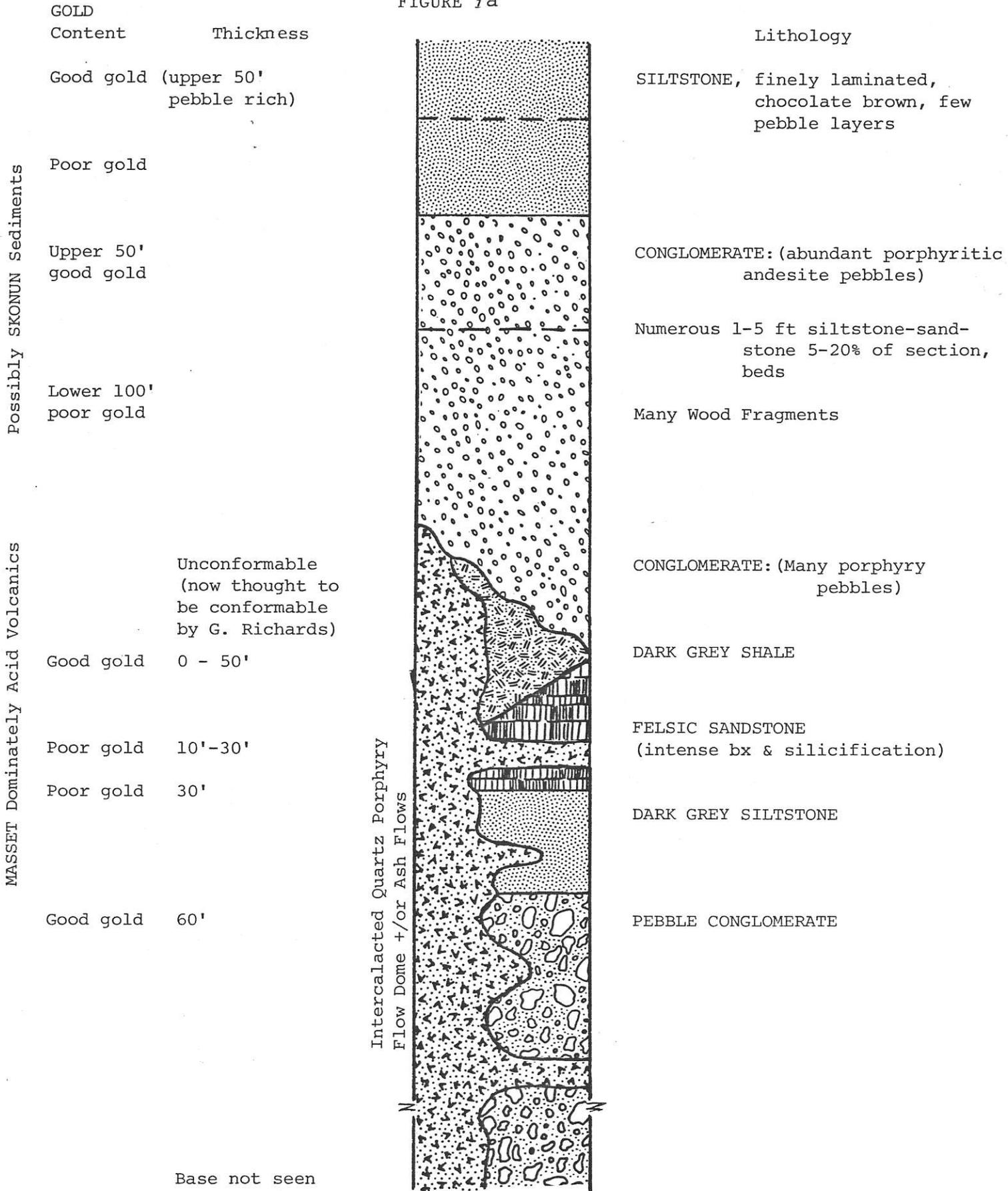
A stratigraphic column for the Specogna area is illustrated in Figure 4. All previous workers tend to regard the rhyolite member as related to the Upper Masset Formation (or Eocene in age). However there is considerable confusion as to the age of the sediments. There are 3 major viewpoints

- 1) Honna equivalents.
- 2) Volcanoclastics of the Masset Formation.
- 3) Skonun age (Pliocene).

From observations in 1978 I would concur with Quintana findings (Richards (1975) and Wolfhard (1976)) that at least some of the gold bearing coarse clastic material is of Skonun age. Plant fossils similar to those dated as middle Tertiary in the Princeton Coal Basin were noted adjacent to highly silicified and Mercury rich conglomerate creek exposures approximately 1 km southeast of the main mineralized zone. This suggests a Skonun age for silicification or at least introduction of silica in Pliocene time related to vertical movement on the Sandspit Fault.

SPECOGNA DEPOSIT  
Stratigraphic Column  
(After G. Richards 1975)

FIGURE 7a



Entire section disrupted by vertical fissure  
filling drusy & chalcedonic quartz breccia  
( Drawn by J.S. 1978)

A highly diagrammatic sequence of events are shown on Figure 7 a to d.

There are several similarities between the Specogna deposit and Carlin-type mineralization as discussed by Wolfhard et al (1976). Similarities are:

- 1) Pervasive gold mineralization.
- 2) Structural and stratigraphic emplacement of metals (permeable host, vertical faults, channel ways).
- 3) Trace element assemblage.
- 4) Large size.

However there are also several notable differences in degree of silica introduction and host lithologies. From the limited preliminary studies at Specogna the acid volcanic component appears to have considerable genetic significance. The Specogna deposit could perhaps be more closely comparable to the precious metal - acid volcanic epithermal environment.

An exciting announcement was made on December 7, 1978 by Consolidated Cinola Mines Ltd. concerning high assays in DDH-78-6. The results are listed

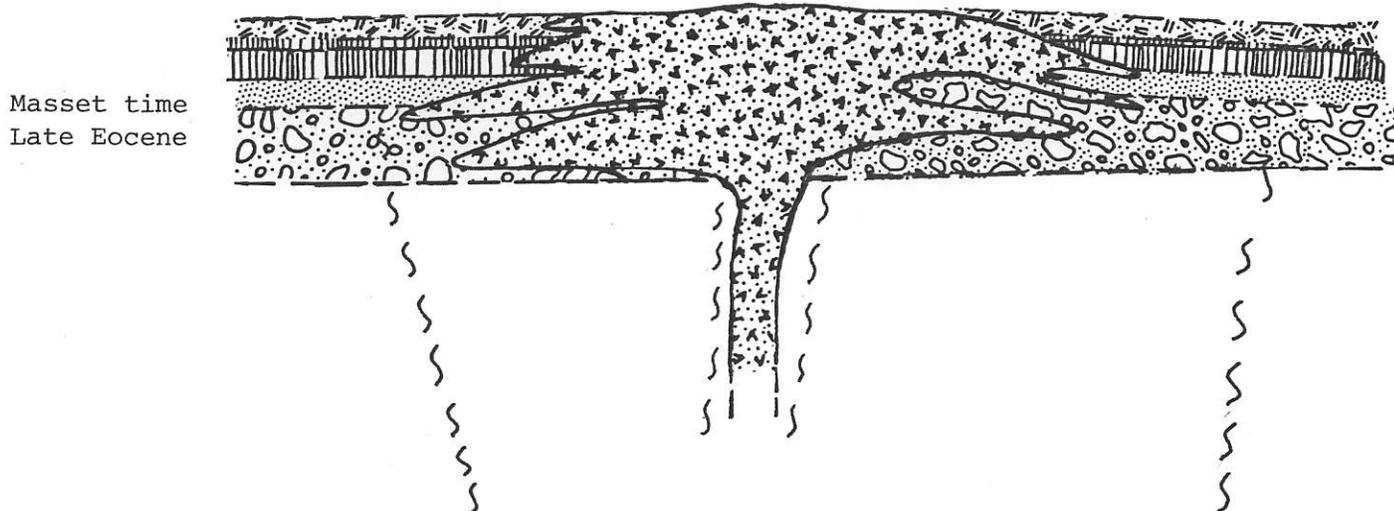
below:

<u>Interval</u> <u>From</u> <u>To</u>	<u>Gold</u> <u>oz/ton</u>	<u>Interval</u> <u>From</u> <u>To</u>	<u>Gold</u> <u>oz/ton</u>	<u>Interval</u> <u>From</u> <u>To</u>	<u>Gold</u> <u>oz/ton</u>
152 - 154 m	0.358	160 - 162 m	0.693	168 - 170 m	0.283
154 - 156 m	0.349	162 - 164 m	0.988	170 - 172 m	0.490
156 - 158 m	1.760	164 - 166 m	0.047	172 - 174 m	2.490
158 - 160 m	2.450	166 - 168 m	0.222	174 - 176 m	0.233

Drill hole 78-6 represents a step out of 800 feet from the previous Cinola drilling. (Figure 7 and maps to be presented at Syndicate meeting). The occurrence of high grade free gold sections at depth hosted by the regular stratigraphy greatly enhance the potential economic viability of the deposit.

WEST

EAST

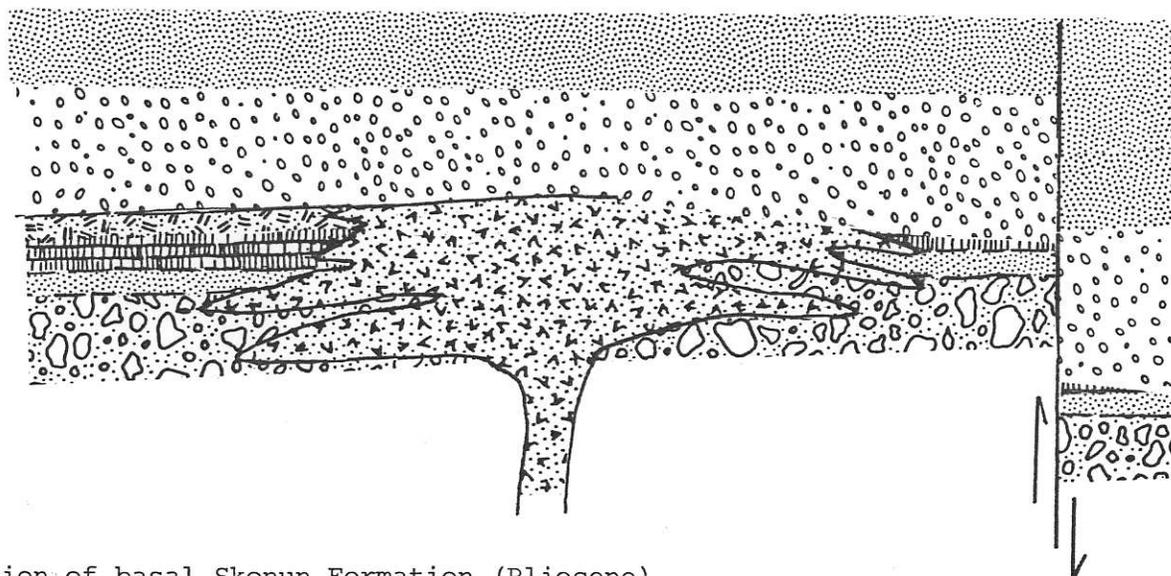


- 1) Development of rhyolite flowdome interdigitating with coarse volcanic clastic sediments (ignimbrites, tuff breccias) perhaps collapse breccias associated with subsidence of vent area?

Precursor of Sandspit Fault.

FIGURE 7b

- 2) Tilting and minor erosion - Oligocene.



- 3) Deposition of basal Skonun Formation (Pliocene).

also horizontal movement

FIGURE 7c

- 4) Downtrop on Sandspit Fault intrusion of Post Tectonic plutons associated with fumarolic activity.

Note: Key for lithologies corresponds to stratigraphic section.

(Drawn by J.S. Dec.1978)

