NOME CLAIMS Liard Mining Division Cassiar, B. C.

Location and Access

The Nome claims are located 11 miles southeast of Cassiar, B.C. and in the same direction a closer identification point is the Cusac Mill which is 3 miles from the property. The access to the property at the moment is via the Cusac Mill Road and a continuing 2 mile trail. Access eventually will be by the Pooley Creek route.

History of the Area

The property adjoins the Erickson group of claims on the south east side of their property and the property line is approximately 1 mile south of the area from which the Erickson Mill is drawing ore. The claims cover approximately 3500 acres between the head waters of Pooley Creek and the Hunter Group Creek. An excellent access route via Pooley Creek can be reasonably constructed to develop the property and make it into a producer.

A well known placer property called the Allard Channel which has produced a considerable amount of gold is located at the junction of Pooley Creek with the Dease River. The junction of Hunter Group Creek and the Dease River has also been worked as a placer. Both of these creeks rise in the area of the Nome claims group highlighting that area as the source of the placer gold. Because of the Nome claims location in the McDame Creek geological setting and the recent gold production from four different mills in the area the development of this property approached on a staged exploration basis reduces the risk of it being a short lived investment bet.

Geology

The geology of the McDame Creek area received early attention because of the gold discoveries and was mapped for the GSC by Dawson in 1887. Continued attention to the area because of the production of gold and other minerals in the area has caused other reports, bulletins to be produced through to 1983

almost 100 years. The Sylvester Group which covers the claims consists of argilite, cherts, quartzite, limesone, conglomerates and phylites, all of the mississipian age. Within this rock assemblage are numerous quartz views which carry gold and tetrahedrites as well as several of the pyrite group. These quartz views are where 90% of the production of the surrounding mines is coming from.

Geochemistry

To date a few random geochem samples have results of 50 PPB. On adjoining and nearby properties the geochem values on grid areas of 80 to 100 samples have lows of 5 PPB, highs of 500 PPB and an average from 55 to 65 PPB. Therefore a geochem program on a grid is well advised and will produce valuable information for decision making later.

Summary and Conclusions

Because of the unique geological setting in which there are four nearby producing gold mines whose production reocrds lend credence to the strong potential of production being reached on the Nome claims. A well conducted staged exploration program will check the strength of this potential. Therefore invested expenditures on the attached budget are monies spent with the risk possibility being reduced in a major way.

NOME CLAIMS COST ESTIMATES

Phase I

1.	Five mile access road	\$	40,000.
2.	30 line mile grid @ 500.		15,000.
3.	Grid soils survey and I.C.P.		24,000.
4.	Geological Mapping		11,000.
5.	Geophysical Surveys		18,000.
6.	Trenching & Dozing		21,000.
7.	Mapping Assaying		14,000.
8.	Engineering Supervision		30,000.
9.	Five man crew, 6 months		80,000.
10.	Transportation, 4WD		25,000.
11.	Accommodations @ 50. per day		45,000.
12.	Communication & Travel		15,000.
13.	Service on equipment, 6 manths		12,000.
14.	Rental equipment light		8,000.
15.	Fuel & supplies		25,000.
16.	Air service		26,000.
17.	Camp Trailer		33,000.
18.	Service expenditures		23,000.
19.	Contingencies	_	47,000.
	Sub Total		

522,000.

Phase II

1.	Diamond drill contract 8000' @ 50.	400,000.
2.	Percussion drilling 3000' @ 25.	75,000.
3.	Engineering Supervision	55,000.
4.	Mapping & Special studies	30,000.
5.	Drilling Access & Trenching	50,000.
6.	Assays & Recording	22,000.
7.	Camp accommodations	43,000.
8.	Fuel & Supplies	32,000.
9.	Bulk sampling preparation	45,000.

Phase II costs (cont.)					
10.	Environmental costs	30,000.			
11.	Feasibility study	25,000.			
12.	Service expenditures	40,000.			
13.	Contingencies 10%	84,000.			
	Sub Total		931,000.		
Phase 111					
1.	Production preparation	75,000.			
2.	Upgrade access	43,000.			
3.	Diamond drilling 10,000 @ 50.	500,000.			
4.	Percussion drilling 5000' @ 25.	125,000.			
5.	Fuel & supplies	42,000.			
6.	Engineering supervision	55,000.			
7.	Camp accommodations	75,000.			
8.	Bulk sampling	55,000.			
9.	Environmental costs	25,000.			
10.	Service expenditure	49,000.	•		
11.	Contingencies 10%	100,000.			
	Sub Total		1,144,000.		

\$2,607,000.

GRAND TOTAL







