

File - Terrace Area

TEL.: BUS. 682-4144
RES.: 987-9520

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CONSULTING GEOLOGICAL ENGINEER

*Hope Prospect
Cedar Cr. Area*

*included in
total Kleanza deal.*

*For 1969 report - use basically same report w.
supplements & addit. to expanded
cost estimates.*

ROOM 1, 425 HOWE STREET
VANCOUVER 1, B.C.

August 22, 1968

*Ask to provide H.M. geochem results
on 200-300' X-sec. These incl. cross-sectional compositions
to total Cu.*

President and Directors
Kleanza Mines Ltd. (N.P.L.)
c/o Mr. D.W. Small
Suite 201 - 535 Thurlow Street
Vancouver 5, B.C.

800855
Hope Prospect
(Cedar Creek Area)

Gentlemen:

With this, the writer transmits his separate report on the Hope prospect, Cedar Creek Area. Reports on the Gribbell Island and Quartz-Silver prospects will be forwarded at the earliest opportunity; drawings for these have been completed.

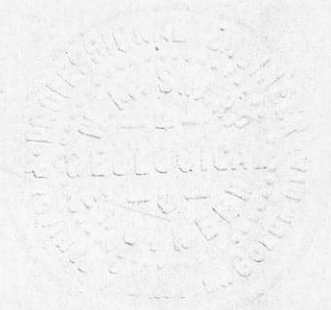
Of the above, only the Hope prospect will be reported on in significant detail; the others will be summarized very briefly -- which, in view of apparently slight currently-indicated ore potential on these properties, should suffice.

In the writer's opinion the Trio mineralization is too local, and the host structure too small to warrant further geological consideration. In regard to the Quartz-Silver prospect, mineralization within the current exposures does not warrant additional trenching; any considerations of further work on these claims would be contingent on receiving geochemical indications of significant mineralization via a more general preliminary investigation.

Respectfully submitted,

W.M. Sharp
W.M. Sharp, P.Eng.

WMS/hb
encl.



REPORT
on a
PRELIMINARY GEOLOGICAL EXAMINATION
of the
HOPE SILVER-LEAD-ZINC PROSPECT
situated near
CEDAR RIVER, TERRACE AREA
in the
SKEENA MINING DIVISION, B.C.

for
KLEANZA MINES LTD. (N.P.L.)

by
W.M. Sharp, P.Eng.

August, 1968

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REPORT DRAWINGS

- Fig. 1 Index Map and General Geology;
Scale, 1 inch = 4 miles
- Fig. 2 Claim Map; Scale, 1 inch = 1500 feet
- Dwg. No. 1 Geological - Assay Plan;
Scale, 1 inch = 50 ft. and 100 ft.

