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Two STAR 69 AmALgAMATED (1976) with YANKEE SILVER,
BURLINGTON GOLD MINES LTD. DUNDEE

THE TWO STAR GROUP
AND
THE ROBERTS GROUP
(49° 117° SE)

YMIR DISTRICT
NELSON MINING DIVISION

B. C.

JUNE 21, 1976

GEORGE L. MILL, P.ENG.

Item 19 - PARTICULARS OF ANY OTHER MATERIAL FACTS RELATING TO
THE SECURITIES BEING OFFERED AND NOT DISCLOSED UNDER
ANY OTHER ITEM

There are no other material facts relating to the securities of the Company which have not been disclosed in this Statement of Material Facts.

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INTRODUCTION

Burlington Gold Mines Ltd., with offices at 410 - 470 Granville Street, Vancouver, B.C., presently owns twenty-four (24) contiguous Crown-granted mineral claims located in the Ymir area of the Nelson Mining Division of British Columbia. This claim group includes the former productive claims which were originally known as the Yankee Girl and Dundee properties. Under date of December 10, 1973, the writer prepared a report recommending the implementation of a two-stage exploratory program based primarily on his belief that the potential of the property lies along the Lakeview Fault Zone which strikes approximately North 30° East across the Burlington holdings and is the strongest structure disclosed in the area. Due, primarily, to local as well as general economic conditions prevailing in the mining industry, the recommendations advanced in the above-mentioned report have been carried out, to date, to a very limited extent. However, plans are presently underway to proceed with the implementation of the recommended program. With a view to the extension of its holdings along the strike of the favourable zone, Burlington has acquired recently options on two groups of mineral claims. These groups, known as the Two Star and Roberts Groups, lie East of the present Burlington holdings and along the probable strike of the Lakeview Fault Zone.

This report has reference, primarily, to these two groups

held under option and the reader should refer to the writer's report of December 10, 1973 for more detailed information relative to the indicated potential of the area as a whole and to the accompanying claim map showing their location with respect to the existing Burlington holdings.

SUMMARY

In summary, the writer is of the opinion that, at current metal prices, the Wildhorse Creek - Bear Creek area has economic potential, that the prime target lies within, and in close proximity to, the Lakeview Fault Zone, and, consequently, that an exploratory program directed to the investigation of the possible easterly extension of this zone beyond the boundary of the Burlington claim group is fully warranted. It is suggested, therefore, that consideration be given to the implementation of the recommendations contained herein which will call for an estimated capital outlay of \$30,000.00.

PROPERTY

As shown on the accompanying claim map, the twenty-four (24) Crown-granted and contiguous mineral claims presently owned by Burlington are the following:

<u>Claim Name</u>	<u>Number</u>	<u>Claim Name</u>	<u>Number</u>
Lakeview	3245	New Mexico	13848
Black Diamond	3413	Isis	13877
Twilight Fr.	14454	Florence	3977
Klondike No. 1 Fr.	13485	Yankee Girl	7712
Yukon Fr.	5303	Canadian Girl	7713
White Pine	4004	New Brunswick	3975
Annie Fr.	3849	Dead Wood	3976
Parker	1861	Skookum	14677
Lighthouse	1862	Hidden Fr.	14678
Old Bill	1863	Hidden No. 2 Fr.	14679
Rio Grande	14540	St. Patrick	13878
Atlin No. 2 Fr.	9336	Bambino Fr.	13847

Further to the above, Burlington now holds under option:

- 1 - The Roberts Group: comprising seven reverted Crown-Granted claims namely:

<u>Claim Name</u>	<u>Lot No.</u>	<u>Claim Name</u>	<u>Lot No.</u>
North Star Fr.	14560	Twilight	14453
Two Star Fr.	14561	Morning Star No. 3	14452
Sundown	14457	Morning Star No. 2	14451
Sundown Fr.	14458		

2 - The Two Star Group: comprising two Crown-Granted claims namely:

<u>Claim Name</u>	<u>Lot No.</u>
Evening Star	3778
Morning Star	3779

In addition, an application has been entered relative to the acquisition of the Mill Fraction claim (L14582) on which the portal of the Two Star Crosscut is located. Reference to the attached claim map will show that the last-mentioned ten claims - to which this report is directed primarily - together with the twenty-four owned outright by Burlington, form a single block of thirty-four contiguous claims.

LOCATION

The subject property is located in the Nelson Mining Division between Wildhorse Creek and Bear Creek, both westward flowing tributaries of the Salmon River. That portion of the claim block to which this report has reference lies approximately four miles northeast of the community of Ymir which is on Provincial Highway No. 3, nineteen miles South of the City of Nelson and thirty-four miles by road from the Cominco operations at Trail.

