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NUSPAR RESOURCES LTD.

REPORT ON THE

WOLF AND CUB MINERAL CLAIMS

(Formerly Tungsten Queen and Tungsten King)

LOCATED IN THE

LILLOOET MINING DIVISION, B.C.

Latitude 51° 00'

Longitude 122° 45'

BY

C.K IKONA, P.ENG

September 3, 1976

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INTRODUCTION

The Tungsten Queen and Tungsten King prospects were examined during the period August 13th to August 15th 1976 in company with Mr. D W. Goodbrand, a geologist and agent for the owners. Reports by the Geological Survey of Canada and the B.C. Department of Mines were reviewed together with a report on work conducted by Bethlehem Copper Corp. Ltd. in 1969.

Current interest in this property relates to the presence of scheelite in calcareous rock, possibly a carbonatite, associated with an ultrabasic intrusive. Minor stibnite and cinnabar are also known to occur on the property.

This report has been prepared at the request of Nuspar Resources Ltd.

HISTORY

For a number of years prior to 1939 various prospectors staked and explored occurrences of cinnabar along the Tyaughton valley. In 1939 scheelite was discovered on property held by Mr. Edwin Phillips of Minto. This property was subsequently named the Tungsten Queen, and during 1940 Mr. Phillips mined and shipped hand cobbled ore containing some 17,000 pounds of WO_3 from narrow open cut workings. In 1941 The Consolidated Mining & Smelting Co. of Canada Ltd. (Cominco) acquired a lease and drove a short adit below the workings. Inconclusive results and the devalpement of alternate sources for strategic military requirements are reported as cause for termination of the lease. In 1965, Canex conducted a regional exploration project east and west of the showing under an option agreement. Bethlehem optioned and staked mineral claims on and adjacent to the Tungsten Queen and King properties in 1968. The Bethlehem program was directed toward discovery of a mercury deposit and involved geochemioal soil and silt surveys, and a magnetometer survey in addition to geologic mapping and prospecting. Selected areas were trenched by bulldozer and several roads were constructed or improved.

PROPERTY

Two claims comprising six metric units have been located by the present owners and are recorded as follows:-

<u>Claim Name</u>	<u>No. of Units</u>	<u>Record No.</u>	<u>Date Staked</u>	<u>Date Recorded</u>
Cub	2	350 (8)	Aug 14, 1976	Aug 25, 1976
Wolf	4	351 (8)	Aug 15, 1976	Aug 25, 1976

Four adjacent claims controlled by Mrs. F. Westbrook of Goldbridge, B.C. are understood to be subject to an agreement with the owners of the Wolf and Cub claims. These claims are recorded as follows:-

<u>Claim Name</u>	<u>Record No.</u>	<u>Tag No.</u>	<u>Date Recorded</u>
Sandy # 2	13589	52752	Sept 25, 1936
Sandy # 3	13590	52753	Sept 25, 1936
Mercury # 1	14887	87484	Nov. 4, 1938
Queen Fr.	16128	100695	Sept 26, 1941

All of the above claims are located in the Lillooet Mining Division and are shown on Map No's 92 O 2/E and W.

LOCATION AND ACCESS

Access to the Tungsten Queen property is by 14 miles of seasonal mining access road which branches north from the Lillooet-Bralorne highway at a point 5 miles east of Goldbridge.

Elevations on the Tungsten Queen property range from 3500 to over 5000 feet with the principal workings at 4200 feet. The Tungsten King property is at approximately the same elevation and about one mile to the north. Moderate to steeply inclined terrain characterizes the area but access is assisted by numerous bulldozer roads.

The area is sparsely timbered with pine and fir being the dominant species.

Sufficient water for exploration purposes is available from the westerly flowing tributaries of Tyaughton Creek which cross the property.

REGIONAL GEOLOGY

G S.C Paper 43-15, Geology and Mineral Deposits of Tyaughton Lake Map Area by C E. Cairnes provides a description of the lithology together with information on mineral deposits of the area.

A highly deformed eugeosynclinal assemblage of sediments and volcanics on the east flank of the coast range underlies the area of interest. The Frazer-Yalakom "transcurrent" fault passes a few miles to the east.

The oldest rocks (Permian) are those of the Fergusson group comprised of chert, argillite, and minor crystalline limestone alternating with altered flow rocks of andesitic to basaltic composition.

Sediments of this group are tentatively identified as hosting the mineral deposits of interest.

Graywacke and Conglomerate of the Taylor group (Upper Jurassic) are exposed in road cuts and outcrop a few hundred feet south of the Tungsten Queen showing.

Two principal intrusive types are recognized in close proximity to the showings and are represented elsewhere in the district. Irregular bodies of serpentized peridotite and donite are found cutting members of the Fergusson group. Subsequent alteration of these bodies has resulted in a transformation to magnesium rich carbonates characterized by the presence of talc, quartz and mariposite.