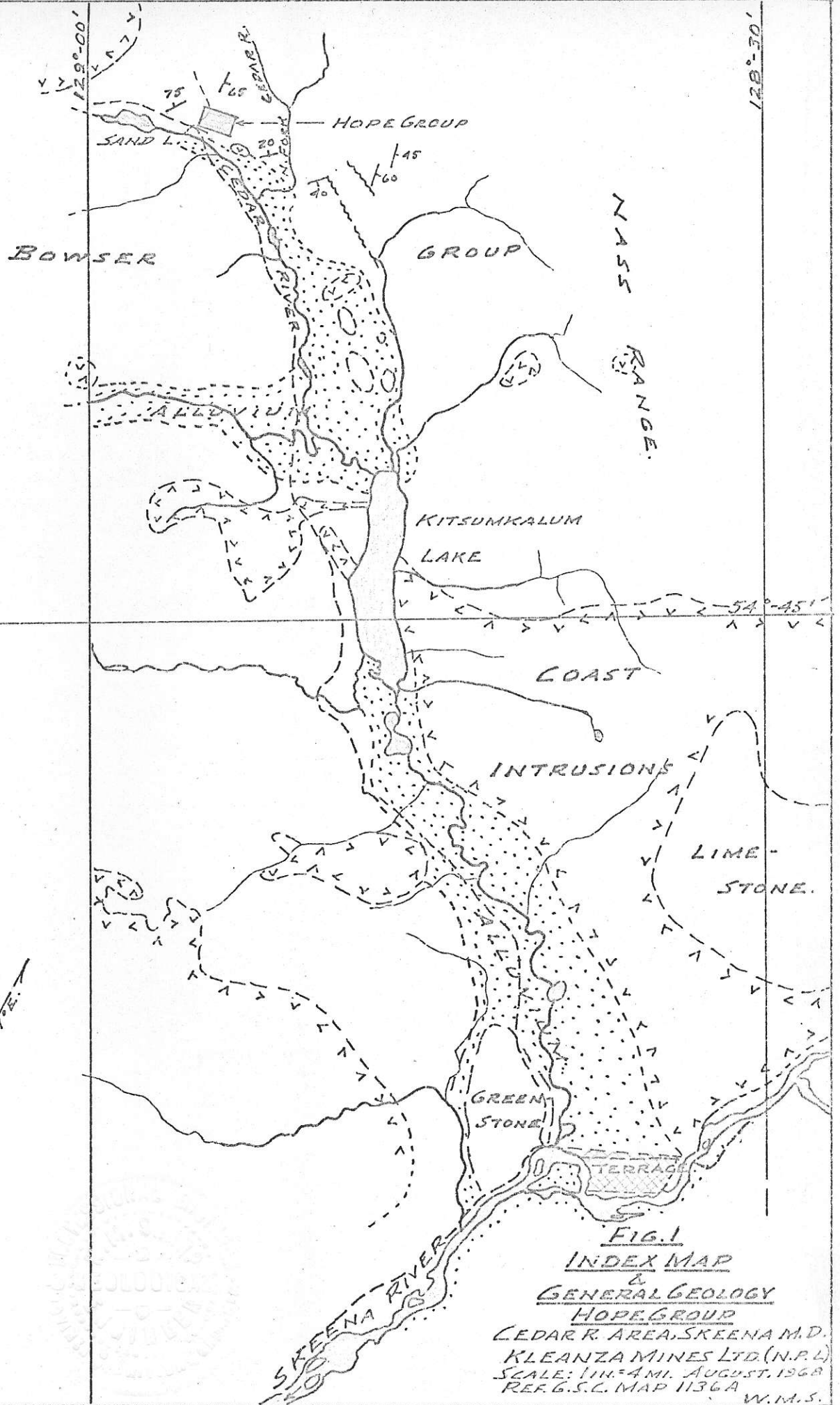


FIG. 1
INDEX MAP
&
GENERAL GEOLOGY
HOPE GROUP
 CEDAR R. AREA, SKEENA M.D.
 KLEANZA MINES LTD. (N.P.L.)
 SCALE: 1 IN. = 4 MI. AUGUST, 1968
 REF. G.S.C. MAP 1136A W.M.S.

SUMMARY, RECOMMENDATIONS and ESTIMATED COSTS

The Hope group, comprising one block of 11 contiguous claims, has been located to cover probable local strike and dip extensions of the known mineralized zone and possible similar parallel zones which may occur within the ~~6000~~ by ~~4500~~ foot claims area. The present group covers ground formerly comprising the original Iona, and subsequent Silver Plate - Silver Cup groups.

The Hope group is situated 34 miles N.N.W. of Terrace, B.C. in the Skeena Mining Division; locally it lies midway between Sand Lake and the north fork of the Cedar River. The property lies at an elevation of, roughly, 1250 feet; it is easily accessible via 39 miles of road -- including Highway 16 for four miles west of Terrace, and 35 miles northward along main and branch logging roads in the Celgar Forest Management area. Gentle topography and low relief comprise favourable factors relating to rapid exploration of the general property.

The present showings were originally staked in 1913. Since that time only a minor amount of exploratory work has been accomplished. A small tonnage of high-grade silver-lead-zinc shipping ore has accrued from earlier development work.

Mineralization occurs within a composite shear vein and breccia structure, presumably striking at about N 70° W, and dipping moderately to steeply southward. Exploratory work accomplished to date suggests that the structure and mineralization are best developed where it traverses brittle argillaceous bedding units, and weakens within softer, less friable tuff-graywacke sections. The quartz veins and intervening quartz-argillite breccia are variably mineralized by sphalerite, chalcopyrite, galena, and tetrahedrite. A representative sample of the shaft open cut mineralization, taken by G.S.C. examining personnel in 1953, assayed Au, 0.01 oz./ton; Ag, 28.14 oz./ton; Cu, 4.14 percent; Pb, 3.8 percent; Zn, 19.69 per cent.