ACCESSIBILITY

The optioned claims lie in the 4500 to 5200 foot range above sea level. Road access to them is not available, but necessary access could be provided readily by the extension of the old road which terminates at the portal of the Two Star tunnel located on the Mill Fr. claim (Lot #14582).

HISTORY OF THE AREA

1 - The Yankee Girl Property

Although intermittent mining operations were carried out following the discovery of gold in 1896, this area did not come into prominence until the formation of the Ymir Yankee Girl Gold Mines Ltd. in 1934. After an active development program on the Yankee Girl property this Company brought a 150 ton per day flotation-cyanidation plant into production in 1935. In the course of its productive years the Company optioned the adjoining Dundee ground and milling operations continued until wartime conditions forced their closure in 1942. Production figures covering precious metal content during the operating period have been estimated as indicated below:

<u>Mine</u>	<u>Tonnage</u>	<u>Gold (ozs)</u>	<u>Silver (ozs)</u>
Yankee Girl	350,000	133,900	747,100
Dundee	50,000	10,060	100,150

Little reliable information is available relative to the recovery of the base metal content of the ore (Lead and Zinc) but records show, however, that 32,869 tons of ore shipped from the Yankee Girl to the smelter reported the following average grade:

Gold	-	0.61 oz/ton
Silver	-	5.50 ozs/ton
Lead	-	7.31%
Zinc	-	8.82%

With the exception of a raise driven by Cayzor Athabaska Mines

Ltd. of Toronto in 1961-62 from the Yankee Girl 2860 Level Crosscut to the 1625 Level Drift and the rehabilitation of the portals of both these workings by Burlington during the past summer, the area has remained relatively inactive since 1942.

2 - The Two Star Property

This property was acquired by the Trites Gold Mining Co. from the Two Star Mining Co. in 1933. At date of acquisition it comprised the Morning Star and Evening Star Crown-granted claims together with fourteen contiguous claims held by location. The seven claims now comprising the Roberts Group were evidently included in this grouping. The Report for the Minister of Mines, 1934, states that, at time of acquisition, surface workings on the Evening Star and Morning Star consisted of open-cuts tracing the continuity of the north-easterly-striking vein (The Lakeview Vein?) Further excerpts from this Report follow:

"On the Evening Star the old shaft, at elevation 5144 feet (collar), was sunk in an ore-shoot 95 feet on the 75-degree dip of the vein. No drifting was done in this working which was largely filled with water until recently drained by the tapping of a fissure in the crosscut at 4300 feet elevation (portal). This adit - the Two Star crosscut - has been driven 3135 feet, in a direction slightly west of north, starts on the Mill Fraction, passes through the Black Diamond and into the Evening Star claim".

"At 2955 feet a zone of fissuring 9 feet wide, in granite, is thought to be the Yankee Girl vein-fissure, or its Lakeview branch. It is evidently the downward extension of the vein-fissure on which the 95 foot shaft was sunk on the Evening Star claim, although standing at a steeper angle. The shaft is about 285 feet westerly from the vein intersection in the crosscut".

"Drifting westerly from the crosscut to test the ground below the shaft reported quartz stringers containing iron, lead and zinc sulphides, from which selected samples gave gold and silver values similar to the general content of the ores of the camp".

In the course of the crosscut advance reference is made to several intersections of parallel "fissures and fissured zones" believed to correspond to the down-dip projections of vein outcrops on the Twilight, Black Diamond and Morning Star claims but no sampling data are available. As in the case of the Yankee Girl data little interest was displayed relative to base metal content.

GEOLOGY

The oldest rocks of the area are the Summit Series consisting of argillites, limestones and quartzites. They are overlain by the fine-grained sediments of The Pend d'Oreille Series which are characterized by their carbonaceous material content. The older sedimentary and volcanic rocks have been intruded by the granites and related rocks of the Nelson Batholith. A series of granitic tongues extend from the main granite mass and cut the formation in a general north/south direction. The region has been subjected to intensive faulting and productive deposits have been of the fissure vein type localized in faults cutting the contact zone. A wide shear zone, referred to as the Lakeview Fault - a long narrow remnant of the Pend d'Oreille Series enclosed between thick granitic tongues - strikes N30°E across the area and is the strongest structure disclosed. The Lakeview Vein - classed as non-commercial by former operators basically because of its relatively low precious metal content - occurs within the Lakeview Fault fissure. Subsidiary faults, striking N70°E, extend from the hanging wall of the Lakeview Fault Zone and it is within these subsidiary faults and close to their contact with the Lakeview Fault that most of the ore bodies found in the past have been contained.

Mineralization is essentially pyrite, pyrrhotite, sphalerite and galena in order of abundance with the precious metal said to be associated

with the galena and/or sphalerite. Based on indicated Ymir Yankee Girl flotation-cyanidation recoveries as well as on previous experience on ores of the area, the writer is more inclined to the opinion that the gold content, at least, is in association with one or both of the contained iron sulphides.

