SITE EXAMINATION

ON THE

R-1 MINERAL PROPERTY

FOR

NORTHAIR MINES LTD.

KAMLOOPS MINING DIVISION

BRITISH COLUMBIA

BY

J.P. FRANZEN, P.ENG.

North Vancouver, B.C.

No.

10

April 14, 1986

INTRODUCTION

The R-1 property was examined by the writer on April 5 and 6, 1986. The writer was accompanied by Mr. G.H. Rayner, P.Eng. Mr. Rayner is the recorded owner of the subject property.

Work programs from 1963 to 1969 outlined a stratiform zone of disseminated chalcopyrite mineralization, 850 metres long and up to 30 metres thick, in layered igneous rocks. The property flanks an airborne magnetic anomaly.

The purpose of the examination was to investigate the precious and platinum group metals potential of the property. Samples previously collected by Mr. Rayner returned anomalous gold, palladium and platinum values.

LOCATION AND ACCESS (Figure 1)

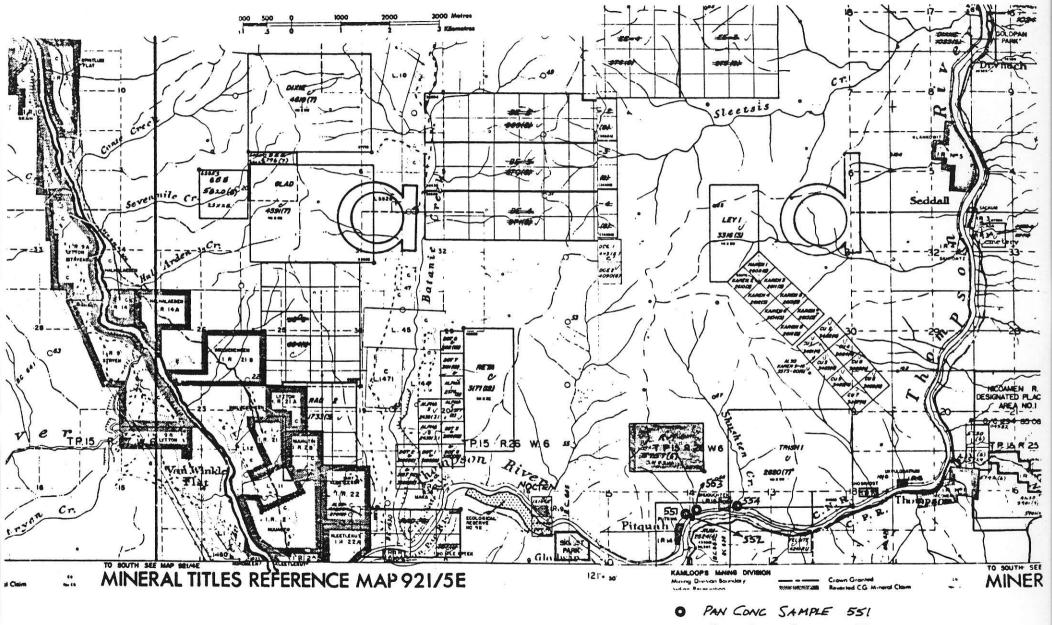
The property is on the north side of the Thompson River near CN station Pitquah. Pitquah is 10 km east of Lytton. The claims are centered at latitude 50° 16' north and longitude 121° 28' west.

Access to the property is by foot, along the CN railway tracks, from Lytton. In view of lengthy travel time, the writer and Mr. Rayner camped at the property on the evening of April 5. Several roads, in varying stages of disrepair, provide access to the property from the railway tracks.

MINERAL PROPERTY (Figure 1)

The Legal Corner Post of the R-1 claim was seen by the writer during the course of the property examination. The claim was located by Mr. Rayner on May 11, 1984.

On April 6, 1986 Mr. Rayner staked additional ground to the west of the R-1 Claim.



ROLK FLOAT SAMPLE 552

FIGURE 1

PHYSICAL FEATURES (Plate 1)

The claims cover a steep and incised south-facing slope at the entrance to the White Canyon area of the North Thompson River (Plate 1). Property elevations range from 550 metres to 1220 metres. Forest cover is open and light. Outcrop is restricted to primary and secondary ridge crests. Scree cover is extensive below the ridges. Creeks draining the property are best described as debris flow channels. Only Shushten Creek contained water.