The writer infers a fair geological potential for a moderate tonnage of good-grade milling ore within the Hope claim group, and submits the following recommendations for exploration of the ground:

*March/69
increase all items for
expanded groups.*

<u>Stage I</u>	Grid Preparation, ¹⁵ 10 miles @ \$100	\$ 1,000	<i>1500</i>
	Soil Sampling, 1/2 month, labour	1,200	<i>1800</i>
	Geochemical analyses, Pb-Ag,	2,000	<i>2500</i>
	Vehicle Operation, supplies	300	<i>500</i>
	General provision, extras and contingencies	<u>500</u>	
	TOTAL, Stage I	\$ 6,000	
<u>Stage II</u>	E.M. Survey, 10 miles @ \$150	\$ 1,500	
	Stripping, Trenching, clean-up	5,000	
	Provision for sampling, engineering	1,500	
	Provision for extras and contingencies	<u>1,000</u>	
	TOTAL, Stage II	\$ 7,500	
<u>Stage III</u>	Diamond Drilling ³⁰⁰⁰ 2000 l.f. @ ^{12⁰⁰} \$10	\$20,000	
	Provision, extras and contingencies	<u>2,000</u>	
	<i>B-core @ 12⁰⁰</i>	TOTAL, Stage III	<u>\$22,000</u>

*Jerry Venne - wire-line -
(based at Tenare) (A or B size)*

Respectfully submitted,

W. M. Sharp

W.M. Sharp, P.Eng.

*150
15
750
150
2250*



INTRODUCTION

add to Introduction April 1968

At the request of the principals of Kleanza Mines Ltd. (N.P.L.) the writer examined the main showings and exposures, as situated on the Hope #1, Hope #2, and Grizzly #1 mineral claims, during August 4-5, 1968. Mr. R.H. Bates, President, guided the writer on the property, and provided the necessary assistance on mapping and sampling procedures; Mr. Bates also supplied essential background information on the property, which is embodied in this report.

The writer's field examination comprised a Brunton-tape survey of the main workings, and of systematic sampling of the principal mineral exposures; these data are presented on Dwg. No. 1. Information pertaining to the regional geological setting, the detailed geology of currently-obscured and/or inaccessible rock and mineral exposures, history, and of former sampling has been taken from the following Geological Survey of Canada and B.C. Department of Mines publications:

References

- ✓ (a) Memoir 205, 1937 - "Mineral Resources of Terrace Area, Coast District, British Columbia" by E.D. Kindle.
- ✓ (b) Memoir 329, 1964 - "Geology of Terrace Map Area, British Columbia" by S. Duffell and J.G. Souther.
- (c) Report to Minister of Mines, B.C., 1915 - "Meadow Creek".

CLAIMS and OWNERSHIP

Fig. 3 is a plan of the Hope claim group

The Hope group comprises a ^{principal} single block of 11 claims, located so as to cover the known showings and probable local extensions of this mineralization, and to include possible similarly-mineralized, parallel zones. The B.B. group, owned by J. Piskulski, adjoins the Hope group on the northwest; these claims, presumably, contain the W.-N.W. extension of the Hope vein-lode.

The following represents the consolidated claim schedule:

Claim Name	Location Date	Record No.	Record Date	Mining Division	Current Owner
Axe #1	9/6/66	29297	17/6/66	✓ Skeena	Kleanza Mines Ltd. (N.P.L.)
Axe #2	"	29298	"	✓ "	" " "
Bob #1	18/11/66	30409	23/11/66	"	" " "
Bob #2	"	30410	"	"	" " "
Box #1	29/4/66	28971	13/5/66	"	" " "
Box #2	"	28972	"	"	" " "
Grizzly #1	8/4/66	17765	18/4/58	"	" " "
Grizzly #2	"	17766	"	"	" " "
Ben #2	19/4/68	32665	24/4/68	"	" " "
Hope #1		16284		"	R.H. Bates, Terrace, B.C.
Hope #2		16285		"	D.W. Small, Vancouver, B.C.
B.B. 1	15/5/62	20517			S. Piskulski, Terrace
2	5/5/62	20518			"
3	22/8/68	33187			"
4	22/8/68	33188			R.H. Bates under option to S. Piskulski