POTENTIAL OF THE AREA

During the productive life of the area in which the Two Star and Roberts Groups are located, little consideration was given to the recovery of the lead and zinc content of the ore, both of which metals, according to available records, were present in significant amounts. The milling flowsheet in use at the Yankee Girl called for the removal of a lead concentrate for shipment to the smelter followed by the production of a zinc concentrate which was subsequently directed to a cyanide circuit for the recovery of gold and silver. It is interesting to note that a shipment of 827 tons of re-worked cyanidation tailings to Trail in 1950, made under a lease, showed an average grade as follows:

Gold	-	0.12 oz /ton
Silver	-	3.78 ozs /ton
Lead	-	6.6 %
Zinc	-	15.9 %

Taking all available records into consideration, it seems apparent that

recoveries of the gold, silver and lead content of the ore were low and that no attempt was made to recover the zinc.

As already noted, most of the ore bodies found in the past were contained within subsidiary faults which extend from the hanging-wall of the Lakeview Fault Zone. Within this fault zone is contained the Lakeview Vein classed as non-commercial because of its low precious metal content. This vein was intersected on the Yankee Girl 1235 foot Level and drifted on easterly for a considerable distance. It is reported to have carried lead and zinc as well as precious metal values. Unfortunately, no lead, zinc or silver determinations were made and the explored portion of the vein was classed as "sub-commercial" because of its indicated average gold content of 0.10 oz/ton. This drift lies approximately 1700 feet vertically below the vein outcrop on the Evening Star claim. However, in a report on the Yankee Girl property written in March, 1930, R.H. Stewart, P.Eng., states that the east face of this drift appeared to be just entering an ore shoot and that gold and silver values were near the average of Yankee Girl ore, with no assays for lead and zinc content available. He states, further, that "from a geological standpoint the Lakeview Vein seems to be the main vein on the property and that a 100 foot shaft sunk on its outcrop on the Evening Star claim is said to have shown a 40 foot vein width containing mineable ore".

CONCLUSIONS AND RECOMMENDATIONS

In concluding that a preliminary investigation of the Two Star and Roberts Groups is warranted the writer enumerates the following features on which his conclusions are based:

- 1 - Their location relative to the productive Yankee Girl zones.
- 2 - The structural strength and evident easterly extension of the Lakeview Fault zone into the Two Star claims as well as the possible increase in the width and metal content of the vein or veins at higher elevations. This latter feature is in evidence in the raise on the Yankee Girl vein from the 2860 Level to the 1625 Level.
- 3 - The possibility of encountering additional mineralized subsidiary fault zones along the strike of the Lakeview fault.
- 4 - Current metal prices - especially for gold and silver - as compared with those prevailing during the productive years of the area.

It is recommended, therefore, that consideration be given to the implementation of the following preliminary exploratory program:

- 1 - Run a magnetometer survey over the Evening Star and Morning Star claims to determine the approximate

location of the Easterly extension of the Lakeview Fault zone. The following procedural grid is suggested:

- a) Lines northwesterly at 200 foot intervals.
 - b) A northeasterly base line on the hanging-wall side of zone indicated in "a".
- 2 - Cut a series of bulldozer trenches across the indicated zone and sample vein material.
 - 3 - Drill two short holes into the hanging wall of the zone, collared at strategic locations.
 - 4 - Investigate the feasibility of obtaining safe access to and sampling the 95 foot shaft on the Evening Star claim. Assays as high as 0.50 oz /ton gold have been reported from this location.
 - 5 - Investigate the economic feasibility of access to, and the provision of adequate ventilation, to permit the check surveying, mapping and sampling of the Two Star Cross-cut throughout its reported length.
 - 6 - Provide an access road to the general area. This can be done readily by extending the old Two Star road which terminates at the portal of the Two Star Crosscut on the Mill Fractional claim.

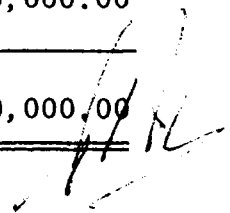
It is estimated that the program, as outlined above, will require a capital outlay of \$30,000, if brought to completion.

Respectfully submitted,


George L. Mill, P. Eng.

COST ESTIMATES

Mobilization	\$ 500.00
Magnetometer Survey	2,000.00
Bulldozer Work (Road Access and Trenching)	5,000.00
Evening Star Shaft	1,500.00
Diamond Drilling (500 feet @ \$13/ft.)	6,500.00
Two Star Crosscut	7,000.00
Sampling and Assaying	2,500.00
Engineering and Administration	2,000.00
Contingencies	3,000.00
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TOTAL	= \$ 30,000.00
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REFERENCES

B. C. Minister of Mines Reports - Excerpts

R.H. Stewart, 1919, 1920

W.T. McDowell, 1921

W. Crago, 1930

B.W.W. McDougall, 1931, 1934

Stewart, R.H., P.Eng.