WHITE CANYON GEOLOGY

Rocks in the White Canyon area are clearly layered (Plate 2). Geological Survey of Canada Open File 165 describes these rocks as Mesozoic schists and gneisses. No further published data are available.

Plates 2 and 3 show layering in intrusive rocks in the White Canyon area. From a distance layering is well-defined and appears continuous (Plate 2A). Closer inspection shows that the bleached White Canyon intrusion is in fact cut by a swarm of segmented mafic dykes and sills (see Plates 2 and 3). On a fresh surface, leucocratic rocks have a waxy appearance and contain little or no quartz. Wispy chlorite clots and fine epidote-rich laminations define a foliation and/or composition layering. Mafic sills are parallel or at a low angle to the foliation. Limonite -- stained dykes crosscut both foliation and sills.

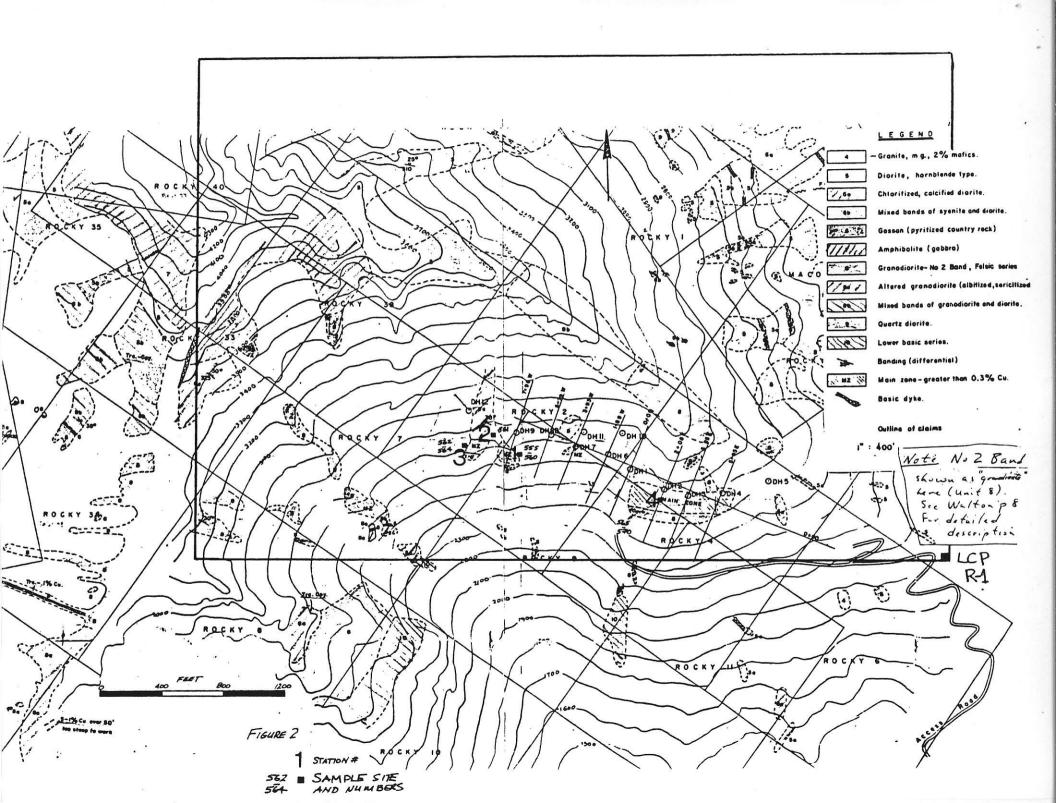
PROPERTY GEOLOGY

Geology of the subject property has been described in detail by other workers. These reports are in the files of Northair Mines Ltd. Accordingly, the writer will restrict his comments to observations made during the site visit.

1. Rocks at the R-1 property show layering - sill - dyke relationships similar to those seen in White Canyon (Plate 4). Contacts are only

visible on certain weathered surfaces and/or at a distance. Layered gabbroic rocks at Station 1 (Figure 2) contain disseminated chalcopyrite; malachite staining is common. Chalcopyrite occurs as rims and clots around and between pyroxene crystals. Chalcopyrite filled fractures were not seen. Selected chalcopyrite-bearing samples collected from scree at the base of Station 1 returned a composite value of 0.38% Cu (22560). Precious metals and platinum group metals (PGM) values were not significant.

