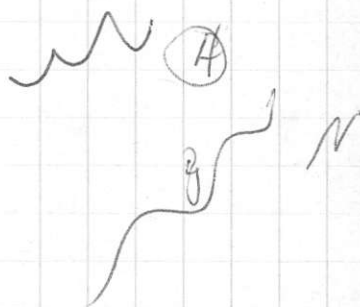


Introduction

At the request of Mr Edward Sorrenberg, President of Ainsworth Resources Limited, the writer spent one day examining the workings of the Casino gold prospect (Casino) near Trail, B.C.

Accompanying me was Mr Dennis Bialkowski of Ainsworth Resources and Mr Tony Nyhuis, part owner of the property. The evaluation was made on January 30th, 1981.

In view of the 1980 rapid escalation of the gold price, Ainsworth have been persistent in their hunt for precious metal deposits of merit. In the Casino situation they have a prospect which has in past years mined and shipped gold ore.



Location & Access.

The Casino gold prospect is located in South-Central British Columbia approximately 6 kilometers southeast of the city of Trail.

~~Access to the property is by~~

The 1/2 claim units staked in the modified grid plan lie on the eastern slope of Lookout Mountain along the northwestern side of Casino Creek, N.T.S. location of the property is 82 F/4 E in the Trail Creek Mining Division of British Columbia.

Access to the property is by paved highway (Casino Road) to within 500 meters of the portal. The mine road consists of a ~~single~~ ~~unit~~ well graded gravel route.

Property.

The ~~two~~ ^{twelve} Casino claim units, ^{which form a rectangular block} ~~are~~ ^{are} ~~staked~~ ^{staked} in the modified grid plan. Claim location is shown on B.C. Department of Mines Mineral Claim map No. 8/2 F/4E.

It is understood that further staking is underway to enlarge the holdings. It is further understood that the present holdings were ~~to~~ located in June 1980. However this was not checked out by the writer.

Reference should be made to the following maps showing property and claim locations.

History.

The present gold prospect first appears in literature in the 1951 Annual Report of the B.C. Ministry of Mines. The property, consisting of one claim called the Casino Red Cap, is centered on a narrow quartz vein. ~~At~~ That year some trenching was done on the vein structure while a short (15 meter) adit was driven towards the vein. Little ^{further} activity occurred until 1958 when with a change of ownership, ^{limited} staking ~~was initiated~~ ~~between two~~ plus a minor amount of development work was initiated over the succeeding three years by the new owners or lessees.

In 1962 other than for a three month optioning of the property, work consisted primarily of underground drilling, geological mapping and a minor amount of development work. Again in 1963 limited development and staking proceeded at the mine site.

In 1964, Columbia River Mine Ltd. took the property over and carried out an ^{extensive} development in the following year and a half ~~that amounted to~~ programme of drifting, crosscutting and diamond drilling. A minor amount of staking was done. In 1966 Columbia River did not renew their option, preferring to concentrate on their Ruth-Vermont property near Bouldstake.

There has been no known activity at this property since 1966.

Production

Mexican production from the Cosimo claims in the past came from the main vein structure with the #2 vein providing minor tonnage. The following chart does not distinguish between the two ~~striking~~ structures.

<u>YEAR</u>	<u>TONNAGE</u>	<u>GOLD, OUNCES</u>	<u>SILVER, OUNCES</u>	<u>LEAD, lbs.</u>	<u>ZINC lbs</u>
1958 *	1140	649	230	?	?
59 *	265	126	42	?	?
1960 *	30	21	3	?	?
62 **	959	292	68	1918	1918
*	533	309	74	?	?
63 **	2741	913	240	5482	7417
64 **	110	71	22	220	220
65 **	207	154	33	413	553
1958-1965	5985	2535	712	13249	13187
Average Grades		0.42 oz/t	0.12 g/t	0.11%	0.11%

* B.C. Dept. of Mines Reports.

** Smelter Records.

Geology

Mapping of the immediate South Trail area by the Geological Survey of Canada in 1962 showed the area to be basically consist of a lower Jurassic volcanic-sedimentary base which has been extensively intruded by ~~later~~ younger acid plutonic formations. ~~Later~~ ^{later} dyke action has produced dyke structures cutting the intrusive bodies.

