

JCS office

TARGET PROJECT #117

FIRST QUARTER REPORT

January 1 - March 31, 1980

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TARGET PROJECT #117

FIRST QUARTER REPORT

January 1 - March 31, 1980

J.C. Stephen Explorations Ltd.
1124 West 15th Street,
North Vancouver, B.C.

April 10, 1980

TARGET PROJECT #117

FIRST QUARTER REPORT 1980

Summary

Following discussions in Vancouver on January 31 with Mr. Bruce and Dr. Watson preparations were made to carry out 590 metres of percussion drilling on the SWAB group to test the west end of the main soil anomaly. This work was cancelled when the British Columbia government imposed a moratorium on uranium exploration at the end of February. Under the guide lines it is expected exploration for molybdenum can be continued. The money budgeted for percussion drilling has been assigned to continued exploration in this area.

A selection of stored silt and soil samples from the general Francois Lake area was submitted for determination of gold and arsenic content. Moderately anomalous values were obtained in three locations and investigations will be conducted early in the 1980 prospecting season.

A geologist, Bryan Fraser, was engaged to carry out research for the Target Project and to conduct the 1980 exploration program. The Target budget does not allow full time employment of a geologist and Mr. Fraser is expected to spend about 65% of his time on the project.

Research by Mr. Fraser led to selection of two anomalous areas which have been staked as new properties. The FLAME 1 - 20 in Map sheet 93M/16 covers a copper anomaly with reported low gold values

while the HALO 1 - 20 covers a molybdenum anomaly south of the BURN on Map sheet 93N/6.

Several exploration targets have been selected for investigation. As crews become available early in the season they will carry out preliminary sampling and mapping. Fraser and two assistants will do more detailed work during the summer. Emphasis will be on gold, molybdenum and copper.

SWAB CLAIM GROUP

A program consisting of eight percussion drill holes was proposed for SWAB 3 at the west end of the main soil geochemical anomaly. When a moratorium on uranium exploration was imposed on February 27 negotiations with contractors were terminated and the "Notice of Work on a Mineral Property" (10 - 11 Form), previously submitted to the District Inspector of Mines, was withdrawn.

Verbal indication of contract rates were in the order of \$5.40 per foot including overburden to 50 feet. \$85.00 per hour for overburden over 50 feet and standby rate of \$42.00 per hour including men and machine.

On March 15 a new "Notice of Work" (10 - 11 Form) was submitted to cover proposed mapping, soil sampling and magnetometer surveys on SWAB 1 to investigate molybdenum geochemistry in that area. The governments news release of March 24 indicates work of this nature may proceed although, to date, no response has been received to the March 15 submission.

A summary of results "Report on Deep Overburden Sampling" dated March 1980 was submitted as assessment work and a copy of this report forwarded to Domex.

RESEARCH

Silt samples in the region of BIN, NIT and SWAB claim groups were submitted for determination of arsenic and gold. Results are shown on the following figures for Areas 1 to 6. Results are described below.

Area 1 Borel-Anzus Lake

Sample 1199 returned 4 ppm As, 80 ppb Au while 1198 returned 20 ppm As, <10 ppb Au on the north side of Cabin Lake. These relatively anomalous results are on a claim group which has been held for a number of years. Values in silver, gold, lead and zinc are reported. These low values appear to be indicative of mineralization of interest.

Approximately three miles west of Cabin Lake silt sample 1201 gave 20 ppb Au. This area had been previously noted (prior to 1974) as possibly warranting prospecting and some prospecting is proposed for 1980.

Samples in the vicinity of Anzus and Borel Lakes gave low to moderately high arsenic values. No appreciable gold is indicated in these silts. The area is that suggested by Brian Atkinson last winter after having spent a season on a gold project. Prospecting is proposed for 1980.

Area 2 Nithi River and New Road

Samples 142 to 149 were anomalous (up to 300 ppm) for copper. Check determinations for Au gave negative results.

Area 3 NIT area and NIT-SWAB

Gary Cohoon found a sulphide bearing float near the north east boundary of NIT group which returned 500 ppb Au. Limited prospecting and soil sampling failed to locate further indication of mineralization and no further work had been proposed.

Check determinations range from 3 to 25 ppm As with three values of 10 ppb Au. This apparent concentration of slightly anomalous results cluster around the location of Cahoons float. Additional sampling and prospecting are recommended for 1980.

