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November 15th, 1977

Robert A. Scott, Esq.,
President,
Vancouver Stock Exchange,
Vancouver, B.C.
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Dear Mr. Scott:

Gilford Resources Ltd.
Vic Claim Group, Taseko Lake Area, B.C.

You told me last Thursday afternoon that, following recent acquisition of the Vic Claim Group by Gilford Resources Ltd., the securities of that company had advanced rapidly on the Vancouver Curb Exchange. Because this was of immediate concern to the superintendent of Brokers, you asked me to meet officers of Gilford Resources Ltd., and advise you, as soon as possible, whether or not, in my opinion, the newly-acquired property could support a legitimate and merit-worthy exploration programme.

I gave you my affirmative opinion during the morning of November 11th. The attached memorandum confirms and provides back-up for that verbal opinion.

Yours very truly,

Thomas C. Keefer, P.Eng.
Mining Engineer

cc: Mr. E.F. Smith
Office of the Superintendent of Brokers

Mr. Laurence Kershaw ✓
Secretary, Gilford Resources Ltd..

Att'd.

MEMORANDUM

November 15th, 1977

TO: Mr. Robert A. Scott
President, Vancouver Stock Exchange
536 Howe Street, Vancouver, B.C.

Mr. E.F. Smith
Office of the Superintendent of Brokers
756 Fort Street, Victoria, B.C.

cc: Mr. Laurence Kershaw ✓
Secretary, Gilford Resources Ltd.
1020 - 470 Granville Street, Vancouver, B.C.

SUBJECT: Gilford Resources Ltd. - Appraisal of Exploration Potential
of the Vic Claim Group, Taseko Lake Area, Clinton Mining
Division, B.C.

1. Source of Information

As requested by Mr. Robert A. Scott on November 10th, 1977, I met Mr. Laurence Kershaw, Secretary of Gilford Resources Ltd., in the offices of International Pyramid Mines Inc. Present with Mr. Kershaw were Messrs. Alex H. Lenec and Carl F. Zuber, respectively President and Field Manager of the latter company.

Information given verbally by these three gentlemen concerning the activities of Gilford Resources Ltd. and about the Vic Group of claims, together with the reports, plan and coloured photographs listed below, represent in total the data available to me during the short course of this appraisal.

I found this information sufficient for my purpose and, with the one exception noted below, have placed its reliability beyond any question of doubt.

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Mr. Robert A. Scott
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Reference Number

- Reports: B.C. Minister of Mines 1935 (1)
"Property Submitted" notes, ascribed
to Newmont Mining Co. - File 217 b.
This undated and unsigned field memo-
randum must be regarded as being of
uncertain authenticity. (2)
R.D. Westervelt P. Eng. 23 July 1976 (3)
- Plan: Section looking N.W., showing Sample
Values L.J. Manning & Associates Ltd.,
September 1974. (4)

Coloured

Photographs: These, taken in or about September 1974,
by Carl Zuber and others on the property at
the time, are of excellent quality. They
illustrate the mineral showings and portray
very clearly how exploration is hindered by
the precipitous nature of the terrain.

2. The Vic Claim Group (1), (3)

The 12 contiguous claims forming the group are about 80 air miles southwest of Williams Lake and about 140 air miles north of Vancouver. From the Taseko River at the outlet of Lower Taseko Lake (elevation 4500'), the claims extend southwesterly up the cliffs of Vic Mountain to its summit at 7898 feet and then down the moderate slope on its other side to an elevation of about 6700 feet.

The property, originally known as the "Vick Group", was first staked in 1933.

Exploration work to date has outlined a gold-bearing fault structure, marked by a steep-walled gully, extending through the long southwest axis of the property. Gold values occur in scattered masses of heavy sulphides (pyrite and chalcopyrite) in overlapping, mostly narrow, quartz veins within the zone of shearing. Vein widths up to 7 feet and some remarkably high gold, silver, and copper assays have been reported, but distribution, extent, and continuity of the showings are unknown.

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The gully marking the fault zone is some 40 feet deep. In places it is partially filled with rock debris from the cliffs above, which, at upper elevations, is overlain by ice and snow. Hazardous field conditions and masking by snow, ice and rubble, have prevented systematic sampling of the structure.

The following are the three main areas of interest:

- I. Two adits, at elevations 5,534' and 5792', were driven during the period 1935-37 to investigate some high grade surface showings. Both encountered disappointingly low gold and silver values (4), but the face of the upper adit is shown to have assayed about 0.27 ounce gold per ton over 5-1/2 feet.

It is possible, as suggested by R.D. Westervelt (3), that both tunnels were stopped short of downward extensions of the mineralization seen at surface.

- II. The "Property Submitted" memorandum (2) dates that sluicing of the gully from the summit in 1939 uncovered 800 feet of vein, at one place 7 feet wide. The vein is reported to have given very high assays along its 800 foot length. (As noted, the level of credibility attached to this report is not high).

In 1974-75 the main showing area was re-staked and explored in a preliminary fashion by Nemco Explorations Ltd. and New Pyramid Gold Mines Ltd.

- III. On the moderate slopes northwest of the summit, along the strike extension of the fault zone (where vein material is exposed in two old trenches) initial reconnaissance suggested the desirability of further geochemical and geophysical work, to be followed by diamond drilling.

Mr. Westervelt, reporting on the 1974-75 programme (3), recommended, in the three areas referred to above:

Area I 1,000 feet of underground diamond drilling from the upper adit.

Area II Snow removal, mapping and sampling.

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Area III Geochemical and geophysical surveying, followed by 2,500 feet of diamond drilling.

The 1976 exploration season, during which it was hoped to implement the Westervelt recommendations, was managed by Mr. Zuber. The findings of the programme were described by him, essentially as follows:

Area I Drill crews, brought in on three separate occasions, could not be persuaded to make a long and hazardous climb each day to the upper adit. The work was not done.

Area II Rock fragments and ice at the bottom of the gully formed a frozen mass which could not be penetrated.

Area III Three diamond drill holes, 500 feet apart, were "on target" in cutting the fault zone, but metal values were insignificant. Core logs of these drill holes, unfortunately, were not available, for my examination. *West side of summit*

3. Summary and Conclusions

High-grade gold-silver-copper mineralization occurs in places along a persistent geological structure which transects the Vic Claim Group. Sporadic exploration of the structure has been hampered by the hazards of a precipitous mountain terrain. It has been unsuccessful in delineating an orebody, but has failed also to eliminate the potential value of any one of several interesting areas.

I conclude that the Vic Claim Group warrants a well-engineered and resolutely executed exploration programme, to be followed by an economic appraisal, the whole designed to determine whether or not subsequent exploration and development work should proceed.

Vancouver, B.C.
November 15th, 1977

Thomas C. Keefer, P.Eng.
Mining Engineer



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CERTIFICATE OF ASSAY

Westervelt Engineering Ltd.,
401 - 1112 W. Pender,
Vancouver, B.C.

COP-ER MINING CORP. LTD.

CERTIFICATE NO. 31653
INVOICE NO. 17874
RECEIVED August 17, 1976
ANALYSED August 23, 1976

FILE NO. :	% Copper	OZ/T Silver	OZ/T Gold	(Fire Assay)
01	5.18	5.25	4.212	
02	3.05	3.52	2.362	
03	3.01	2.06	1.760	
04	0.08	0.01	0.003	
05	0.07	0.42	0.088	
06	2.52	1.19	0.810	
07	0.06	0.02	0.058	



MEMBER
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