WEST

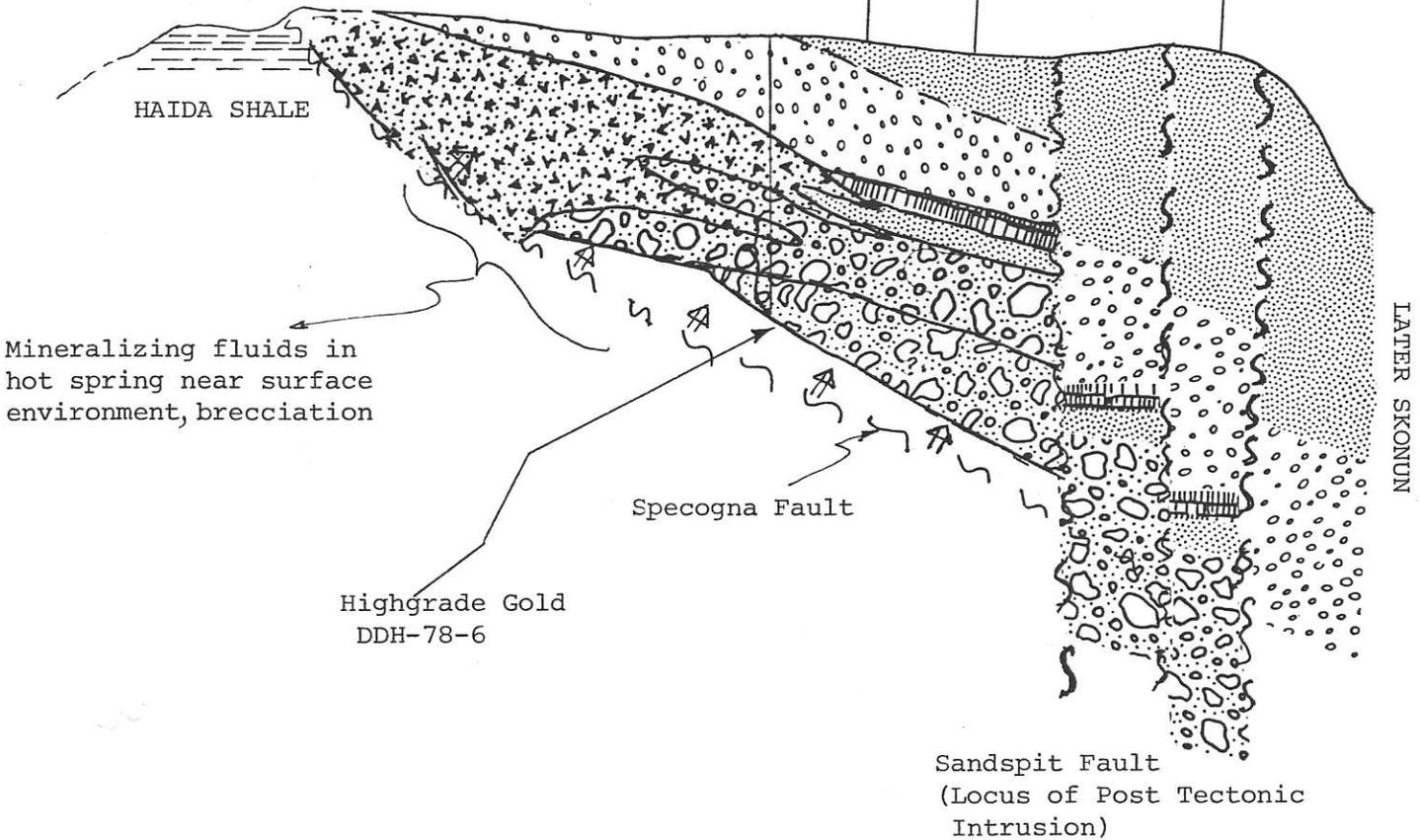
EAST

GOLD DEPOSIT

Gold Py

Outer limit of Silicification + Hg.

Alteration + Metal Zoning



5) Introduction of Gold, As, Sb, Hg, Silica, phyllic alteration, pyrite.

Note: Masset volcanics are known to be intruded and metamorphosed by post tectonic plutons.

Key for lithologies corresponds to stratigraphic section.

FIGURE 7d.

(Drawn by J.S. Dec. 1978)

b) KUNGA Formation

One of the keys in the recent discoveries and prospecting strategies is the recognition that because the Specogna mineralizing event was at least as young as Eocene and possibly Pliocene, not only Skonun Formation but all older rocks containing favourable porous host sequences that are juxtaposed along major structures are potential targets.

One of the most favourable host sequences which is abundant along the Rennell-Louscoone Fault system is the Kunga Formation. The Kunga Formation is composed primarily of limestone and argillite resting conformably on Karmutsen volcanics. The Kunga is repeatedly exposed over the whole length of the Islands as shown on Figure 8. The formation is divisible into three members of contrasting lithologies: a massive grey limestone member directly overlying Karmutsen Formation; a middle thinly bedded black limestone member; and an uppermost thinly bedded black argillite member. A detail description of the 3 members is contained in Sutherland-Brown (1968) pages 50 to 61.

The prospects within the Kunga environment are: (1) Buckhorn, (2) Bateaux, (3) Overproof and (4) Two by Two, all on Moresby Island along a strong east-west fault zone running through Inskip Channel and connecting with Cumshewa Inlet. All the claim groups, except Bateaux, have been optioned to Chevron Minerals sight-unseen. Due to a drastic cut back in Chevron's 1978 budget, no work was performed but funds have been set aside for the 1979 season. McIntyre examined the Bateaux Prospect in August (refer to Figure 9) and obtained silt samples running a maximum of 50 ppb. This is considered anomalous for Au but very near the threshold of reproducibility. No rock samples were anomalous for Au but some were moderately high in As. On the basis of the scanty information available I cannot recommend that McIntyre option the Bateaux Prospect. However it is considered a favourable area for disseminated gold mineralization especially in view of reported anomalous carbonate bedrock samples in Au from preliminary work on the Buckhorn claims.

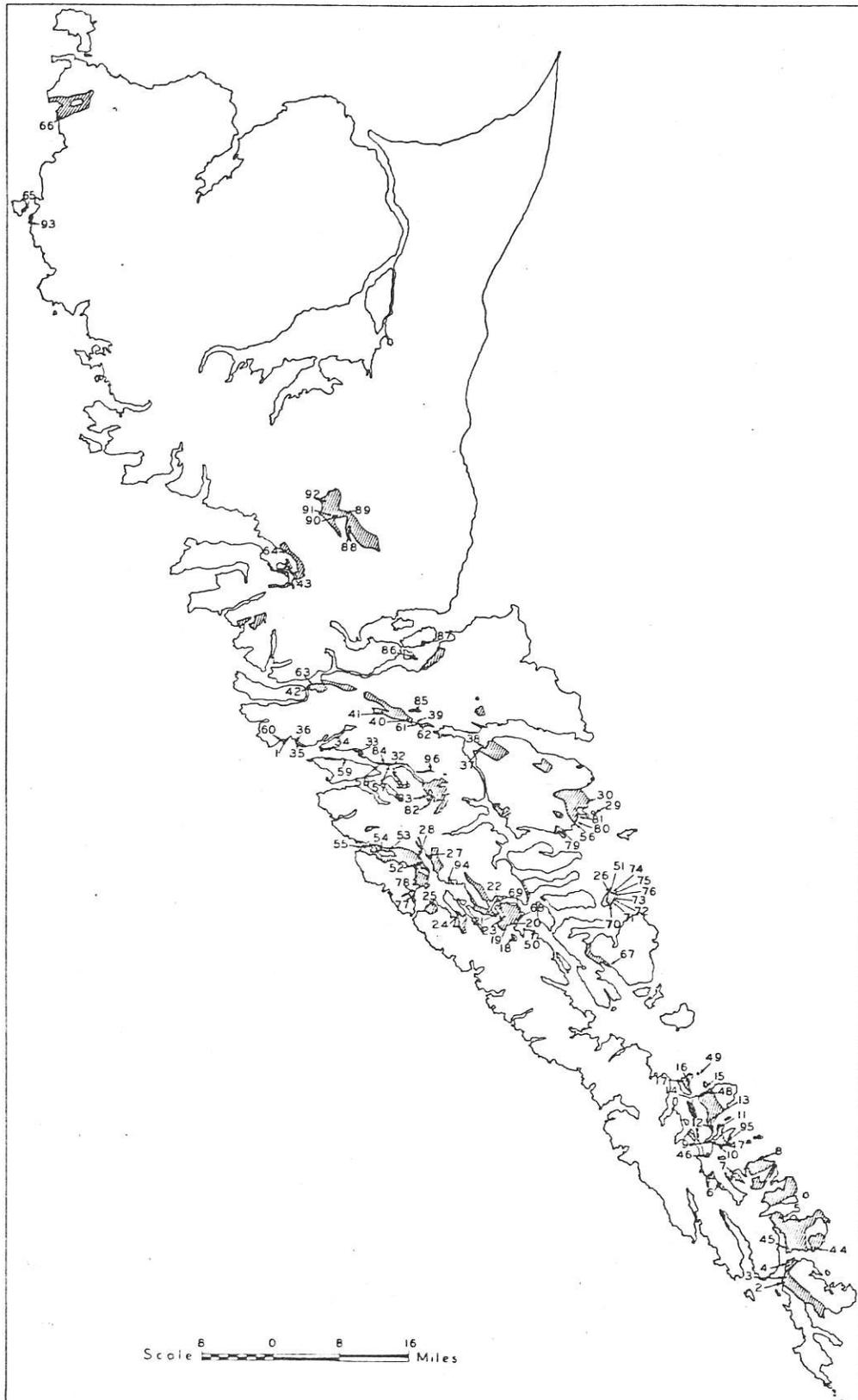


Figure 8 Kunga Formation: Distribution of fossil localities  
 From Sutherland-Brown (1968) J.S., August 30, 1978

In summary the porous argillaceous carbonates of the Kunga Formation present favourable host rocks for disseminated gold mineralization when juxtaposed along deep seated fracture zones.