Area 4 SWAB South and North east

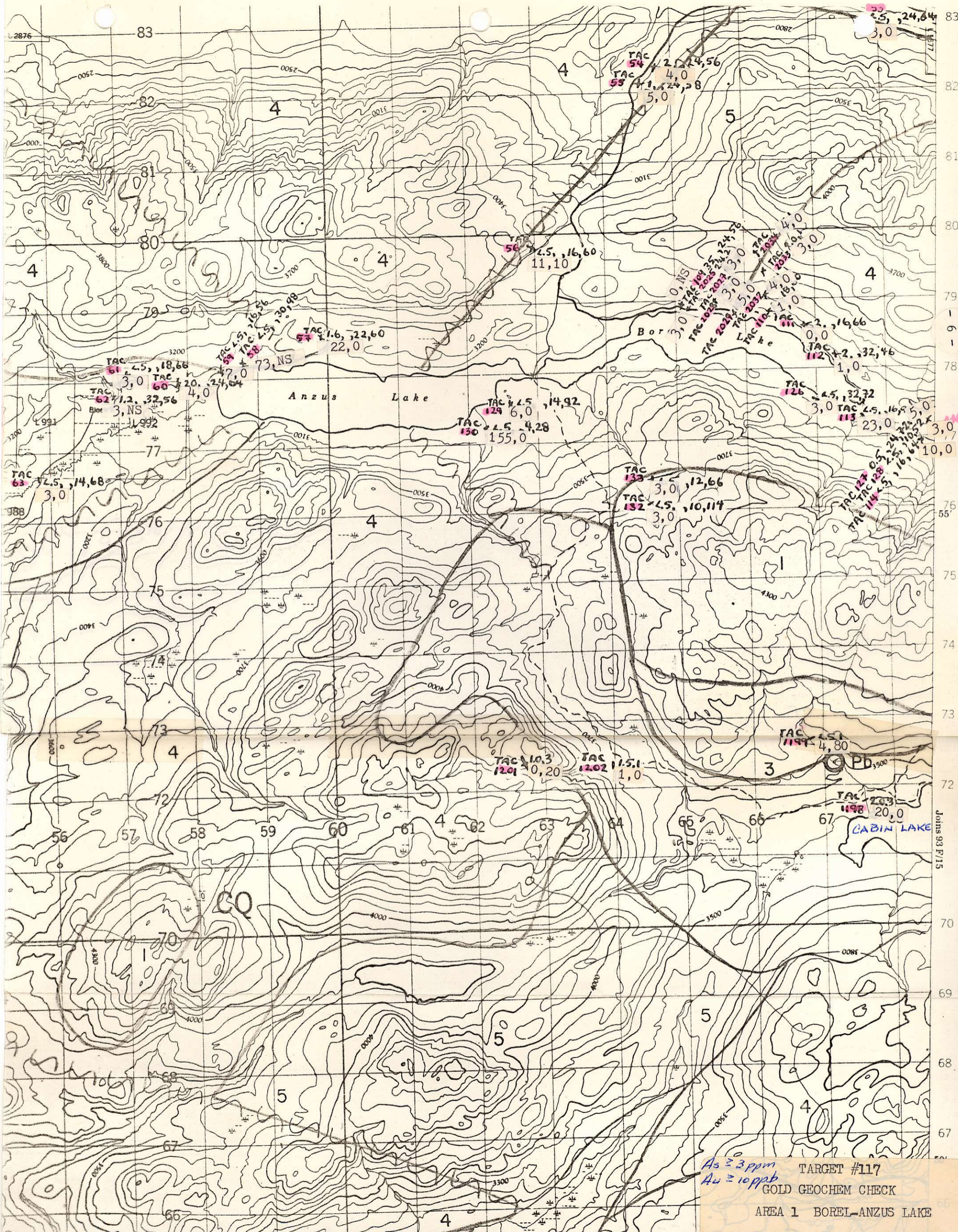
A few values from 3 to 11 ppm arsenic and one value of 10 ppb Au occur north east of SWAB. These are too low and scattered to constitute a reasonable target but since considerable work is proposed on SWAB 1 it will be possible to do some check sampling and prospecting.

Area 5 Binta East Area

A number of values from 3 to 6 ppm As and one value of 160 ppb Au occur north east of Binta Lake. The gold value occurs on the margin of an area of Hazelton volcanics and sediments. The area is considered a good prospecting target for early 1980.

Area 6 Binta West

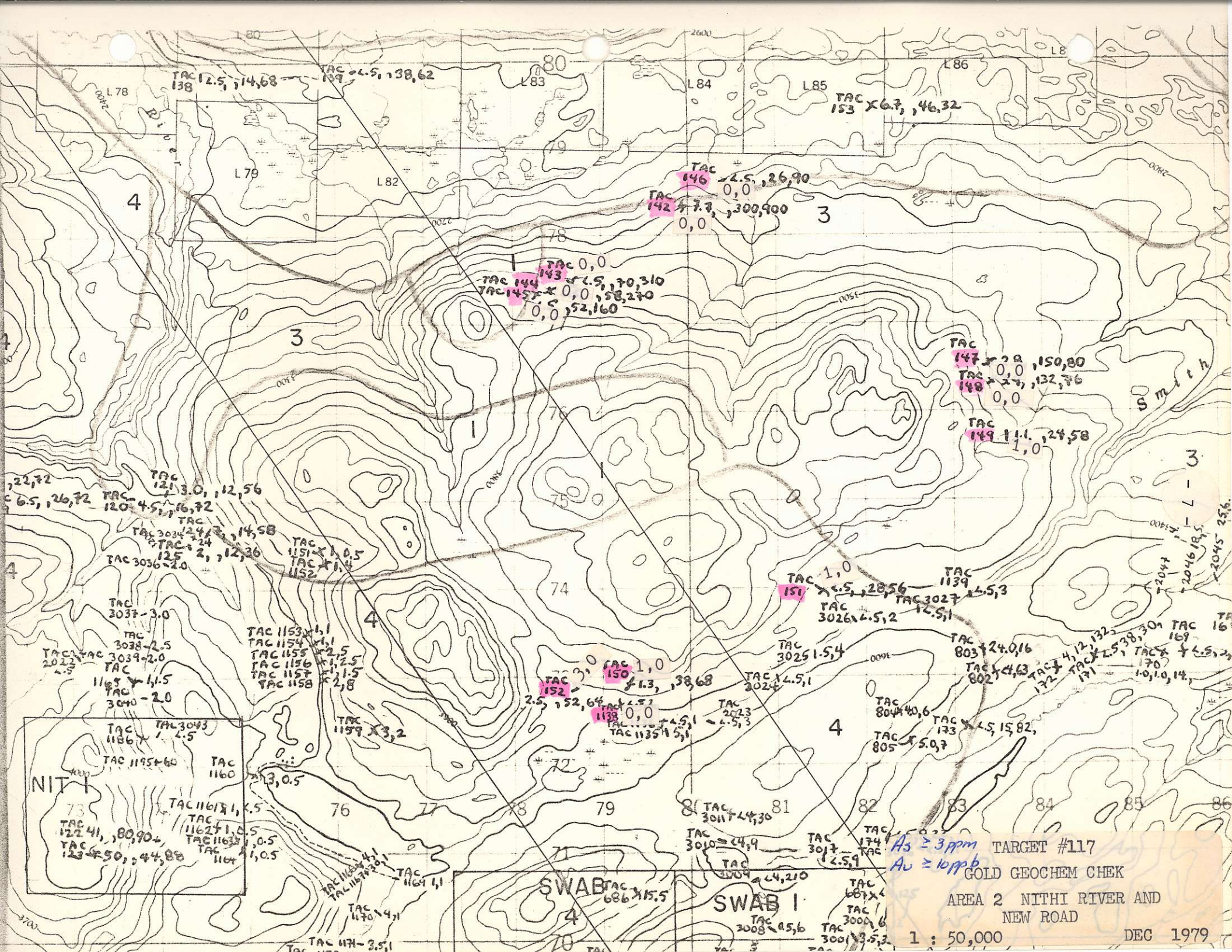
A series of values ranging from 3 to 21 ppm As with three values of 10 ppb Au occur on and south west of the BIN claim group. Additional prospecting and sampling are proposed for 1980, particularly if any encouragement results from work in Area 5.