- 2. Limonite stain (Plate 5) and intense foot-wall hydrothermal alteration (Plate 6A) occur at Stations 2 and 3 (Figure 2). A similar limonitic zone is 250 m southwest of Station 3. This western zone was not examined. The limonite-stained zones are lense-like with a maximum thickness of 3 m and strike length of 15 m. They are conformable with compositional layering in the gabbro. Bleaching is strong; mafic minerals have gone to chlorite. One zone contained disseminated pyrite. None of the zones contained significant precious metals or PGM values (22561, 22562 and 22563). Gabbroic hanging-wall rocks show spotty malachite staining (Plate 5B). Footwall rocks show intense hydrothermal alteration with complete destruction of the original rock texture and subsequent development of a spotted texture (Plate 6A). Limonite staining and leopard-spot alteration were not noted in the main mineralized zone (Station 4).
- 3. A main zone Lytton Minerals Ltd. trench was examined (Plate 6B) and re-sampled (22565 to 22570). Five continuous samples returned an average grade of 0.30% Cu over a 15 m true width (Station 4). Lytton Minerals reported an average grade of 0.68% Cu for the same zone. Finely disseminated chalcopyrite occurs in foliated to massive gabbro. A number of dykes of variable orientation and composition were noted in the trench (Plate 6B). Average metal values are summarized and compared below.



	ind analysis of the	ppb		ppm
	Au	Pd	Pt	Cu
Trench Station 4 (15 m) (22566-70)	58	96	46	3000
Composite Grab West Zone (22560)	62	55	54	3840

Precious metals and PGM values in the known mineralized zone are not of economic interest.

PAN CONCENTRATE GEOCHEMISTRY

Three pan concentrate samples (22551, 25553 and 22554) were collected from debris flow channels that drain the property (Figure 1). In view of the short site visit it was felt that these samples would provide a reasonable metals signature for the property.

Sample 22553 is in the main mineralized zone drainage. The 410 ppb gold value could be considered a weak anomaly; PGM values are low. Sample 22551 covers the next drainage to the west of the main zone. A 14100 ppb gold value is strongly anomalous and compares favourably with pan concentrate anomalies in established precious metals districts (compare with the Iskut Area). The silver value is 4.2 ppm. The anomaly source is not known. Claims staked by Mr. Rayner at the time of the site visit cover this drainage. Sample 22554 tested Shushten Creek. It was not anomalous.

CONCLUSIONS AND RECOMMENDATIONS

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- 1. The Lytton Minerals Ltd. main copper zone does not contain significant precious metals and PGM values. Further work on the zone is not warranted.
- 2. The drainage to the west of the main Lytton zone returned a very strong gold in pan concentrate anomaly. Available data indicate that the precious metals potential of this area has been neither examined nor tested by previous operators.
- 3. A five day prospecting and sampling program should be under taken to identify a bedrock precious metals source.

1 AAA J.R. P.Fn anzeh Consulting Mining Geologist

R-1 Property Sample Information

* = Contiguous Samples **

Sample Number	Туре	Width (m)	Description	Figure/Location
22551	Pan Conc		 - 10 mesh material from Pitquah Creek debris - flow channel. 	1
22552	Rock	Float	Foliated fine-grained intrusive. Limonite stain. 2% disseminated pyrite.	1
22553	Pan Conc		- 10 mesh material from dry channel that drains main mineralized zone.	1
22554	Pan Conc		- 10 mesh material from Shushten Creek	1
22555	Rock	1.0 *	Strongly magnetic, melanocratic, equigranular gabbro. 1% fine disseminated chalcopyrite; malachite stain.	2 Plate 4B
22556	Rock	0.3 *	Weakly magnetic diorite. Wax-like appearance on fresh surface. Chlorite and epidote alteration.	2 Plate 4B
22557	Rock	2.0 **	Interlayered diorite and gabbro. Strong malachite stain on bluff face 15 metres away.	2
22558	Rock	2.0 **	Interlayered diorite and gabbro. Strong zone of epidote alteration.	2
22560	Rock	Scree Float	Strongly magnetic, melanocratic equigranular gabbro. 5% disseminated magnetite. 2% chalcopyri as fine disseminations and clots to 10 mm. Black acicular amphibole on fracture surfaces.	3 te

