

*See file Terrace for
gen notes on "Kit gr."*

801404

June 26, 1967

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

Dear Sirs:

**SUMMARY REPORT, EXAMINATION OF KIT GROUP,
VICINITY OF KALUM MTN., TERRACE, B.C.**

PRELIMINARY:

The property was brought to Mr. Bates' attention during May, 1967, by E.R. Anderson, prospector. Following this, a preliminary survey and inspection of the ground was accomplished by Mr. Bates. The resulting map and a suite of location-designated rock and mineral specimens were handed to the writer - with Mr. Bates' personal explanations and observations.

The writer examined the property on June 12th. This consisted of a surveyed geological traverse-inspection of the various showings. Messrs. Bates and Anderson accompanied the writer - the former assisting on examination details, and the latter providing local guidance and supplementary information.

PROPERTY:

This consists of 20 full claims and fractions, located by E.R. Anderson and L. Remillong during and after November 26, 1966. The group is tied to the southeasterly corner of Zymont Metals' Molybdenum Creek property - presently optioned from E.R. Anderson.

LOCATION AND ACCESS:

The claims are situated about 8 miles northwest of Terrace, B.C., over a generally logged area closely west of Kitsumkalum River, and on the generally flat-hummocky valley bottom.

The mapped showings are reached via 7 miles of the main Celgar haul road; thence by 3 1/2 miles of branch access, and power-line tote road leading westerly and southerly.

GEOLOGY & MINERALIZATION:

The claims are situated within an andesitic volcanic-sedimentary section of the regional Hazelton volcanics. These, in turn, are intruded by numerous small porphyritic granite dykes, and one or more minor stocks of granite - the latter being local outliers from the main batholith to the west.

The writer's surveys generally covered a 1000' x 2200' (N-S) area straddling the Kit No's. 3, 4, 5 and 6 M.C.'s.

Minor chalcopyrite, with subordinate molybdenite, occurs in poorly developed quartz vein and fracture systems, occurring in both volcanic and sedimentary host rocks. Small attractively mineralized areas occur, but these are obviously of such local extent that they are only of mineralogical interest. No apparent increase in the intensity or extent of mineralization was evident within, or adjacent to the largest intrusive exposed on the property.

One sample, representing a possibly-significant occurrence of disseminated pyrite/chalcopyrite mineralization in hornfelsized argillites closely north of the above stock, assayed only trace silver and 0.05% copper. Minor occurrences of obviously higher-grade Cu/Mo mineralization were not sampled, as these were very obviously of no economic significance.

SUMMARY & CONCLUSIONS:

The host structures and related mineralization are, typically, either very weak-extensive, or fair-very restricted; hence the property generally lacks significant potential for the occurrence of either large, low-grade, or small, high-grade deposits of Cu/Mo ore. Also, as there is no apparent indications that the necessary geologic conditions for the occurrence of economic grades of mineralization exist within the property boundaries, the group does not warrant further exploration by the Company.

Respectfully submitted,

W.M. Sharp, P.Eng.

WMS/jm



