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REPORT
on
SWIM LAKE MINES LTD.

by:
J.J. Crowhurst, P.Eng.

672609
June 19/69

August 1st, 1969.

Mr. J.P. Heron,
President,
Swim Lake Mines Ltd.,
685 - #2 Bentall Centre,
Vancouver, 1, B.C.

Dear Mr. Heron:

This letter will serve as authorization for
your company to use my report dated June 19th, 1969 for the
purposes of arranging the necessary financing.

Yours very truly,

BACON & CROWHURST LTD.

J.J. Crowhurst, P.Eng.

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June 19th, 1969.

Mr. J.P. Heron,
President,
Swim Lake Mines Ltd.,
R.R. #2,
Kamloops, B.C.

Dear Mr. Heron:

Pursuant to your instructions, I visited the Imperial and Emeline mineral claim group, 3.7 miles north of Rock Creek, B.C., on Wednesday, June 4th, and examined briefly the Imperial underground workings.

The following is submitted for your consideration:

PROPERTY & WORKINGS

The property consists of two crown-granted mineral claims and 24 mineral claims held by location (Teddy #1-10 incl. and Knox 1-14 incl.).

Quoting from the 1949 Report of the Minister of Mines, Province of British Columbia:

"The main workings consist of an adit driven southeasterly at an elevation about 25 feet above the road to Rock Creek with a 17-foot crosscut to the southwest 65 feet from the portal. At 120 feet from the portal a crosscut has been driven to the northeast for 50 feet, and from the end of this crosscut about 375 feet of irregular drifting and crosscutting have been driven in a southeasterly direction. In this latter section several winzes have been sunk in the north side of a fault. The bulk of the ore shipments in the past appear to have come

from a stoped-out section which is entered by a raise in the main adit 95 feet from the portal.

On the surface several open-cuts have been made in the vicinity of the main adit. One open-cut, about 20 feet above the portal, exposed a mineralized zone, and it was from this exposure that a shipment was made in 1949."

The mineralized zone appears to strike northwest and southeast. Parallel lenses about 6 inches to ten feet wide, consisting of quartz and calcite containing galena, sphalerite and pyrite, have apparently been stoped. A green mineral, tentatively identified in 1925 by the Geological Survey staff in Vancouver as the chrome-chlorite mineral clinocllore, was observed as a plentiful gangue constituent. The surrounding rocks resemble impure altered dolomite limestone, in places almost serpentine.

A winze sunk on the Eseline claim a few hundred feet to the northwest of the Imperial workings appears to be situated on the possible extension of the mineralized zone. This winze was full of water at the time of my visit and hence could not be examined.

Overburden masks any surface extension of the mineralization to the southeast. It is possible faulting has produced displacement but careful exploration should have a good chance of extending the zone in this direction.

PREVIOUS PRODUCTION

A study of the Annual Report of the Minister of Mines for the Province of British Columbia shows the following shipments from the Imperial workings were reported during the years shown:

<u>Year</u>	<u>Tons</u>	<u>Metal Content</u>			
		<u>Ounces Silver</u>	<u>Ounces Gold</u>	<u>Lbs. Lead</u>	<u>Lbs. Zinc</u>
1926	250.0	2102 (8.4 ozs/ton)	11.0 (0.044 ozs/ton)	3885 (0.78%)	1339 (0.27%)
1934	31.0	736.4 (23.7 ozs/ton)	5.50 (0.177 oz/ton)	1802 (2.90%)	3045 (4.90%)
1936	33.0	192.0 (5.8 ozs/ton)	2.0 (0.061 ozs/ton)	885 (1.34%)	1415 (2.14%)
1949	59.0	682 (11.6 ozs/ton)	9.0 (0.153 ozs/ton)	1031 (0.87%)	2001 (1.70%)

SUMMARY AND CONCLUSIONS

The possibilities concerning the discovery of other mineralization along the same structure at depth or laterally, appear to be good. Parallel zones should also be sought.

The objective would be the delineation of similar zones with higher metal content.