Sample Number	Туре	Width (m)	Description	Figure/Location
22561	Rock	0.3	Limonite stained zone. Bleached intrusive. Zone is parallel to layering.	2
22562	Rock	3.0	Limonite-stained zone in melanocratic gabbro.	2
22563	Rock	2.0 *	Limonite stained zone. Bleached intrusive. Zone is paralled to layering.	2 and Plates 5 and 6A
22564	Rock	1.0 *	Alteration zone in foot-wall of limonite stained zone. Bleaching and complete destruction of intrusive texture.	2 and Plates 5 and 6A
22565	Rock	1.0	Melanocratic gabbro. Strong malachite stain. No visible sulphides.	2 and Plate 6B
22566	Rock	3.0 * FW	Lytton Minerals trench below DDH 2. Melanocratic gabbro. Several dykes in the zone. Weak disseminated chalcopyrite.	2
22567	Rock	3.0 *	11	2
22568	Rock	3.0 *	n	2
22569	Rock	3.0 *	19	2
22570	Rock	3.0 * HW	11	2

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GEOCHEMICAL ANALYSIS CERTIFICATE

COMPANY: NORTHAIR MINES LTD. PROJECT: R-1 ATTENTION: F.HEWITT/J.FRANZEN/G.RAYNER FILE: 6-171 DATE: APRIL 11/86. TYPE: ROCK GEOCHEM

We hereby certify that the following are the results of the geochemical analysis made on 17 samples submitted.

SAMPLE	CU	NI	AG	AU-FIRE	PD-FIRE	PT-FIRE
NUMBER	PPM	PPM	FFM	PPB	PPB	PPB
22552	172	8	0.6	20	4	5
55	1400	80	1.9	18	11	15
56	430	24	1.0	9	1	1
57	585	31	1.5	9	1	1
58	365	50	1.8	4	1	1
59	NO SAMPLE		*****			
s0+22559*		140	2.3	62	55	54
61	500	53	1.5	10	13	14
62	825	102	1.8	22	7	29
63	550	36	1.0	11	7	6
54	1620	70	1.8	11	26	12
65		111	2.2	63	100	65
66	1940	72	1.9	30	48	23
67		110	2.1	69	127	62
68	1830	94	1.9	42	70	54
69	7000	138	3.8	127	203	59
22570	945	49	1.5	21	33	31
SAMPLE	5	-	3			
NUMBER	7.					
22552	.56	and Without and a developed forces and a second second			******	
22555	.12					
22556	.05					
22557	.01					
22558	.02					
22559	NO SAMPLE			and and the second states where the second second		an baayan dala sana dala sa
22560+22559	.05					
22561	2.25					
22562	.01					
22563	.02					
22564	.01			·	****	
22565	.01	7		()		
22566	.02	ł	•		\bigcap	
22567	.18			1po	-/</td <td></td>	
22568	.01		Certified	by A.M.	mag	
22569	. 10	-		. +	/ · · ·	
22570	.01			V		

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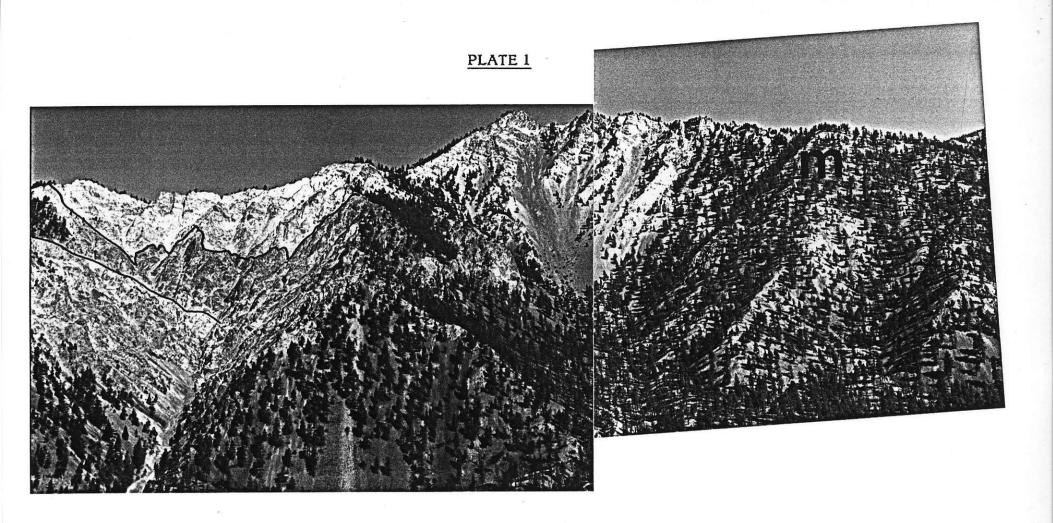
GEOCHEMICAL ANALYSIS CERTIFICATE