As = 3ppm
Au = 10ppb
TARGET #117
GOLD GEOCHEM CHECK
AREA 1 BOREL-ANZUS LAKE
1 : 50,000
DEC. 1979

83
82
81
80
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2876
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TAC 138 12.5, 14.68

TAC 139 2.5, 138.62

TAC 153 6.7, 46.32

TAC 146 2.5, 26.90
TAC 142 7.7, 300.900

TAC 143 0.0
TAC 144 2.5, 170.310
TAC 145 0.0, 58.270
TAC 145 0.0, 52.160

TAC 147 2.8, 150.80
TAC 148 2.3, 132.76

TAC 149 1.1, 24.58

TAC 121 3.0, 12.56
TAC 120 4.5, 16.72

TAC 3034 2.4, 14.58
TAC 3035 2.4, 12.36
TAC 3036 2.0

TAC 1151 1.0, 5
TAC 1152 1.4

TAC 151 1.0, 28.56
TAC 3026 2.5, 2
TAC 1139 4.5, 3
TAC 3027 4.5, 3

TAC 3037 3.0
TAC 3038 2.5
TAC 3039 2.0
TAC 1165 1.5
TAC 3040 2.0

TAC 1153 1.1
TAC 1154 1.1
TAC 1155 2.5
TAC 1156 2.5
TAC 1157 1.5
TAC 1158 2.8

TAC 150 1.3, 38.68
TAC 152 2.5, 52.64
TAC 1138 0.0
TAC 1135 1.5, 1

TAC 3025 1.5, 4
TAC 14.5, 1
TAC 2024

TAC 803 2.4, 0.16
TAC 802 4.63
TAC 172 4.1, 12.132
TAC 171 2.5, 38
TAC 170 1.0, 1.14

TAC 1186 1.5
TAC 1195 4.60
TAC 1160
TAC 1161 1.5
TAC 1162 1.0, 5
TAC 1163 1.0, 5
TAC 1164 1.0, 5
TAC 122 4.1, 80.90
TAC 123 4.50, 44.88

TAC 1199 3.2

TAC 2023 4.5, 3
TAC 3011 4.4, 30
TAC 3010 4.9
TAC 3009 4.2, 10

TAC 804 4.6
TAC 133 4.5, 15.82
TAC 805 5.97

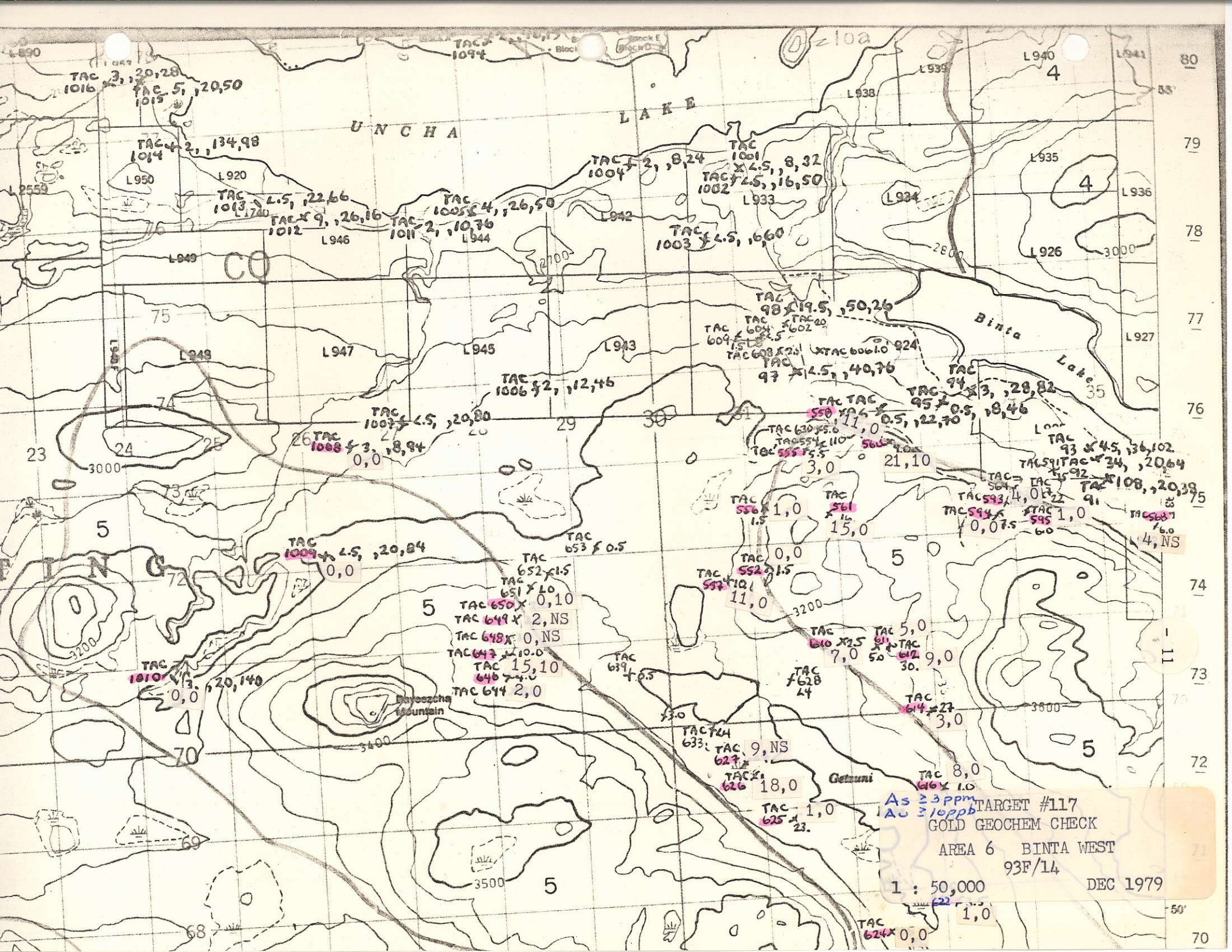
TAC 1165 4.1
TAC 1167 3.0
TAC 1169 1.1
TAC 1170 4.1
TAC 1171 4.1