RECOMMENDATIONS

It is recommended that the following exploration work be carried out:

	<u>Estimated Cost</u>	
<u>STAGE 1</u>		
(1) Survey control	\$400	
(2) Geological mapping	900	
(3) Geochemistry		
(a) Linecutting - equivalent of 4 lines/ claim x 1500 ^{ft} /line x 12 claims = 72,000 ^{ft} or 13.63 miles @ \$125/mile	1,700	
(b) Sampling - 400 samples @ \$1.25/sample	500	
(c) Assaying (silver & zinc) 400 samples @ \$1.50/sample	600	
(4) Tractor trenching	7,000	
(5) Vehicle cost	600	
(6) Interpretation of results & consulting	<u>700</u>	\$12,400
	Contingencies	<u>1,200</u>
	Total Stage 1	<u>\$13,600</u>
<u>STAGE 2</u>		
(1) Tractor trenching	4,000	
(2) Diamond drilling - equiv. of 2000 ^{ft} @ \$9/ft.	18,000	
(3) Move-in & move-out	300	
(4) Engineering and geology & interpretation	1,200	
(5) Sampling and assaying	400	
(6) Transportation	<u>600</u>	\$24,500
	Contingencies	<u>2,400</u>
	Total Stage 2	<u>\$26,900</u>
	TOTAL - STAGES 1 and 2	<u>\$40,500</u>

Respectfully submitted,

BACON & CROWHURST LTD.

J.J. Crowhurst
J.J. Crowhurst, P.Eng.

JUN 9/69

TO WEST

27412E T1 103	26291 N T1 36	26290 N T1 35	26266 N T1 11	26267 N T1 12	26280 N T1 25	26281 N T1 26	27385E T1 96	27384E T1 95
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27415E 27414E 26293 N
T1 106 TI 38

26295 N
TI 40

26297 N
TI 42

26299 N
TI 44

26301 N
TI 46

27416 N
T1 48

26278 N 26279 N
TI 23 TI 24

26276 N 26277 N
TI 21 TI 22

26274 N 26275 N
TI 19 TI 20

26272 N 26273 N
TI 17 TI 18

26270 N 26271 N
TI 15 TI 16

26256, 58-61, 62-65, 66-69, 70-73, 74-77, 78-81, 82-85, 86-89, 90-93, 94, 96, 98, 99

26300 NW

BOUNDARY
(1) IMPERIAL
DIVISION
(11) IMPERIAL
DIVISION

TEDDY
(10)
OR FLOW

KNOX
(14)
OWNED BY
SWIM LAKE

SWIM
LAKE
PROP.

27552 G
27555 A 2
27568 E ROCK 7 C
27566 E ROCK 5 C
27564 E C
27562 E C

24429H VENUS 4	24428H VENUS 3
24426H VENUS 1	24427H VENUS 2
26482E VENUS 5	

Kettle Valley

Rock Cr.
Rock Creek

CANADIAN PACIFIC RAILWAY

NATURAL GAS PIPE LINE

26744A C	26743A PUP 23C
26746A PUP 28C	26745A PUP 27C
26722A PUP 4C	26723A PUP 3C
26742A PUP 22C	26741A PUP 21C

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CERTIFICATE OF QUALIFICATIONS

I, John James Crowhurst, do hereby certify that:

- (1) I am a practising mining engineer with Bacon and Crowhurst, Ste. 102, 1111 West Georgia St., Vancouver, 5, B.C.
- (2) I am a graduate of the University of British Columbia and have been granted the degree of Bachelor of Applied Science. 73
41
- (3) I have been practising my profession as a mining engineer for ~~26~~ years.
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- (4) I am a member of the Association of Professional Engineers of British Columbia, Registration No. 2120.
- (5) On June 4th, 1969, I visited the property immediately north of Rock Creek, B.C., optioned by Swim Lake Mines Ltd.
- (6) I nor any member of my firm have directly or indirectly received or expect to receive any interest direct or indirect in the property of the company or any affiliate nor do I nor any member of my firm beneficially own directly or indirectly any securities of the company or any affiliate.

J.J. Crowhurst, P.Eng.

August 1st, 1969.