During Phase I a very interesting Au, As, Sb-Mo soil and rock anomaly was found on Moresby Island underlain by blocky weathering altered limestone in contact with pyritic basalt. The area is shown on Sutherland-Brown's (1968) map as Karmutsen Volcanics. A severely contorted thin bedded limy argillite was noted near the valley floor adjacent to the anomalous soil samples suggesting the presence of a major fault. A Masset age gabbro-diorite stock occurs to the north along a possible continuation of this major fault. The area requires detail follow-up work.

#### c) MASSET Formation

The Masset Formation is a very thick accumulation of volcanic flows and pyroclastic rocks of complex, diverse lithology in various parts of the Islands but primarily composed of alkali basalt and sodic rhyolite, as shown on Figure 10. Much of the prospecting rationale to be discussed in the Boundary District section applies to the Masset acid volcanics. The tertiary acid volcanism-precious metal association exemplified by many deposits in the Western United States contained in special structural settings such as cauldron collapse, graben or hot spring features is the guiding model.

The Masset Formation has been separated into three different facies:

- 1) oldest - Tartu Facies - plateau columnar basalts  
18,000 feet thick.
- 2) middle - Kootenay Facies - welded rhyolite tuff breccias  
4,000 feet thick.
- 3) top - Dana Facies - pyroclastic breccias of mixed basalt  
and rhyolite clasts, 5,000 feet thick.

The Masset is intruded and locally metamorphosed by post-tectonic plutons. Coarse basalt breccia near the bottom of a thick rhyolitic pile near Skelu Bay may indicate filled vent openings. A body of coarse accidental blocks occurs south of Bottle Point and should be investigated.

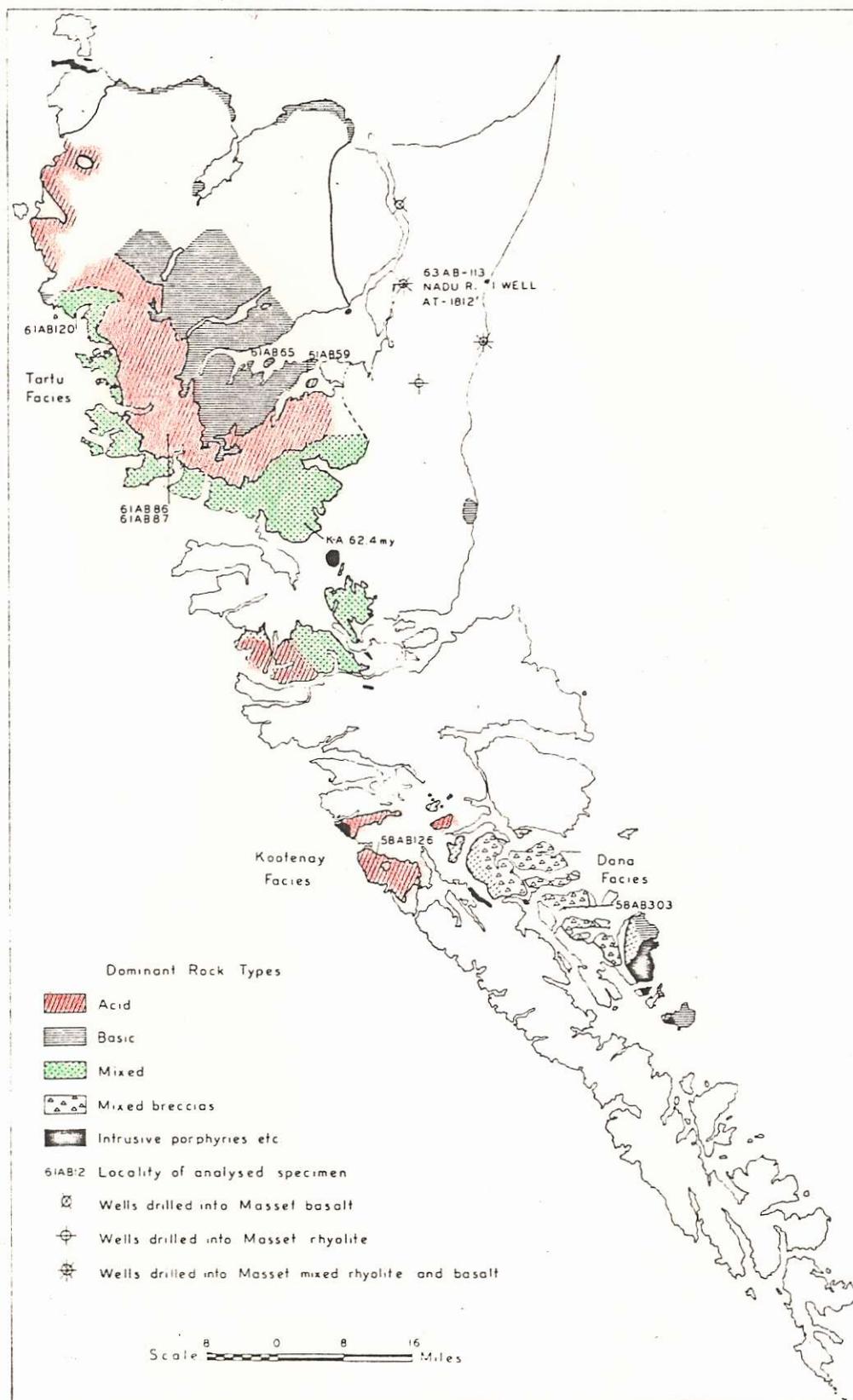


Figure 10 Masset Formation: Distribution, facies and special localities. From Sutherland-Brown, (1968) J.S. Aug.30,1978

The only known gold mineralization in the Masset Formation are some old showings on Harrison Island just north of Juskatla. These were recently restaked and are in Kootenay Facies rocks. Sutherland-Brown (1968) does not mention this occurrence. Information gained in the Boundary District Tertiary acid volcanics will probably be of assistance in unravelling the complexities of the Masset sequence and localization of favourable prospecting targets.

d) YAKOUN Formation

The distribution of the Yakoun Formation is shown on Figure 11. It is primarily a volcanic unit dominated by porphyritic andesite pyroclastic rocks. Interdigating with the pyroclastics and facies equivalents are volcanic sandstone, conglomerate, shale and minor coal.

Three of the old gold showings and several of the recent prospects are hosted by Yakoun Formation. One unifying characteristic is that all the showings are in Yakoun Formation near major fault zones. In summary the showings and main features are:

- 1) Southeaster - near Sandspit fault in slightly hornfelsed andesitic agglomerate, quartz vein, 1,000' X 2" to 20" wide.
- 2) Cumshewa - hornfelsic argillite and greywacke and minor agglomerate veins follow steep fault zones with quartz stringer and breccia zones.
- 3) Courte Antimony - Rennell Sound, Rumplestiltskin, (etc) altered porphyritic andesites, stibnite and low gold.