Dykes and stock-like bodies of feldspar porphyry and related types occur throughout the map area and are regarded as the youngest intrusives present.

MINERALIZATION

Scheelite occurs as a banded and encrusted fracture filling associated with stibnite, chalcedonic quartz and carbonate. A system of branching fractures occurs within an irregular area of carbonatized serpentine. Individual veins ranging up to 3" in width are reported and specimens of hand cobbled ore examined by the writer under UV light confirm that sheelite is the predominant mineral present. The large stockwork exposed in the Tungsten Queen outcrop suggests the possibility of a sizeable low grade occurrence.

Three samples were analyzed by Chemex Labs Ltd. of North Vancouver, B.C. and results are reported as follows:-

<u>Sample No.</u>	<u>% WO₃</u>	<u>Description</u>
50701	0.23	Tungsten Queen Adit, 2' across face
50702	0.03	" " outcrop, chip sample
50703	8.04	" " cobbled ore, grab sample

As reported on Certificate No. 17955, Aug. 26, 1976.

SUMMARY

The current market for tungsten provides an incentive for systematic evaluation of the Tungsten Queen and Tungsten King prospects. Examination of all outcrops and exposures of carbonatized rock under ultra violet light may reveal the presence of disseminated scheelite mineralization. Access to old workings would assist in the evaluation of the Tungsten Queen property. A geochemical soil survey should be employed to assist in defining the extent of tungsten-antimony mineralization.

CONCLUSIONS AND RECOMMENDATIONS

The Tungsten Queen and Tungsten King Mines have both produced a small amount of handsorted highgrade tungsten ore. The favourable geologic environment in which the Tungsten Queen in particular is located is deserving of an exploration program, oriented towards defining additional high grade zones of tungsten as well as assessing the potential for larger lower grade occurrences.

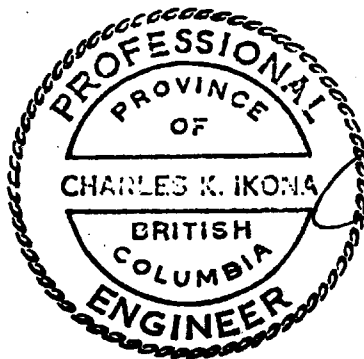
This program should take the form of geological mapping, some geochemical sampling and sampling of the large quartz-calcite-scheelite stockwork apparent in the outcropping which contains the old Tungsten Queen workings.

The recommended budget for this program is:

Geologic mapping -	
10 man days @ \$200/day.....	\$ 2,000
Geochemical sampling -	
20 man days @ \$50/day.....	1,000
Sampling and Assaying.....	750
Engineering reports & supervision.	750
Contingency @ 10%	500
	<hr/>
Total Firm Recommendation	\$ 5,000

Further work would be contingent on the results of the above program. An additional \$10,000 could be required for preliminary diamond drilling. This drilling to be used as a sampling tool in the known stockwork as well as to possibly extend areas of known mineralization.

Respectfully submitted,



A handwritten signature in cursive script, appearing to read "Charles K. Ikona", written over a horizontal line.

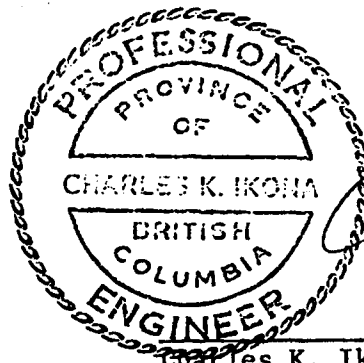
Charles K. Ikona, P. Eng.

September 3, 1976

ENGINEERS CERTIFICATE

I, Charles K. Ikona of 2614 St. John's Street, Port Moody, in the Province of British Columbia do hereby certify that:

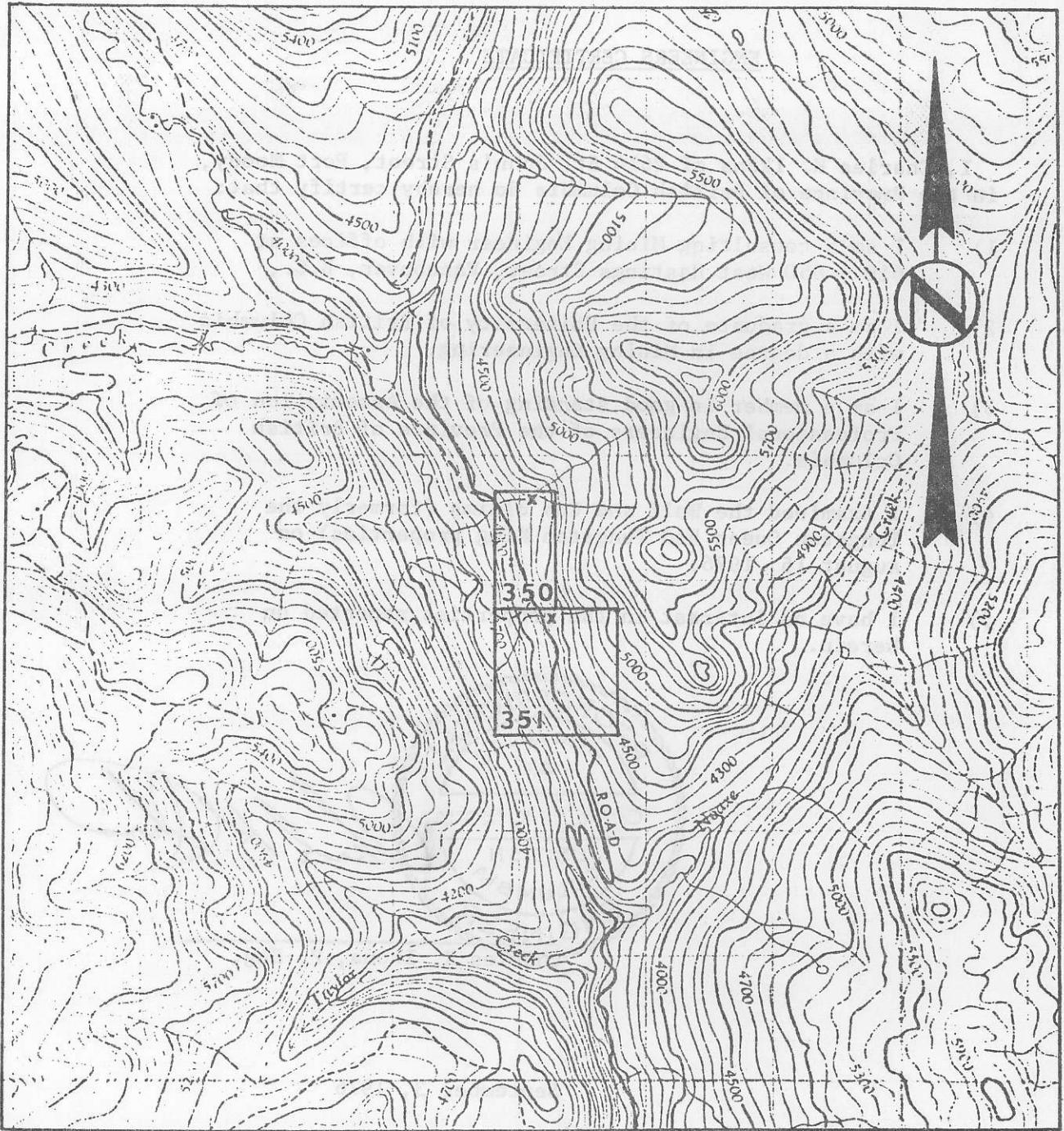
- 1) I am a consulting Mining Engineer with offices at 610 - 850 West Hastings Street, Vancouver, B.C.,
- 2) I am a graduate of the University of British Columbia with a degree in Mining Engineering.
- 3) I am a member in good standing of the Association of Professional Engineers of the Province of British Columbia.
- 4) I examined the Wolf and Cub claims (formerly the Tungsten Queen and Tungsten King properties) on August 15, 1976.
- 5) I have no interest in the properties reported on herein.



A handwritten signature in cursive script, reading "Charles K. Ikona", written over a horizontal line.

Charles K. Ikona, P. Eng.

September 3, 1976



51°

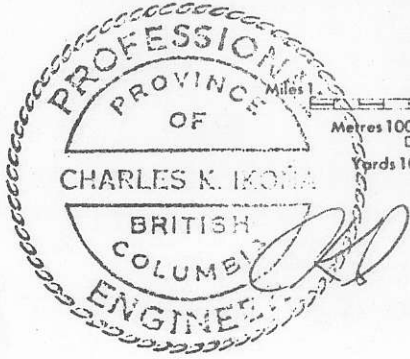
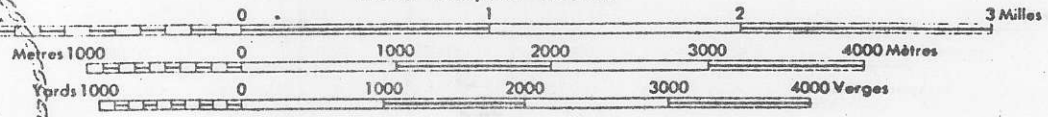
122°45'
Joins 92 - J/15

TYAUGHTON CREEK

LILLOOET LAND DISTRICT
BRITISH COLUMBIA

Scale 1:50,000 Échelle

x : WO₃ Showing



Nuspar Resources Ltd.
WOLF & CUB CLAIMS

Jones, Gable and Company Ltd. of 535 Thurlow Street, Vancouver, B.C., may be considered the "market maker" of the shares of the Issuer. The approximate number of shares under the control of Jones, Gable & Company Ltd. as "market maker" is 40,857.