*Schedule B +
B.B. #1-4, with Piskulski
no details given*

*Proprietary
owned S.P.*

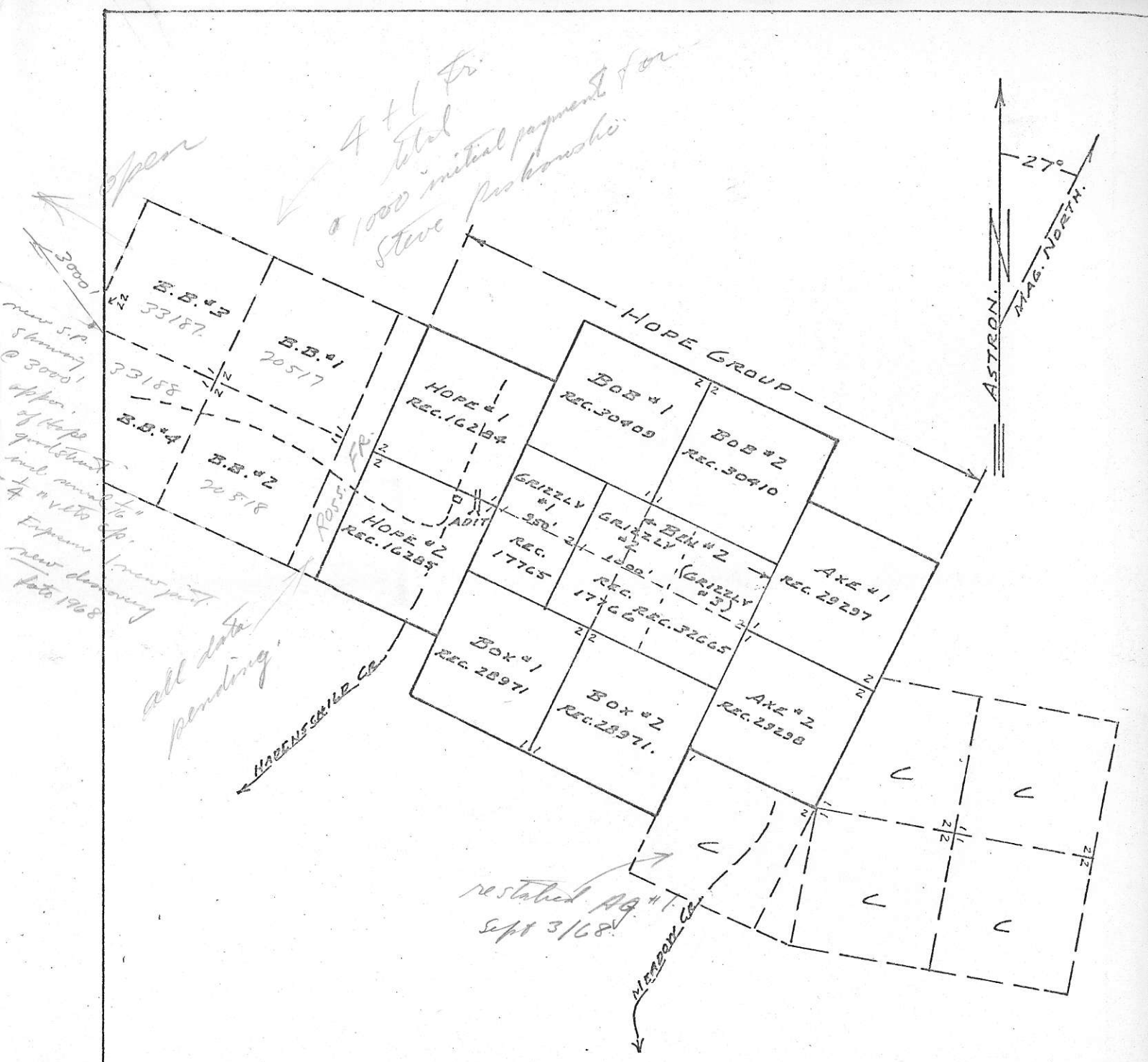


FIG. 2

CLAIM MAP

HOPE GROUP

MEADOW CR., CEDAR R. AREA.
SKEENA MINING DIV., B. C.
COAST DISTRICT
PROP. - KLEANZA MINES LTD. (N.P.)
SCALE: 1 IN. = 1500 FT., AUG., 1968.
REF. R.H.B. CL. SR 'CEDAR R. AREA'
" " CL. SCHED., AUG. 5, 1968
W.M.S.