The Rumplestiltskin claims were examined by McIntyre in August 1978. A few silts were anomalous and one rock sample of "unaltered" siltstone ran 0.06 oz Au/ton. There appears little potential on the Rumplestiltskin but the structure that contains the Courte Antimony showing is exceptionally strong and sampling by Quintana indicates good disseminated gold prospects. Unfortunately the ground has a complicated ownership. Maps dealing with Courte showing will be re-drafted for clearer presentation.

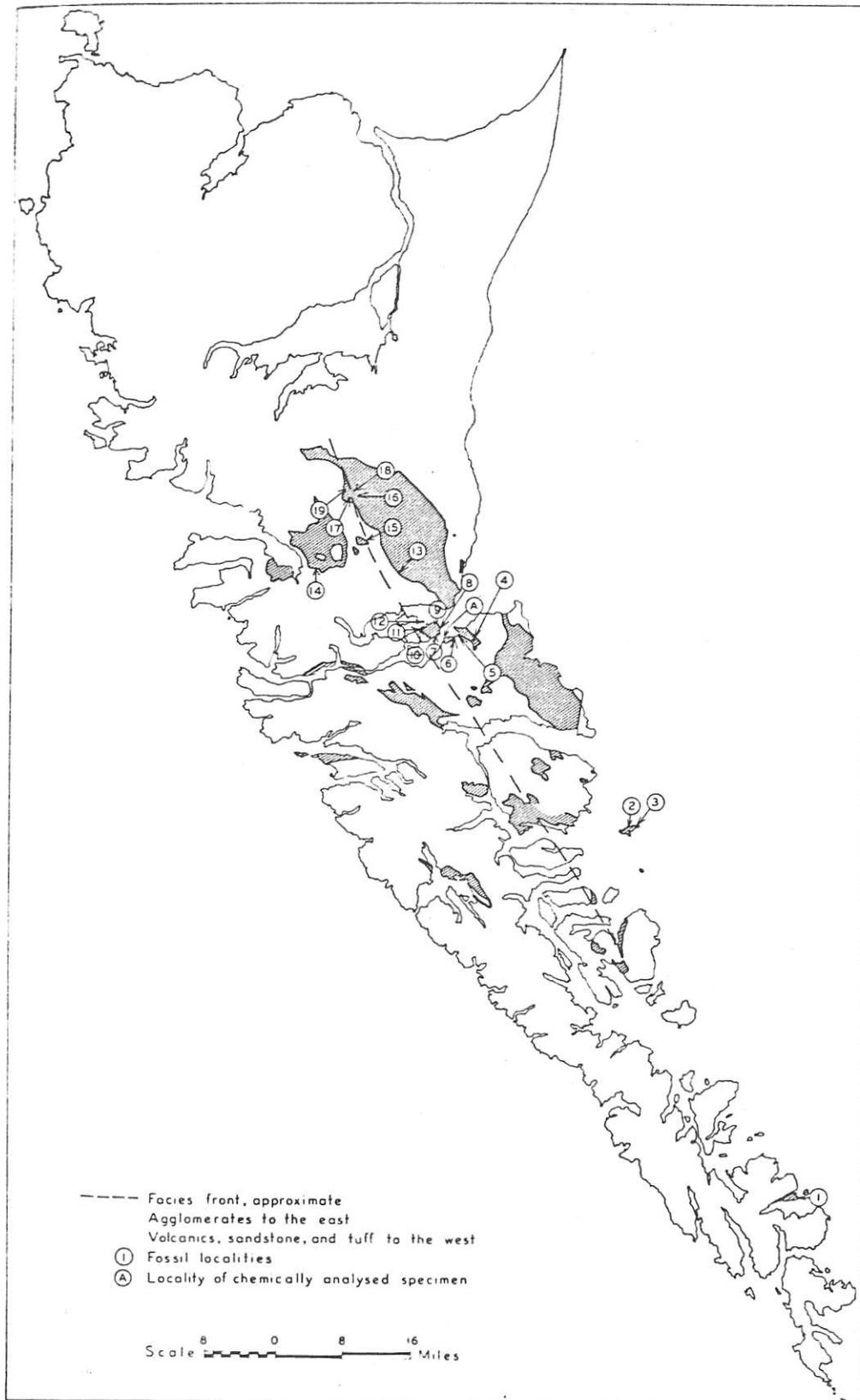


Figure 11 Yakoun Formation: Distribution and fossil localities.  
 From Sutherland-Brown (1968) J.S. August 30, 1978

CONCLUSIONS AND RECOMMENDATIONS

The four lithological-structural environments identified in the exploration proposal have been evaluated by an initial preliminary program from Sept. 5 to 21, 1978. A significant Au-As, Sb soil and rock anomaly has been located in thick bedded, altered Kunga limestone within an area mapped as Karmutsen volcanics. This anomalous area requires systematic follow-up soil sampling in conjunction with detail geological mapping. The area should be protected by staking while sampling is in progress. These claims can be filed if results are sufficiently encouraging.

The very complex volcanic stratigraphy of the Masset Formation has been investigated by examination of all members and facies. Preliminary rock geochemistry indicates several target environments. Some of the rhyolite, basalt and related intrusive bodies (gabbro to feldspar porphyry) have anomalous gold content. This fact coupled with favourable physiochemical conditions of Au transport to sites of deposition analogous to the Specogna setting are the major ingredient needed in concentrating Au to economic levels. The Masset Formation volcano-clastics associated with the flows and highlevel intrusives could provide favourable host rocks for pervasive type Au mineralization along with the many linears apparent on Northwestern Graham Island. Very little attention has been given by an previous exploration programs, Quintana included, toward the large area underlain by Masset Formation between Yakoun Lake to Beresford Creek (an area of 750 square miles). All reported Masset-type intrusives and adjacent areas should be carefully prospected and sampled.

Priority areas that were not prospected in Phase I, as listed in the summary report, should be checked in light of the new data. These areas together with follow up work on delineated anomalies form the basis of the proposed 1979 program with an estimated all inclusive budget of \$64,000.

Respectfully submitted,

J.T. Shearer

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G.S.C. Paper 65-1 pg 59
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- Sutherland-Brown, A., 1966      Tectonic History of the Insular Belt of B.C.  
C.I.M. Spec. Vole 8 pp 83-100
- Sutherland-Brown, A. 1968      Geology of the Queen Charlotte Islands,  
Bull 54, B.C. Dept. of Mines 226 pp

Also refer to data file of 15 references on Specogna deposit -  
Listed in Inter office Correspondence J. Shearer, Dec. 29, 1977.