The number of and percentage of the issued and outstanding securities of each class of the Issuer beneficially owned, directly or indirectly, by promoters, directors, senior officers and persons holding 10% or more of the issued shares, as a group is 176,531 and 20.07%.

2. PARTICULARS CONTRIBUTING TO THE SPECULATIVE NATURE OF THE SECURITIES BEING OFFERED.

The properties of the Issuer on which the proceeds from the sale of securities offered by this Statement of Material Facts are to be spent are without a known body of commercial ore and the proposed program is an exploratory search for ore.

The shares of the Issuer must be considered speculative securities as the Issuer's mining properties are in the exploration and development stage.

No survey has been made of the Issuer's located mineral claims and therefore in accordance with the mining laws of the jurisdiction in which such claims are situate their existence and area could be in doubt.

3. DETAILS OF ANY MATERIAL CHANGES OR PROPOSED MATERIAL CHANGES IN THE AFFAIRS OF THE ISSUER.

A cease-trading order issued by the British Columbia Superintendent of Brokers against the Issuer on 7 May, 1976 was rescinded on September 23, 1976, and the Issuer is now in good standing with the Superintendent of Brokers and the Registrar of Companies.

Mr. Arnold C. Racicot, of 392 Royalmore Avenue, Richmond, B.C. ceased to hold office as vice-president of the Company as of September 10, 1976 but remains as a director of the Company. Otherwise there have been no changes in officers and directors of the Company.

In order to discharge liabilities to existing creditors, the Issuer has negotiated a loan in the amount of \$10,000.00 with the Bank of Montreal, Georgia and Thurlow Street branch, Vancouver, B.C. Personal guarantees of the loan have been given to the Bank of Montreal by two of the directors of the Issuer, H. Samuel Aikins and J. Walter Fries. In consideration for Messrs. Aikins and Fries having given such personal guarantees, the Issuer has agreed to allot and issue to H. Samuel Aikins and J. Walter Fries 15,000 shares each in the capital of the Issuer at a deemed value of 15¢ per share, for a total of 30,000 shares, subject to the approval of the regulatory authorities.

4. THE ESTIMATED NET PROCEEDS OF THE ISSUER ARE TO BE SPENT.

The principal purposes for which the estimated net proceeds from the sale of the securities offered by this Statement of Material Facts are to be spent in order of priority are as follows:

(a) To discharge current liabilities	\$30,000.00
(b) To carry out the exploration program recommended by C.K. Ikona, P.Eng., in his report dated September 3, 1976, on the Wolf and Cub mineral claims, a summary of the report being included herein	5,000.00
(c) Purchase of 50% interest, Sea claims	1,500.00
(d) To provide general working capital	<u>8,500.00</u>
TOTAL PROCEEDS	\$45,000.00

5. THE FULL NAME, HOME ADDRESS, AND CHIEF OCCUPATION, THE NUMBER OF SHARES OF THE ISSUER BENEFICIALLY OWNED, DIRECTLY OR INDIRECTLY BY EACH SENIOR OFFICER OR DIRECTOR OF THE ISSUER 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 Issuer Beneficially Owned</u>
H. Samuel Aikins 376 E. 4th Street North Vancouver, B.C. Director and President	Engineering technician, President & Manager, Sovereign Metals Corp. (N.P.L.), President, H.S. Aikins Exploration Services Ltd.	500
J. Walter Fries 5856 Keith Street Burnaby, B.C. Director	President, Fries Enterprises Inc. (since May 1976) Prior to May 1976, Executive, Bank of British Columbia	1,000
Arnold C. Racicot 392 Royalmore Avenue Richmond, B.C. Director	Self-employed prospector	63,031
Lucille Tangen 3165 Dunbar Street Vancouver, B.C. Secretary	Bookkeeper Secretary/Treasurer, Nuspar Resources Ltd. Secretary/Treasurer, Medallion Explorations Ltd.	Nil

6. PARTICULARS OF THE CORPORATE STANDING OF THE ISSUER.

The Issuer was incorporated in British Columbia on April 19, 1967 under the name Spartan Explorers Ltd. (N.P.L.). The name was changed on May 4, 1967 to Spartan Explorers Ltd. (N.P.L.) and on May 12, 1967 to Spartan Explorations Ltd. (N.P.L.). On August 26, 1974, the Issuer converted