Report on the Yankee Girl Property
March, 1930.

Wright and Morrell

Ymir Yankee Girl Gold Mines Ltd.

AIME - T.P. #937 (1938)

Cannon, Don, P.Eng.

Report on Dundee and Yankee Girl Properties
Ymir, B.C. (1951)

Sutherland, W.D., P.Eng.

Report on Yankee Dundee Mines Ltd. Property
Ymir, B.C. (1952)

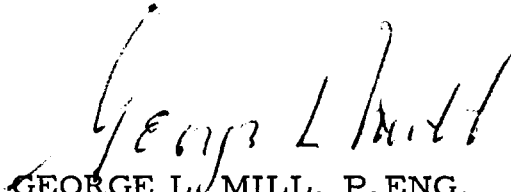
Mill, George L., P.Eng.

Reports on the Lakeview Fault Area
1962, 1966, 1967, 1969 and 1973

CERTIFICATION

I, George L. Mill, hereby certify:

- 1 - That I am a Mining and Metallurgical Engineer residing at 6176 Tisdall Street, Vancouver, B.C.
- 2 - That I am a graduate of Queen's University, B.Sc., and a registered member of the Corporation of Professional Engineers of the Province of British Columbia.
- 3 - That I have practised my profession of 44 years.
- 4 - That I have no financial interest, direct or indirect, in the Two Star Group and the Roberts Group of Mineral Claims, in the securities of Burlington Gold Mines Ltd., nor in that of any of its affiliates, and that I do not expect to obtain any such interest.
- 5 - That I have been familiar with the Lakeview Fault area since 1934, that the information contained in this report is based on my personal examinations of the area prior to the submission of reports in 1962, 1966, 1967, 1969 and 1973, and on data compiled from maps and reports as outlined in the attached references.


GEORGE L. MILL, P.ENG.

To accompany report on:
The Two Star and Roberts Groups
Burlington Gold Mines Ltd.
June 21, 1976

BURLINGTON GOLD MINES LTD.



BURLINGTON GOLD MINES LTD.

THE TWO STAR and ROBERTS GROUPS

YMIR M.D. B. C.

1 inch = 1500 feet

Item 5 - THE FULL NAME, HOME ADDRESS, AND CHIEF OCCUPATION, THE NUMBER OF SHARES OF THE COMPANY BENEFICIALLY OWNED, DIRECTLY OR INDIRECTLY, BY EACH SENIOR OFFICER OR DIRECTOR OF THE COMPANY AND, IF EMPLOYED DURING THE PAST FIVE YEARS, THE NAME OF EACH EMPLOYER

<u>Name and Address</u>	<u>Chief Occupation</u>	<u>Number of Shares of Company Beneficially Owned</u>
Rudolph Nosalek 500 - 1255 Broughton Vancouver, B.C. <u>President and Director</u>	Self-employed Businessman	71,800
Clarence M. Beamer 3579 - 224 Street Langley, B.C. <u>Secretary and Director</u>	Fisher Securities Ltd. Sales Trainee	62,500
Ralph Sostad 1190 Renton Place West Vancouver, B.C. <u>Director</u>	Self-employed Mining Executive	249,500
Constantine N. Thodos 2350 Cornwell Street Vancouver, B.C. <u>Director</u>	Self-employed Restaurant Owner	26,000
John T. Chrystal #901 - 1330 Pendrell Street Vancouver, B.C. <u>Director</u>	Self-employed Businessman	Nil

Item 6 - PARTICULARS OF THE CORPORATE STANDING OF THE COMPANY

The Company was incorporated under the laws of the Province of British Columbia by Memorandum and Articles, as a specially limited company, August 30, 1965. It was converted to a public company October 18, 1966 and converted to a limited company August 14, 1970.

since the filing of the most recent Statement of Material Facts, save and except that Andrew Kallquist is no longer a Director of the Company.

Item 4 - PROCEEDS DERIVED FROM THE SALE OF THE SHARES OFFERED
HEREUNDER

The net proceeds from the firm portion of the underwriting will be \$45,000.00. The net proceeds will be used for the following purposes:-

(a) Conduct a portion of the exploratory program recommended by George L. Mill, P. Eng. in his report dated June 21, 1976;	20,000
(b) Satisfy current liabilities;	15,500
(c) General and corporate purposes	9,500
	<hr/>
	<u>\$ 45,000.00</u>

None of the proceeds received from the firm underwriting or the option will be spent on any other property other than those referred to in this Statement of Material Facts without first filing with the Vancouver Curb Exchange a satisfactory Engineer's Report.