APPENDIX I  
ESTIMATED COSTS

## APPENDIX I

ESTIMATED COSTSQUEEN CHARLOTTE ISLANDS

1978	1) Preliminary reconnaissance September 5 to Sepber 27,1978 (High cost)		
	Fixed wing - 4 persons \$175 return	\$	700.00
	Food and Lodging for 21 days @ \$32/day, 4 men		2,500.00
	Transportation \$19/day, .20/mile 900 mi		408.00
	Helicopter - 45 hrs @ \$330/hr		14,850.00
	Assays - 300 samples @ \$15.30/sample		4,650.00
	Total		\$23,108.00
1979	2) Follow up and extended grass roots program 12 weeks (Low cost) 4 amn camp - June 15 - Sept. 15,1979 (flexible)		
	Barge supplies from Rupert		320.00
	Food and tent camp for 4 men - 12 weeks @ \$16/day		5,376.00+
	Canova boat operating expenses		1,200.00
	25 h.p. motor		950.00
	Helicopter time 21 hrs @ \$360/hr		7,560.00
	Assays 1200 silts @ 8.35 = 10,020.00		
	300 rocks @15.30 = <u>4,590.00</u>		14,610.00
	Transportation company vehicle 1500 mi @ .15/mi		500.00
	Contingencies - 20%		<u>6,100.00</u>
	Total		\$36,619.00
	Slightly lower cost if program did not start until July 1, 1979		
	Exclusive of salaries and fring benefits revised estimated budget attached.		
	All inclusive total		<u>\$64,000.00</u>

APPENDIX II  
USEFUL NAMES AND ADDRESSES

APPENDIX II  
USEFUL NAMES AND ADDRESSES

Budget Rent-a-Car Cook St., Masset, B.C.	626-5571
Beach Road, Sandspit, B.C.	637-5688 (800) 261-6050
Sea Raven, Box 43, Queen Charlotte City	559-4423
Canadian Cellulose Co. Ltd. Watson Island, Port Edward, B.C.	629-3671
Crown Zellerbach Canada Ltd. General Office, Sandspit Division	637-5323
Golden Spruce Motel, (Stewart & Mary Newcombe) Port Clements, B.C. (meals supplied by appointment)	557-4325
Haida Hotel, Queen Charlotte City, B.C. Hackett Car Rentals (Pick-up) P.O. Box 372, Masset, B.C.	626-3688
L.T.H. Motors Ltd, (boat & motor rental) Masset, B.C.	626-3776 637-5630
MacMillan Bloedel Industries Ltd. Skidegate, B.C. Operations	559-4224
Juskatla operations, Port Clements, (Mgr J. Peterson)	557-4212
Hecate Division, Sandspit, B.C. Engineer Glenn Venus	637-5391 557-4304
Dinon Bay Operations Box 10, Juskatla, B.C.	557-4455
Misty Islands Transportation Co. Queen Charlotte City (Mgrs. residence)	559-4485
Pacific Western Airlines Ltd. Air Cargo Reservations and Flight Information	637-5326 637-5416
Queen Charlotte Helicopter Ltd. (Ron Gunnell)	637-5344
Rayonier Canada (B.C. Ltd.) Sewell Inlet (Sandspit phone)	637-2201

Rivtow Straits Ltd., Trumpeter Dr., Masset B.C.	626-3673
Superior Printers, 227-3rd St. Masset, B.C.	624-5227
Sea Raven Motel Ltd. Queen Charlotte City, B.C.	559-4423
Trans Provincial Airlines Prince Rupert, B.C. (Seal Cove)	627-1341
Vancouver Island Helicopters (Charles Mooney)	637-5665
Kathleen Whitmore, Public Accountant Box 251, Queen Charlotte City, B.C. V0T 1S0	

DATA INVENTORY  
 B.C. GOLD PROGRAM  
McIntyre Mines Limited Files

(A) REPORTS

<u>Title</u>	<u>Date</u>	<u>Pages</u>	<u>By</u>
1) Progress Report on Data Compilation and Exploration Proposals	Feb.22/78	14	J.T. Shearer
2) Notes on Gold Possibilities in 3 areas	Apr.24/78	17	D. Cochrane
3) Exploration Proposal on Proserpine Prospect	June 30/78	9 & Maps	J.T. Shearer
4) Compilation and Progress Report Proserpine Prospect	Aug. 30/78	18 & Maps	J.T. Shearer
5) Exploration Proposal for Gold in Queen Charlotte Islands and Boundary District	Aug. 30/78	30	J.T. Shearer
6) Geochemical Report on Howard Mine (Assessment Report)	Nov. 25/78	18 & Maps	J.T. Shearer
7) Geochemical Report on Proserpine Prospect (Assessment Report)	Dec. 29/78	31 & Maps	J.T. Shearer
8) Summary Report on Queen Charlotte Islands and Boundary Area Reconnaissance	Dec. 20/78	39	J.T. Shearer
9) Summary Report on 1978 B.C. Gold Program being prepared (other than Howard, Proserpine, Queen Charlottes & Boundary)			J.T. Shearer

(B) INTER-OFFICE CORRESPONDENCE

<u>Subject</u>	<u>Date</u>	<u>Pages</u>	<u>By</u>
10) Lawyers data review	Dec.19/77	9	J.T. Shearer
11) Specogna Deposit	Dec.29/77	5	J.T. Shearer
12) Copper Queen Joint Venture	March 3/78	4	J.T. Shearer
13) Ladner Creek Deposit (Carolin)	March 31/78	2	J.T. Shearer
14) Kleena Kleen Prospect	March 28/78	2	J.T. Shearer
15) Cost estimate for B.C. Gold Program	April 4/78	4	J.T. Shearer
16) Kleena Kleen Prospect	April 5/78	1	J.T. Shearer
17) Proserpine Prospect	April 10/78	4	J.T. Shearer
18) Indian River Area	April 14/78	4& Maps	J.T. Shearer
19) Big Missouri Property	Dec. 13/78	2	J.T. Shearer

(C) DATA FILES

- 20) LANDSAT images of southeastern and northwestern British Columbia.
- 21) MINFILE printout and index of all gold occurrences in B.C.
- 22) Master Index of major B.C. gold occurrences (compiled from various sources).
- 23) Specogna File - 11 reports, numerous maps, drill logs, etc.
- 24) Lawyers File - 2 reports, drill logs.
- 25) PeLaire file - 3 reports, underground plans.
- 26) Carolin file - underground plans, assays, reports.
- 27) Amai file - 2 reports, assays, 1979 Assessment report.
- 28) Indian River - 2 reports, assays, location and sample data.
- 29) Northair - McIntyre reports, soils, etc.
- 30) Lillooet River - notes, maps, assay values, correspondence
- \* 31) Proserpine Prospect - 8 reports, underground plans, detail geology maps, etc.,  
correspondence.
- 32) Black Dome Mountain - 3 reports, maps, sampling data, correspondence.
- 33) Howard Mine - Miscellaneous references, sampling data, etc., correspondence.
- 34) Lovitt Mine (Wenatchee) - Reports, orientation sampling, correspondence.
- 35) Dusty Mac - Published information, orientation sampling.
- 36) Republic District - Published data, correspondence.
- 37) Greenwood Camp - McIntyre File, numerous gold properties, correspondence.
- 38) Hixon Area - 3 reports, soil data, assay values, correspondence.
- 39) Big Missouri - 2 reports, notes, etc.,
- 40) Terrace Area - 8 reports, many detail maps, assay plans, correspondence.
- 41) King Group, Q.C.I. - 2 reports, maps, assay & soil plans, correspondence.
- 42) Fair Harbour - Easy Inlet - Compilation, sample data.
- 43) Monashee Area - 3 reports, sampling data, correspondence.