In the main area, a body of ^{medium grained} monzonite ~~probably~~ associated with the Nelson batholith lies ~~in contact~~ ^{in contact} with siliceous argillite of the Lower Rossland group. The ~~thinly~~ ^{thinly}-bedded sediments strike north 60° to 75° east and dip from 45° to 60° to the northwest. Cutting across the sediments and the monzonite are ~~dykes~~ ^{dykes} north-south trending dykes of ~~light~~ ^{medium grained} light coloured aplite.

There are three main sets of fractures ~~in the area~~ ^{in the area} which are ~~often~~ ^{often} occupied by dyke material. The primary ~~structure~~ ^{set} and the one ~~with~~ ^{with} the one section ~~on~~ ^{on} encountered ~~is~~ ^{is} ~~at~~ ^{at} 45° azimuth bearing ~~slips~~ ^{slips} dipping from 45° to 60° to the northwest. ~~The~~ ^{The} second set ~~is~~ ^{is} ~~of~~ ^{of} the vertical north-south striking shears ~~are~~ ^{are} often ~~occupied~~ ^{occupied} by aplite dykes. ~~a~~ ^a third set bears almost east-west ~~and~~ ^{and} dipping steeply to the south. Little is known about

or if these
fractures
structures.

(4)

Sample # 465 represents a 35 centimeter (14 inch) chip sample cut from the drift back 9 meters (30 feet) northeast of the previous sample. The vertical vein carries minor sulphides and lies flush to the north of a strong 15 centimeter (6 inch) shear.

Gold: 0.248 oz./t.; Silver: 0.017 oz./t.

Sample # 466 was a check sample taken at track level from a 45 to 50 centimeter (18 to 20 inches) highly sheared quartz vein which had yielded a 1.186 oz./t gold assay by a previous sampler. The location is 22 meters (72 feet) from #465 sample or roughly 30 meters (98 feet) from the portal.

Gold: 2.08 oz./t.; Silver: 0.140 oz./t.

Missis

Sample # 467 was selected from ^{old} bagged ore sacks lying in the dump area.

Gold: 0.195 oz./t.; Silver: 0.005

The above samples were analyzed by the atomic absorption method at Barringer Magenta Laboratories in Calgary. Their Certificate of Analysis is included as part of this report.

(2) locations repeatedly
at seven ~~different~~ ~~locations~~ ~~over~~ a strike
distance of ~~115~~ meters (380 feet).

Julie
Indent → Sample # 460 at the furthest west end
of the vein was a 50 centimeter sample (20 inch)
cut from the quartz vein at the last ore
chute prior to its being cut off by the
fault.

Gold: 0.195 oz./ton; Silver: 0.011 oz./t.

Sample # 461 - a 28 centimeter (11 inch)
chip sample cut from a silicified zone
carrying chalcopyrite ~~at~~ with moderate
iron oxidation located 40 meters (130
feet) to the northeast of the previous
sample.

Gold: 0.124 oz./t.; Silver: 0.014 oz./t.

etc → Sample # 462 consisted of grab sample
taken from ~~a~~ a draw point 30
meters (98 feet) northeast of # 461.
Most of the ~~sample~~ sample was represented
by argillite.

Gold: 0.003 oz./t.; Silver: 0.005 oz./t.

well mineralized Sample # 463 - represents ~~a~~ random chips
taken from a 35 centimeter ~~vein~~ (14 inches)
vein width located near its drift floor level
approximately ~~4~~ 4 1/2 meters (15 feet) beyond
the previous sample. This vein structure
was observed running up a raise
nearby.

Gold: 0.138 oz./t.; Silver: 0.005 oz./t.

Sample # 464 is a 35 centimeter (14 inch)
chip sample cut from ^{silicified} shear zone exposed
where a round had been taken from
the drift back. The almost vertical
structure (80°) is located approximately
10 meters (33 feet) northeast of sample # 463.

Gold: 0.393 oz./t.; Silver: 0.014 oz./t.