

RED ROCK MINES LTD.

Report by W.R. Bacon, P.Eng.

Dec. 17, 1968

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December 17th, 1968.

The President and Directors,
Red Rock Mines Ltd. (N.P.L.),
558 Howe St.,
Vancouver, 1, B.C.

Dear Sirs:

Pursuant to your request concerning your property in the Beaverdell area, I am pleased to submit the following information and recommendations. I have an intimate knowledge of the Beaverdell camp and examined your particular property on October 15th, 1968.

PROPERTY, LOCATION AND ACCESS

The Red Rock property consists of the Rocco Plata claims Nos. 1 to 10 and the Van claims Nos. 1 to 4.

The claims are on Wallace Mountain, 6 miles southeast of Beaverdell, B.C. They adjoin the property of Mastodon-Highland Bell Mines Ltd. on the southeast.

The property is at a general elevation of 4800 feet above sea level.

A good gravel truck road provides access from Beaverdell.

GENERAL

The Beaverdell camp has produced more than 30,000,000 ounces of silver during the past 67 years. Most of this has been derived

from ground now mined by Mastodon-Highland Bell Mines Ltd., which company has operated a concentrator continuously since the early 1950's, and is currently treating ore at a rate of 125 tons per day.

The productive veins of the area carry 1% to 4% lead and similar quantities of zinc in the form of sulphides.

GEOLOGY

The rocks of the Beaverdell camp consist of the Wallace formation of tuffs and lavas which are intruded by a quartz diorite batholith. The contact between these rocks is high on the west flank of Wallace Mountain, mainly to the west of the Red Rock claims. It dips gently eastward and has a sinuous southerly trend more or less parallel to the long direction of the claim group.

PREVIOUS WORK

A series of six adits and several shafts have been driven to explore old showings, chiefly on the Rocco Plata 2 claim.

A few years ago, a minor amount of diamond drilling and tractor trenching was carried out in the area of the old workings. The results of this work are unknown to the writer.

CONCLUSIONS AND RECOMMENDATIONS

Geologically, the Red Rock property is favourably located with respect to the Wallace-quartz diorite contact. What the property requires initially is geological mapping and a geochemical soil survey, and this is to be followed by tractor trenching. This will cost as follows:

| | |
|--|-----------------|
| Geological mapping and supervision of geochemical work | \$1,500.00 |
| Cutting 30 line miles @ \$100/line mile | 3,000.00 |
| Analysis - 1500 samples @ \$1.20/sample | 1,800.00 |
| Labour, expediting and general | 900.00 |
| Tractor trenching, 50 hrs. @ \$20/hr. | <u>1,000.00</u> |
| | \$8,200.00 |