TAC 686 11.5
TAC 3008 4.5, 6
TAC 3007 4.59
TAC 3006 6

TAC 174 4.0
TAC 173 4.0
As >= 3ppm
Au >= 10ppb

TARGET #117
GOLD GEOCHEM CHEK
AREA 2 NITHI RIVER AND
NEW ROAD

1 : 50,000 DEC 1979



NEW PROPERTIES

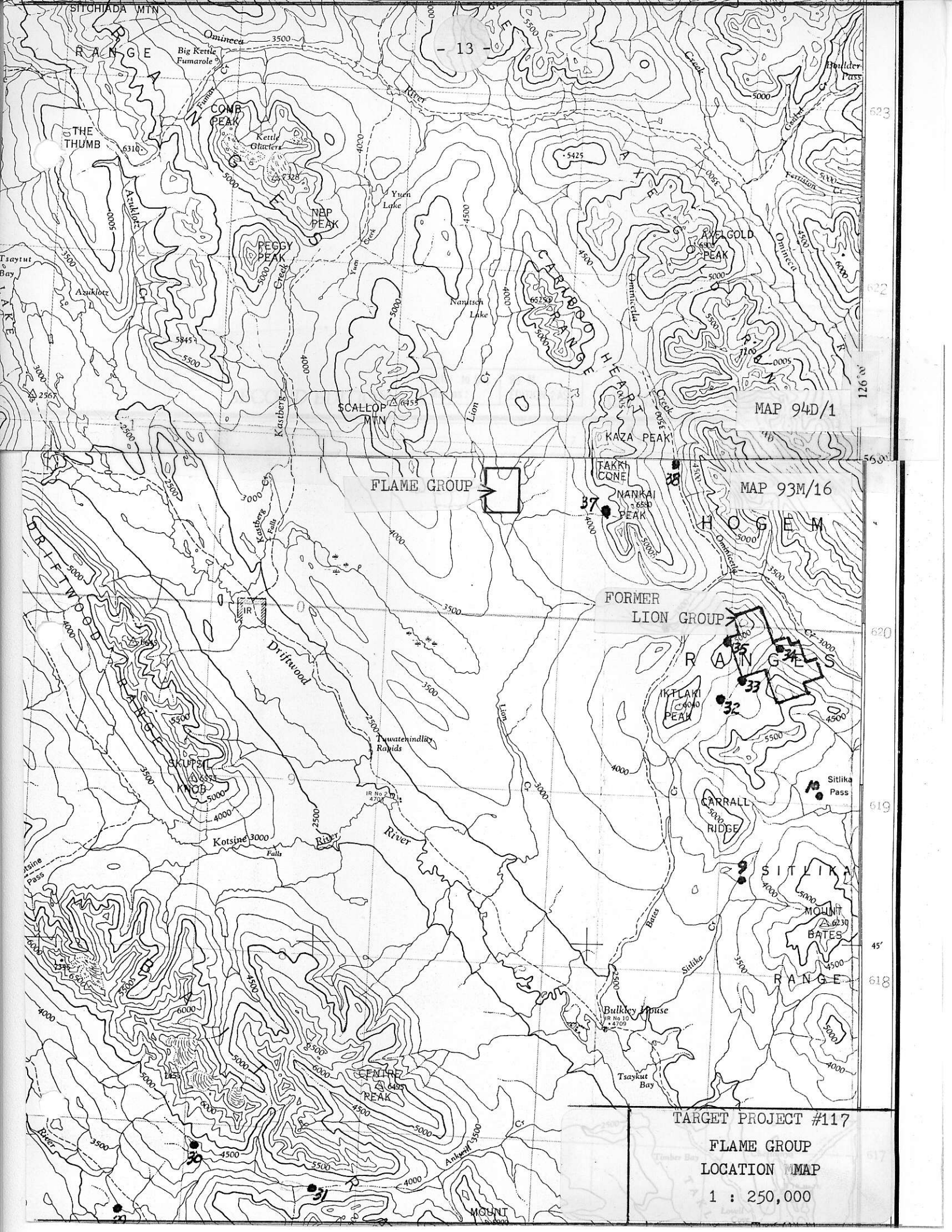
FLAME GROUP 93M/16

Location

The 20 unit FLAME group is located approximately 20 miles (32 km) north of Takla Lake in Map 93M/16. The group is 10 miles (16 km) north west of the former LION group. See LOCATION MAP 1:250,000.

Claim Status

Two claims of the older FIRE group are held by R. Tate and cover some of the main mineral showings and part of the geochemical anomaly. Posts have not been located thus far. See CLAIM MAP 1:50,000.