COMPANY: NORTHAIR MINES LTD.FILE: 6-171/P1PROJECT: R-1DATE: APRIL 15/86.ATTENTION: F.HEWITT/J.FRANZEN/G.RAYNERTYPE: PAN CONCENTRATES

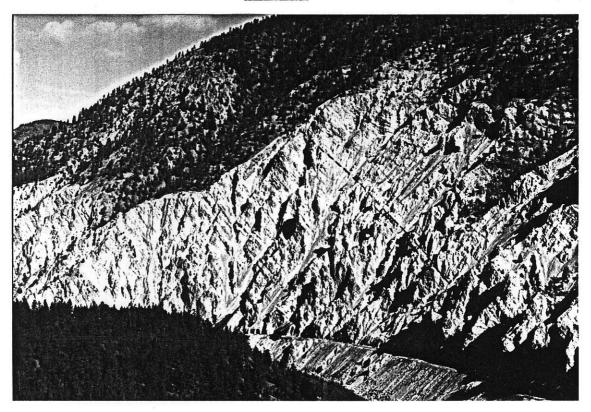
We hereby certify that the following are the results of the geochemical analysis made on 3 samples submitted.

SAMPLE	CU	NI	AG	AS	AU-FIRE	FD-FIRE
NUMBER	FPM	PPM	FFM	PPM	PPB	PPB
22551	645	12	4.2	4	14100	8
22553	355	14	0.7	1	410	10
22554	290	13	0.9	1	67	8
SAMPLE	PT-FIRE	S	НМ			
NUMBER	PPB	7.	%			
NORDEN	110	/=	/=			
22551	20	.12	32.72			
22553	12	.04	38.54			

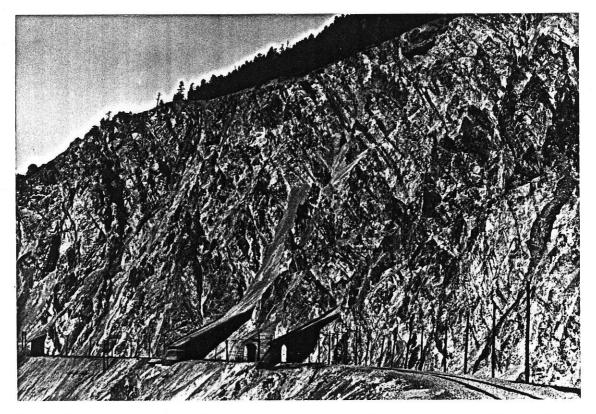
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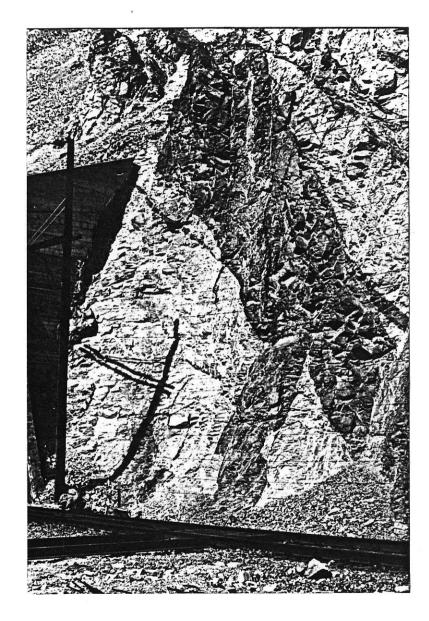
Panoramic view, looking north from Pitquah, of R-1 property. Head of Pitquah Creek at lower left. Note colour banding at upper left. Main mineralized zone (m) above road at upper right. A pan concentrate sample from Pitquah Creek assayed 14100 ppb gold. . '0



A. View from Trans-Canada Highway looking at 320^o to White Canyon between Maka and Nocten. Compositional layering in bleached intrusive dips into hillside.