## (D) RECONNAISSANCE PROGRAM DATA

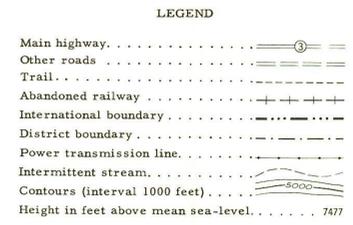
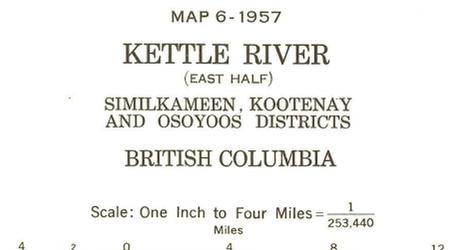
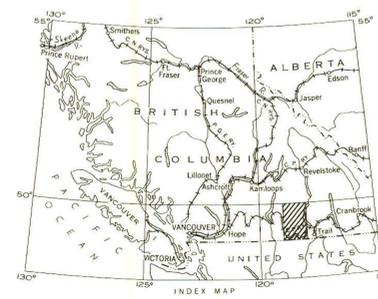
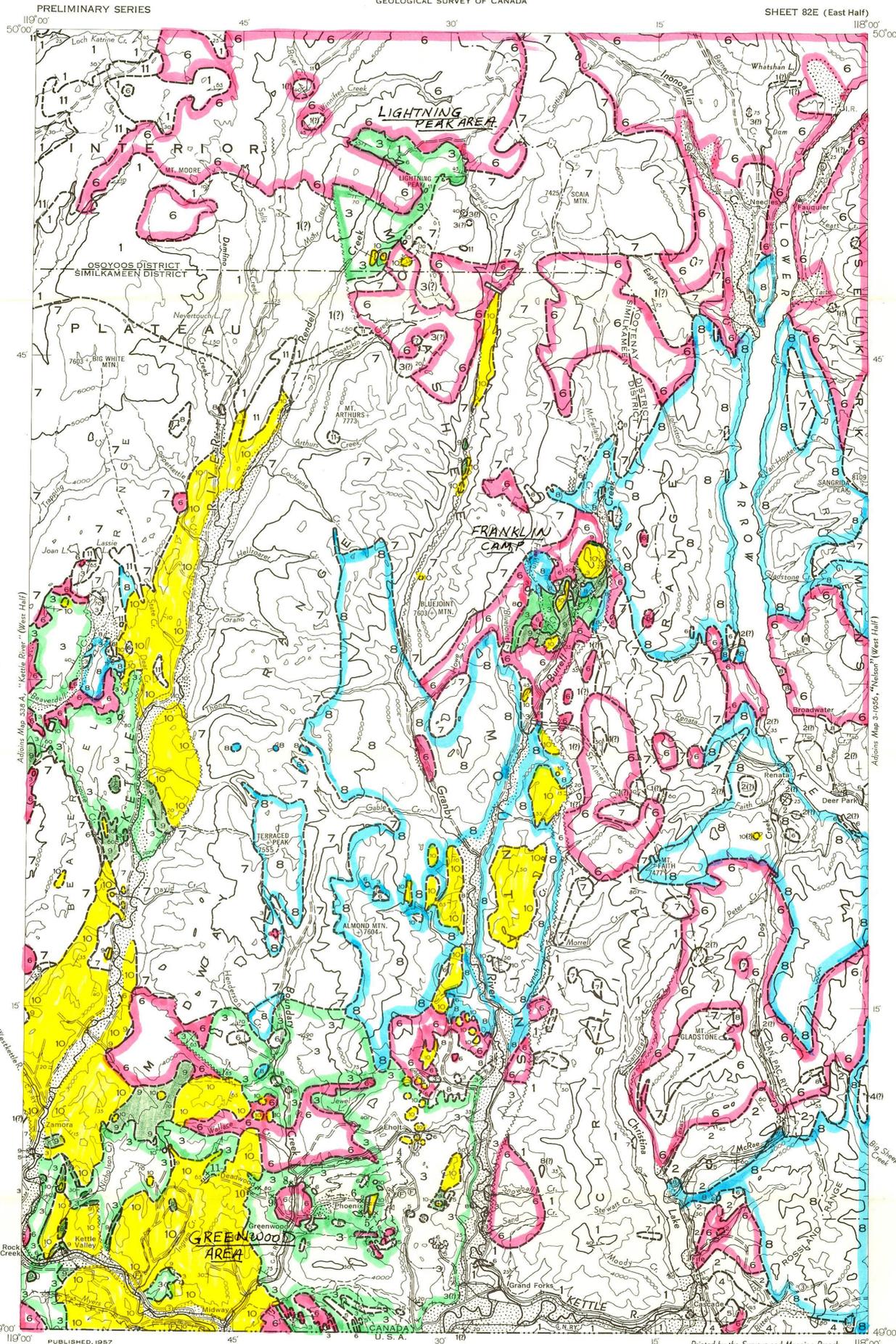
- 44) Queen Charlotte Islands.
  - a) assay values
  - b) sample data sheets & notes, (soil silt and rock)
  - c) location sketches
  - d) 4 sets of 1:50,000 topographic maps.
  
- 45) Okanagan - Greenwood Area (Boundary Area)
  - a) assay values
  - b) sample data sheets and notes
  - c) data compilation.
  - d) topographic maps

## (E) ROCK SAMPLES

- 46) Duplicate specimens were retained for all samples taken on property examinations (refer to Table I) and reconnaissance traverses. These are available for petrographic examination or to incorporate into lithotheque plates.

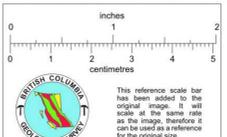
## (F) PUBLICATIONS

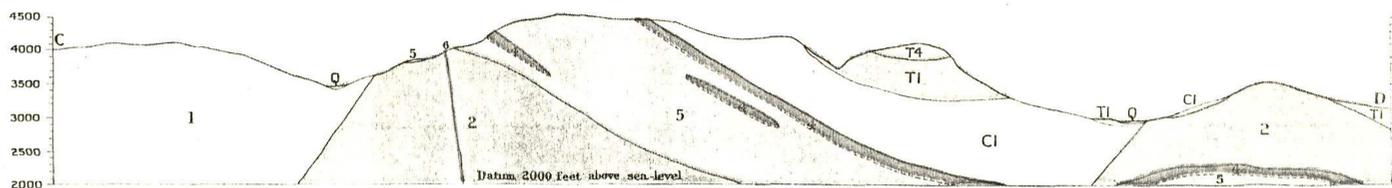
- 47) Literature on disseminated gold mineralization and miscellaneous gold deposits - 71 short articles and reports.