- 13 -

MAP 94D/1

MAP 93M/16

FLAME GROUP

FORMER LION GROUP

SITLIKA RANGE

TARGET PROJECT #117

FLAME GROUP
LOCATION MAP

1 : 250,000

623

622

126

56.00

620

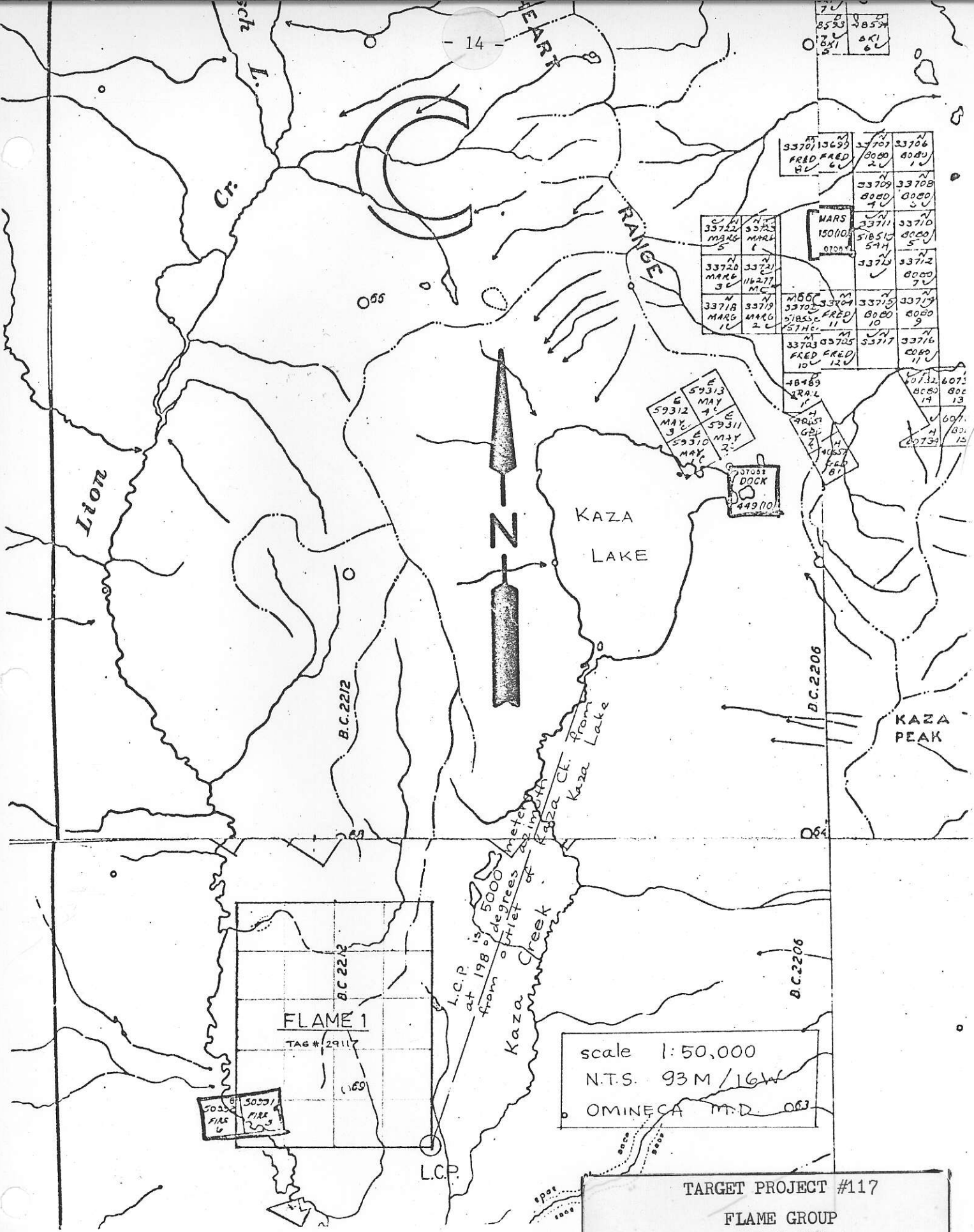
619

45'

618

617

7V	8523	8524
8V	8521	8522



AS 13699	N	33701	N	33706
FRED	EV	8000	EV	8000
BL		2V	1V	1V
		33709	N	33708
		8000	EV	8000
		4V	5V	5V
		33711	N	33710
		5785	EV	8000
		5711	N	33712
		33713	N	8000
		7V	7V	7V
		33715	N	33714
		8000	EV	8000
		10	10	9
		33717	N	33716
		8000	EV	8000
		11	11	11

E	59313	E
MAY	4	E
6	59312	MAY
3	59310	MAY
2	59311	MAY

DOCK
44910

6071	6072
800	800
13	13
6071	6072
800	800
12	12

FLAME 1
TAG # 29117

L.C.P. is 198 meters from outlet of Kaza Creek at 198 degrees 5000

scale 1:50,000
N.T.S. 93M/16W
OMINECA M.D.

TARGET PROJECT #117
FLAME GROUP
CLAIM MAP
1 : 50,000

Purpose

Assessment reports indicate significant gold content in some of the copper zones. The area contains several types of acid volcanics and is cut by felsite dykes. A semi regional prospecting program is envisaged to investigate the gold potential of the several rock types. The FLAME group was staked to cover favourable showings and discourage staking by others until a geochemical survey could be done.

Mineralization

The following description is taken from Assessment Report #4477 by P.M. Dean for Dynasty Exploration Limited 1973.

MINERAL SHOWINGS AND ALTERATION

The mineralization of the Kaza claims is clearly epigenetic, is related to north-south trending faults and is accompanied by three distinctive types of alteration. The main mineralized showings occur as linear zones of hornblende-sulphide rock which conform to topographic depressions. These hornblende rocks, which were described by Riensbakken as "hornblendite dikes", are probably skarns developed in the volcanics along zones of fracturing. The sulphide component of these mineral zones consists of pyrite mainly, with minor chalcopyrite, bornite, sphalerite and magnetite. Sulphide abundance varies from about 5% to nearly massive. The two main hornblende skarn zones are a few feet wide and outcrop intermittently over lengths of several hundred feet; they appear to dip steeply.

Patchy exposures of a distinctively different type of skarn, consisting of epidote, calcite and minor pink garnet, occur in the area of the main showings. These skarns also are mineralized with pyrite and chalcopyrite and probably developed in more calcite-rich parts of the volcanics.

The following assay values were obtained from chip samples taken across the best exposed parts of the main skarn showings:

<u>Number</u>	<u>Description</u>	<u>Cu</u> (%)	<u>Au.</u> (oz/ton)	<u>Ag.</u> (oz/ton)
3-D-17	Chip sample across 6½ ft. of hornblende-sulphide skarn	0.20	0.004	0.05
3-D-26	Chip sample across <u>13 ft.</u> of hornblende-sulphide skarn	<u>0.88</u>	<u>0.45</u>	0.37
3-D-28	Grab sample of epidote-calcite-garnet-sulphide skarn	0.22	0.010	0.08

<u>Number</u>	<u>Description</u>	<u>Cu</u> (%)	<u>Au</u> (oz/ton)	<u>Ag</u> (oz/ton)
3-D-29	Chip sampls across 9 ft. of epidote-calcite-garnet skarn with massive sulphide bands	1.01	0.040	0.34
3-D-30	Chip sample across 6 ft. of epidote-calcite-sulphide skarn with at least 50% sulphides.	1.39	0.071	0.41
3-D-32	Chip sample across 5 ft. of hornblende-sulphide skarn with 30% sulphides	0.28	trace	0.28