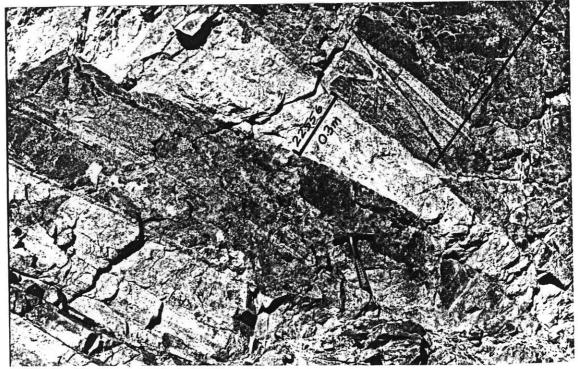
B. Close-up view of A; compare position of rock sheds. Bleached foliated leucocratic intrusive with discontinuous limonite-stained mafic dykes and sills.



- - B. Mafic sill in foliated leucocratic intrusive. Note feeder zone at rock hammer. Site 200 metres southeast of A.
- A. Dyke, sill and bleached intrusive relationships at tunnel -- bottom centre - Plate 2B. Packsack at bottom left for scale.

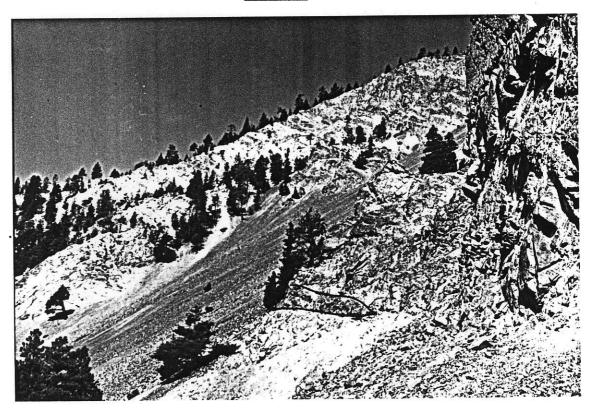
PLATE 3

A. View looking at 150° to backside of bluff outcrop -- Station 1. Compositional layering in intrusive is cut by bleached sill-dyke at low angle to layering and upright dykes. Mafic gabbro bands contain disseminated chalcopyrite.



B. Bluff outcrop at Station 1 showing detail of compositional layering in intrusive, Plate 4A. Alternating bands of leucocratic diorite and strongly magnetic, limonite-stained gabbro. Fine disseminated chalcopyrite in gabbro. Note malachite stain -- centre right.

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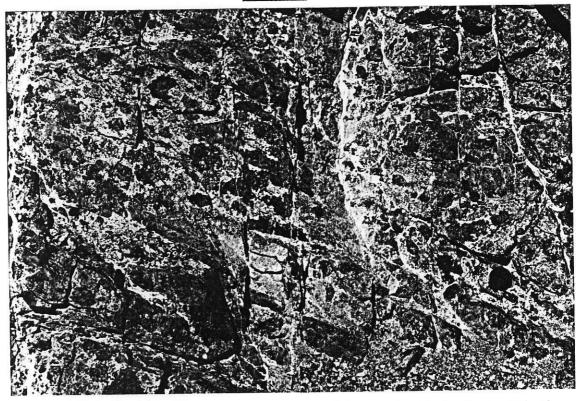


A. View looking 300° from Station 1 to Station 3. Gossan zone at base of malachite-stained gabbro. Rocks below the gossan show intense hydrothermal alteration.

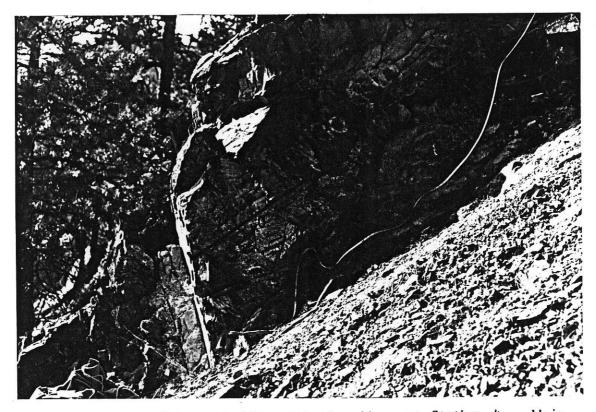


B. Close-up of gossan zone Station 3 -- Plate 5A. Rock hammer at centre left for scale. Malachite stain at upper right and left. See text for description.

PLATE 6



A. Five metre thick conformable zone of leopard rock in foot-wall of gossan zone, Station 3 - Plate 5. See text for description. Quarter coin at lower right for scale.



B. Trench wall in malachite stained gabbro at Station 4. Main mineralized zone cut by narrow bleached dyke. Tape for scale.