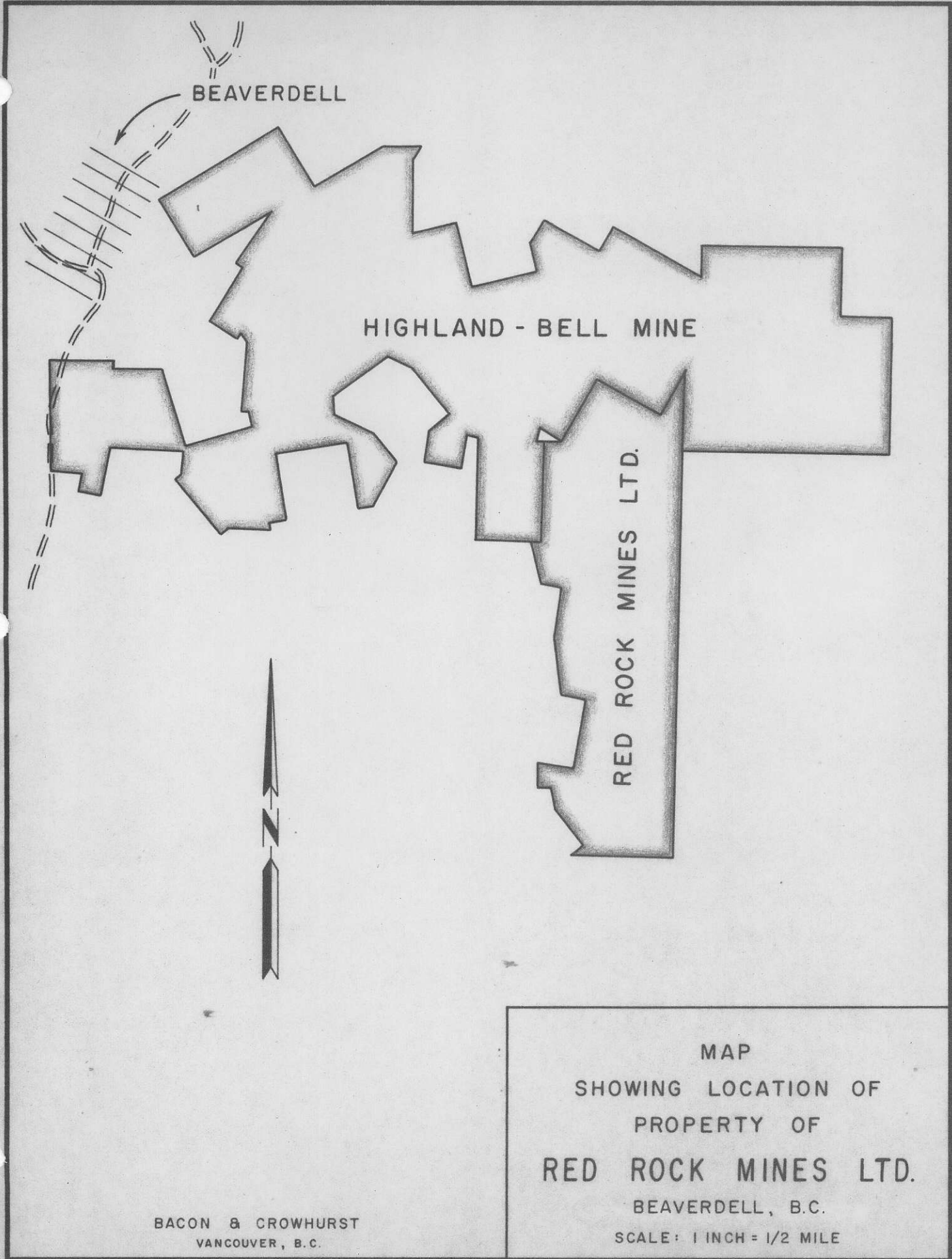
The sum of \$35,000 should be available for diamond drilling geochemically anomalous areas and any vein indications disclosed by the trenching. This would be expended as follows:

| | |
|---|--------------------|
| Surface diamond drilling, 3000 ft. @ \$8/ft. | \$24,000.00 |
| Hauling water and general expense | 1,000.00 |
| Vehicle expense | 500.00 |
| Core boxes - delivered - 120 @ \$5 each | 600.00 |
| Sampling and assaying - 100 samples @ \$5 each | 500.00 |
| Board and room loss - equiv. of 1 man x 60 days x \$8/day | 480.00 |
| Supervision | 1,000.00 |
| Consulting fees - 10 days @ \$150/day | <u>1,500.00</u> |
| | 29,580.00 |
| Plus contingencies @ 10% | <u>3,000.00</u> |
| | \$32,580.00 |
| <u>Total</u> | <u>\$40,780.00</u> |

Respectfully submitted,

BACON and CROWHURST


W.R. Bacon, P.Eng., PhD.



BEAVERDELL

HIGHLAND - BELL MINE

RED ROCK MINES LTD.



MAP
SHOWING LOCATION OF
PROPERTY OF
RED ROCK MINES LTD.

BEAVERDELL, B.C.

SCALE: 1 INCH = 1/2 MILE

BACON & CROWHURST
VANCOUVER, B.C.

CERTIFICATE

I, William R. Bacon, with business address at
102 - 1111 West Georgia Street, Vancouver, 5, British Columbia,
DO HEREBY CERTIFY:

1. I am a consulting geological engineer.
2. I am a graduate of the University of British Columbia with
B.A.Sc. (1939) and M.A.Sc. (1942) degrees in Geological Engineering.
3. I am a graduate of the University of Toronto with a PhD (1952)
degree in Economic Geology.
4. I have practised my profession for thirty years in Canada, South
America and Australia. During the past twenty years, the majority
of my time has been spent in British Columbia; it includes seven
years (1949-56) as geologist with the B.C. Department of Mines.
5. I have no interest, direct or indirect, in the property or
securities of Red Rock Mines Ltd., nor do I expect to acquire any
such interest.

Respectfully submitted,

William R. Bacon, P. Eng.

W.R. Bacon, P.Eng.

Vancouver, Canada.