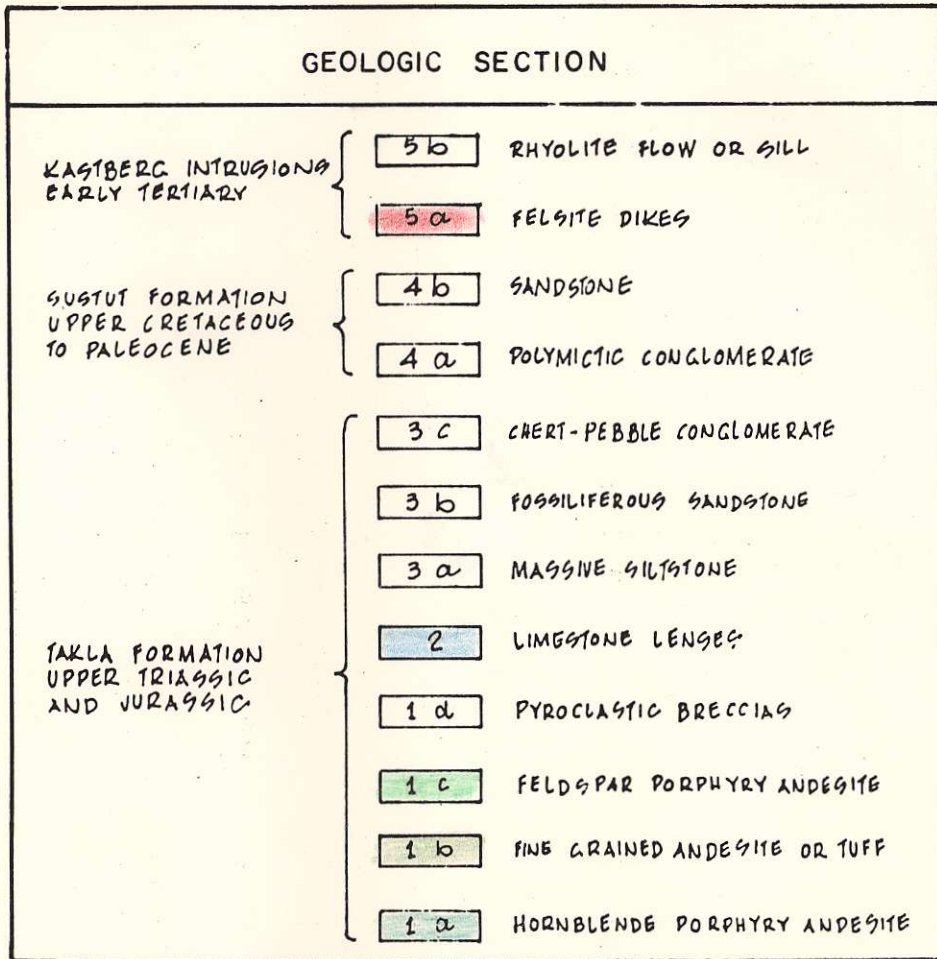
Where possible, these chip samples were taken perpendicular to the strike of the mineralized zones but the lengths of samples represent horizontal or surface distance, not true widths of mineralization. The samples are representative of the best mineralized sections where bedrock is exposed.

Minor amounts of chalcopyrite and bornite occur in small quartz-orthoclase-epidote veinlets, both near the main showings and elsewhere on the claims. These small mineralized veins are probably of no economic significance.

Chalcopyrite and bornite also occur sparsely disseminated through a limestone lens that outcrops in the vicinity of the main showings.

Geology and Geochemistry

The geological legend from Assessment Report 4477 follows with a copy of part of the geological map. The overlay shows soil sample copper values in ppm. Several drill hole locations are indicated on the map but no records for these holes have yet been obtained.



Proposed Program

If preliminary checking indicates the geological map is essentially accurate it will be accepted until rock sampling and geochemical reconnaissance are completed - mineralization and alteration zones are to be chip sampled and assayed for Cu, Au, Ag. Check soil sampling in the vicinity will be done for orientation purposes.

A soil and rock geochemical reconnaissance is proposed to investigate the gold potential of the various rock types. Particular attention will be paid to rhyolites and felsites of the Kastberg intrusives but the program is intended to assess all rock types.

HALO CLAIM GROUP

Location

The 20 unit HALO group lies three miles south east of the LUC Syndicates BURN property in Map Sheet 93N/6. See Location Map.

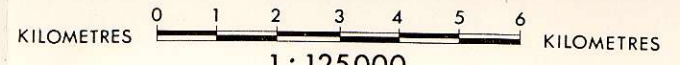
Claim Status

No conflicting claims are apparent (See Claim Map) and the group lies beyond the two kilometre perimeter designated in the Placer Agreement on the BURN property. The property had previously (1971) been sampled and drilled by UMEX as the NOBLE group.

GEOLOGY

The geological setting is illustrated on the accompanying copy of part of Jack Garnett's map of the Southern Hogem batholith (B.C.D.M. Bulletin 70). The setting is very similar to that on BURN.

FIGURE 3



1:125000

LEGEND

RECENT

E GLACIAL OVERBURDEN

LOWER CRETACEOUS

USLIKA FORMATION

D SANDSTONE, CONGLOMERATE

HOGEM BATHOLITH

9 LEUCOCRATIC GRANITE, QUARTZ SYENITE, ALASKITE

PHASE III

LOWER/MIDDLE JURASSIC

CHUCHI SYENITE:

8 LEUCOCRATIC SYENITE, QUARTZ SYENITE

PHASE II

DUCKLING CREEK SYENITE COMPLEX:

7 MAINLY LEUCOCRATIC SYENITE

6 MAINLY FOLIATED, MIGMATITIC SYENITE

UPPER TRIASSIC/LOWER JURASSIC

HOGEM GRANODIORITE:

5 GRANODIORITE, QUARTZ MONZODIORITE; minor tonalite, quartz diorite, quartz monzonite, granite

HOGEM BASIC SUITE:

4 MONZONITE, QUARTZ MONZONITE

PHASE I

3 MONZODIORITE, QUARTZ MONZODIORITE

NATION LAKES PLAGIOCLASE PORPHYRY:

2a (a) MONZONITE
2b (b) MONZODIORITE

DIORITE; minor gabbro, pyroxenite, hornblende

TAKLA GROUP

C MAINLY INTERBANDED BLACK ARGILLITE, BROWN SILTSTONE AND SHALE; minor limestone

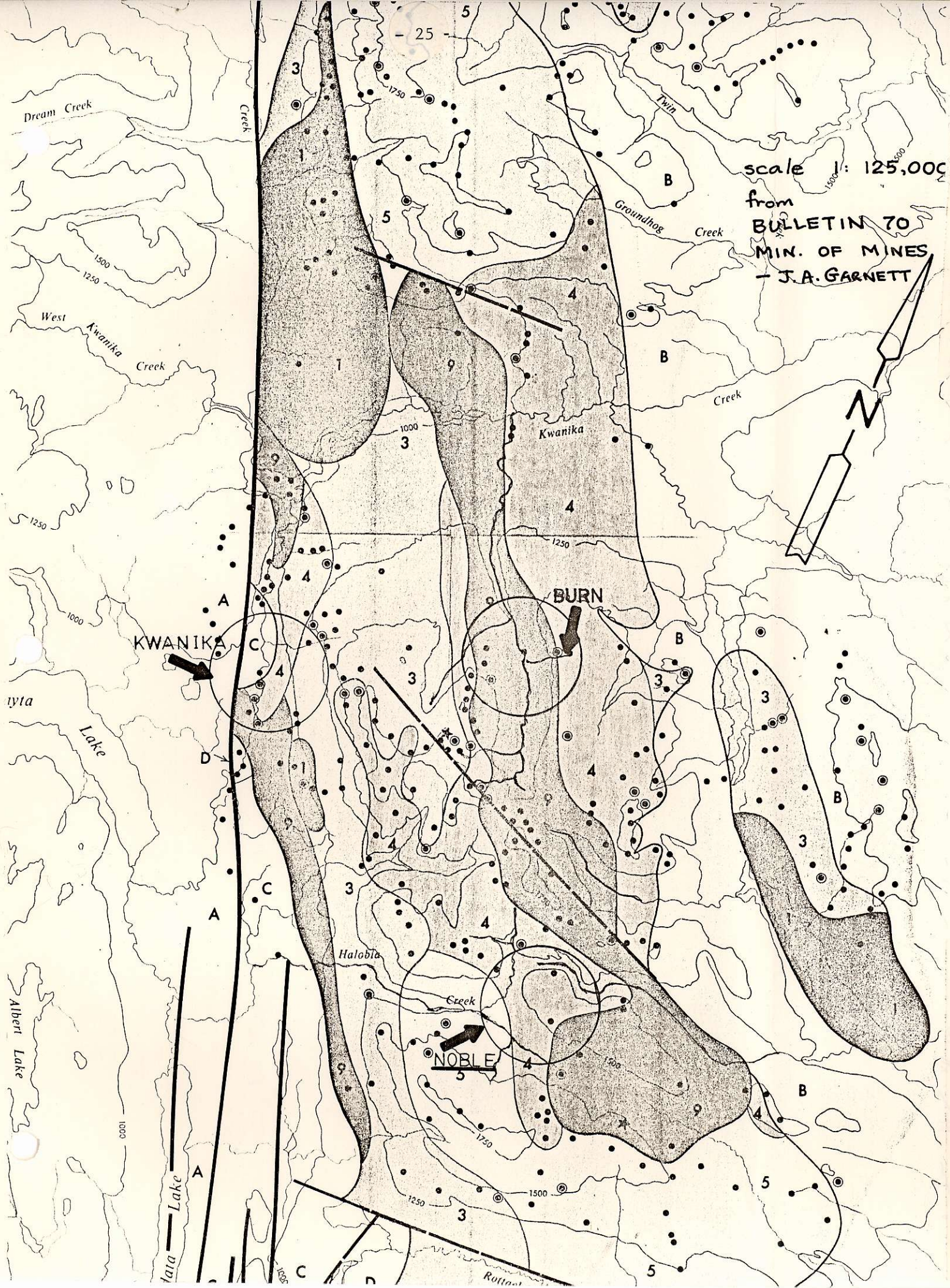
B MAINLY DARK GREEN ANDESITIC AND BASALTIC VOLCANIC ROCKS, TUFFS, AND BRECCIAS, INTERBEDDED WITH FLOW ROCKS AND COMMONLY CUT BY PYROXENE AND FELDSPAR PORPHYRY DYKES

PERMIAN

CACHE CREEK GROUP

A MASSIVE LIMESTONE, DOLOMITE; minor gabbro, serpentinite, quartzite

TARGET PROJECT #117
HALO (NOBLE) GROUP
GEOLOGY



GEOCHEMISTRY

Copper

Soil samples, taken at 200 foot intervals on lines 400 feet apart indicate a large area (6000' x 1600') of generally +100 ppm copper. A parallel zone of similar nature lies to the southwest. Within these zones are areas of +300 ppm copper with a high of 1040 ppm.

Molybdenum

Relatively large areas (up to 2500' x 1400') of +20 ppm Mo occur in a pattern generally coincident with the +100 ppm copper anomalies. Smaller areas of +60 ppm Mo, however, within the anomalous zones, are not coincident with the +300 ppm copper.