MAP 6-1957  
**KETTLE RIVER**  
BRITISH COLUMBIA  
SHEET 82E (East Half)

**FIGURE 18**





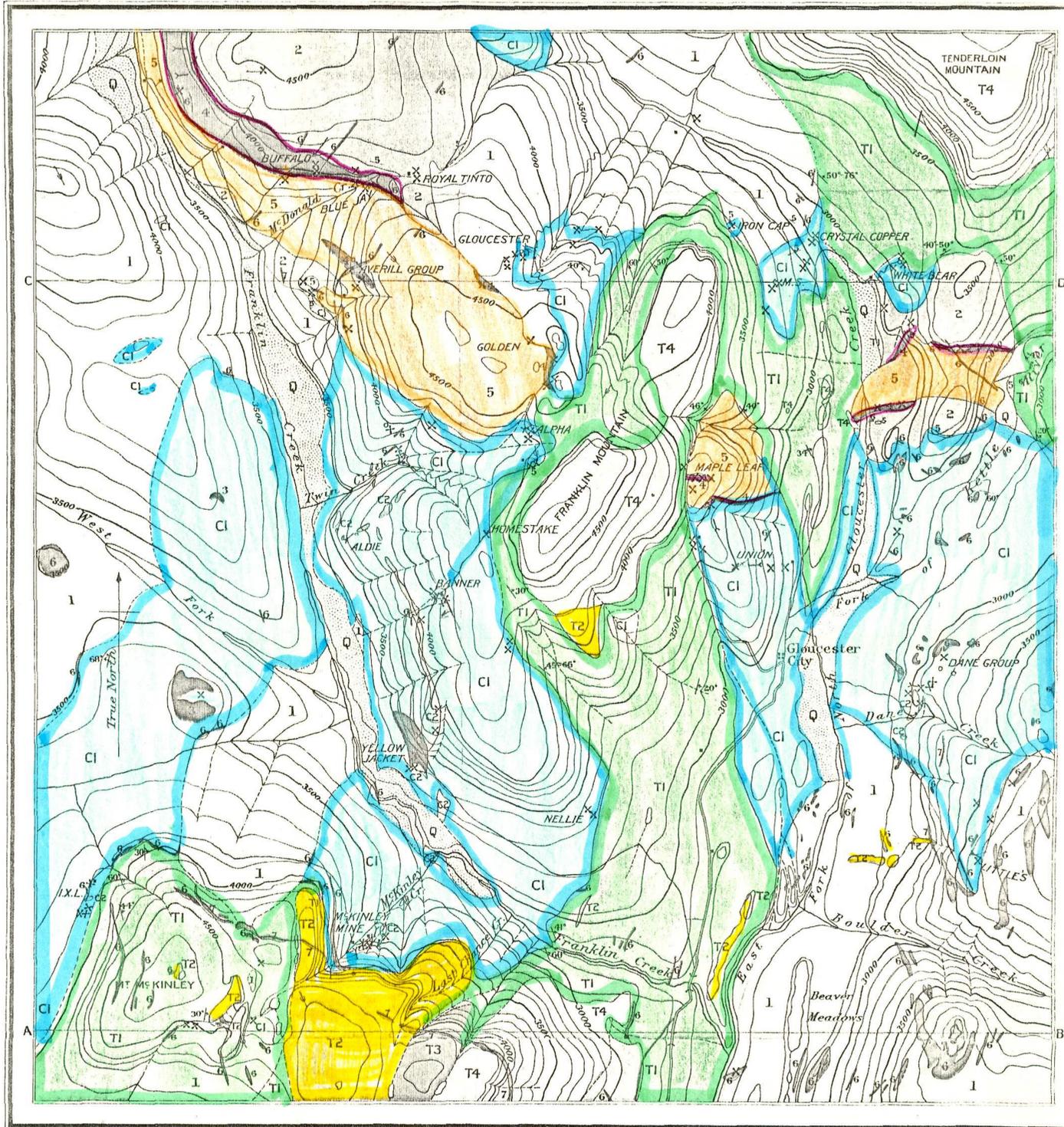
Structural section along line CD  
Scale, horizontal and vertical 2000 feet to 1 inch

**LEGEND**

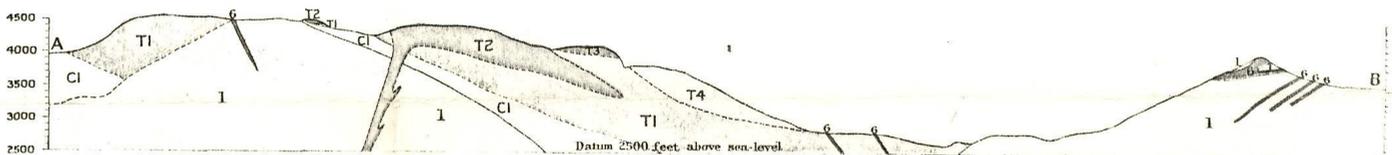
- |            |                |  |
|------------|----------------|--|
|            |                | Fluvio-glacial deposits  |
|            |                | Minette dykes  |
|            |                | Pulaskite porphyry and syenite porphyry dykes                                |
|            |                | Trachytic flows, alkalic basalt, basaltic tuff                               |
| TERTIARY   |                | Earlier trachyte   |
|            |                | Augite syenite<br><i>(intrusive equivalent of trachytic flows, T4)</i>       |
|            |                | Shonkinite pyroxenite<br><i>(intrusive equivalent of alkalic basalt, T4)</i> |
|            |                | Porphyritic syenite<br><i>(intrusive equivalent of earlier trachyte, T3)</i> |
| TERTIARY   |                | Mouzonite<br><i>(volcanically related to augite syenite)</i>                 |
|            |                | Rhyolite and rhyolite porphyry   |
|            |                | Kettle River formation<br><i>(conglomerate, arkosic grit, acidic tuff)</i>   |
| JURASSIC   |                | Grandiorite, gneiss  |
|            |                | Gloucester formation<br><i>(crystalline limestone)</i>                       |
| CRETACEOUS |                | Franklin group<br><i>(greenstone, cherty quartzite, altered tuff)</i>        |
|            | <b>Symbols</b> |  |
|            |                | Fissure vein   |
|            |                | Geological boundary<br><i>(position exactly determined)</i>                  |
|            |                | Geological boundary<br><i>(position determined within 20 feet)</i>           |
|            |                | Geological boundary<br><i>(position assumed)</i>                             |
|            |                | Fault  |
|            |                | Dip and strike   |
|            |                | Glacial striae   |

**GEOLOGY**

**TOPOGRAPHY**



C. O. Senécal, Geographer and Chief Draughtsman.  
A. M. Gregor, Draughtsman.



Structural section along line AB  
Scale, horizontal and vertical 2000 feet to 1 inch

MAP 97 A  
*(Issued 1914)*

**FRANKLIN MINING CAMP**  
WEST KOOTENAY  
BRITISH COLUMBIA

GEOLOGY  
C. W. DRYSDALE, 1911.  
TOPOGRAPHY  
*(Control and topography subject to revision)*  
C. W. DRYSDALE, 1911.

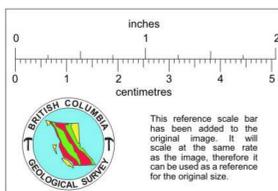
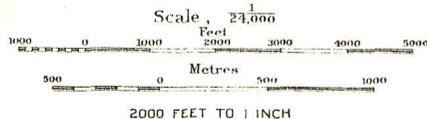
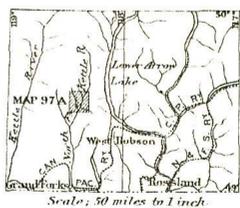


FIGURE 19

To accompany memoir by C. W. Drysdale