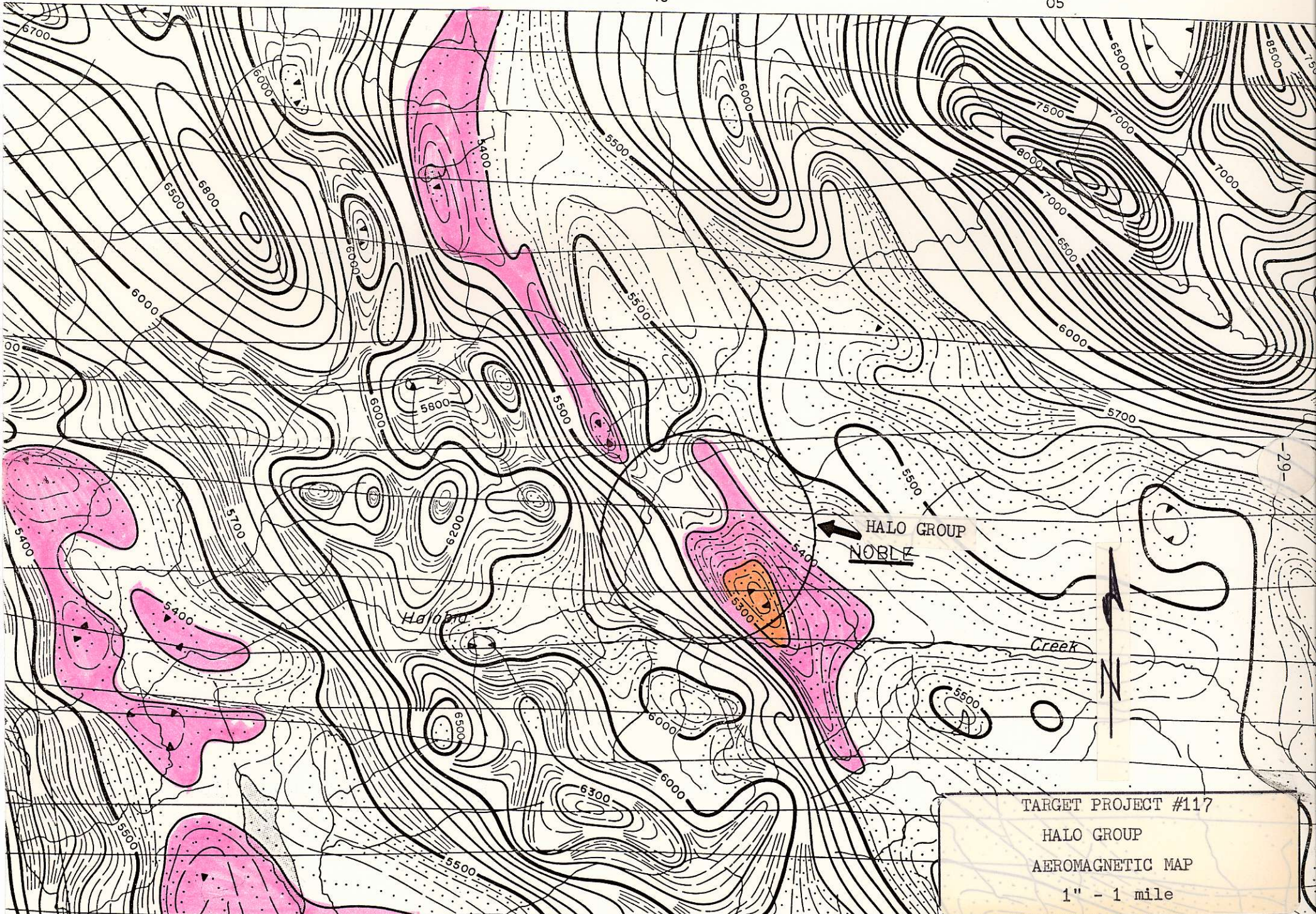
Examination of the property will be necessary to interpret the possible significance of these anomalies. The location, from Garnetts map, suggests the anomalies are in monzonite of the "Hogem Basic Suite." Unit 9 "Leucocratic granite, quartz syenite, alaskite" lies to the east but might very well underlie the monzonite.

The 1" - 1 mile aeromagnetic map indicates a low in the vicinity which tends to outline the more acid intrusives with a straighter north west trend than shown by the geological contacts on Garnetts map.

15'

10'

05'



-29-

TARGET PROJECT #117
 HALO GROUP
 AEROMAGNETIC MAP
 1" - 1 mile

Proposed Program

Some diamond drilling was done by UMEX and an effort is being made to obtain records of these holes. A geological reconnaissance of the property to locate the soil sample grid within a geological and topographic framework is proposed. Some check soil sampling will be done at the same time.

Depending on initial results a program of geological mapping and a magnetometer survey are proposed.

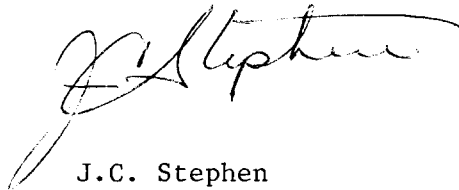
FINANCIAL STATEMENT

A financial statement follows this report and indicates expenditure of a substantial portion of the budget. The item for "Sub-Contracts" is high since Fraser is employed on a contract basis. This would normally be included in "Salaries". A portion of the "Sub-Contract" cost was paid for assistance with staking the FLAME group.

The \$19,200 originally budgeted for percussion drilling on SWAB group has been transferred to the general exploration budget which is estimated at \$82,300.00 for the year. A summary of distribution of costs was included in our notes "Third Annual Meeting" dated January 31.

Respectfully submitted

J.C. Stephen Explorations Ltd.



J.C. Stephen

JCS/ms

FINANCIAL REPORT

January 1 - March 31, 1980

<u>Item</u>	<u>March 31</u>
ADVANCES-EXPENSES	\$ 500.00
MAPS, PHOTOS, PUBLICATIONS	242.88
ASSESSMENT RECORDING	500.00
GEOCHEMISTRY	1,841.95
SUB-CONTRACTS	4,744.70
SALARIES & BENEFITS	903.24
WORKERS' COMPENSATION	29.36
TOOLS & SUPPLIES	588.18
BLUEPRINTING, DRAFTING & SUPPLIES	234.38
AIRCRAFT RENTAL	748.00
PUBLIC RELATIONS, SYMPOSIUMS ETC.	6.65
TRAVEL EXPENSE	402.90
TELEPHONE, POSTAGE	211.96
J.C. STEPHEN EXPLORATIONS LTD. SERVICES	1,614.57
OVERHEAD	268.19
INTEREST & BANK CHARGES	<u>9.00</u>
TOTAL	12,845.96
CONTRIBUTIONS	28,500.00
BALANCE PER BANK January 1	502.17
BALANCE PER BANK March 31, 1980	16,156.21