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Report on the KS Claim

NTS 93K/3E

Dickinson/McClaren

January 1976

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Introduction

This report is an assessment of the KS claim, held by Mr. R. Rickinson in the Omineca Mining Division, B.C.

This report is based on observations made by Dr. J.M. Carr during his reconnaissance of the geology and mineral deposits of the Endako area (MMAR 1965). Further information was obtained from the Mineral Deposit-Land Use Map for the Fort Fraser area issued by the B.C. Dept. of Mines and Petroleum Resources.

The KS claim area was previously held by United Buffadison Mines Ltd. who carried out a geochemical and diamond drilling program over the area.

Location and Access

The property lies one hundred miles west of Prince George northwest of the town of Endako in the Omineca Mining Division, B.C. and consists of a contiguous block of 9 full sized units.

The KS claim was staked by Mr. R. Dickinson in October, 1975.

The KS claim can be reached by 3 miles of bush road from Highway 16 to Owl Lake.

History

Mineralization was located south of Owl Lake in June, 1965. The area was subsequently trenched, soil-sampled and drilled by United Buffadison Mines Ltd. Exploration of the area was induced by the start-up of production at the Endako Mine in May of 1965.

Diamond drilling continued through the winter of 1965-1966 and was then suspended. The property had no further work performed on it and the claims were eventually allowed to lapse.

General Geology

The area is mostly underlain by part of a batholith composed of numerous members of the Topley Intrusions of Jurassic age. Carr (MMAR 1965) has subdivided the batholith into fourteen members. The rocks range in composition from gabbro to granite and are mostly quartz monzonites.

The KS claim covers rocks of the Tatin quartz monzonite and the Casey quartz monzonite. The Tatin quartz monzonite is a mesocratic pinkish-grey medium-grained porphyritic quartz monzonite that contains pink or flesh coloured phenocrysts of orthoclase. A weak foliation is not uncommon in quartz monzonite and is generally steeply dipping.

The Casey quartz monzonite forms two large bodies which are intrusive into older units. The unit is composed mostly

of quartz monzonite, although some fine-grained varieties are granites.

A diverse variety of dykes cut the various rock units and are mostly rhyolite, dacite or quartz latite in composition. The dykes are structurally controlled and many have a preferred orientation. Dyking is both pre-mineralization and post-mineralization.

Faulting has probably been important at all stages of structural evolution of the area. Undoubtedly, faulting has influenced the localization of the Endako ore body as evidenced by the intense fracturing in the host rocks. The most common topographic lineaments trend west-northwest and coincide with mapped faults. Glacial movement has obscured much of the area and hinders the study of fracture patterns.

Geology of the KS Claim

Approximately one-fifth of the KS claim is covered by glacial drift. The rocks exposed on the KS claim include the Casey quartz monzonite, quartz-plagioclase porphyry dykes, quartz-orthoclase-plagioclase dykes and aplite and permatite intrusives.

South of Owl Lake a widespread rock alteration is partly strongly sericitic, partly weakly chloritic and partly like that at the Endako mine, which results in green plagioclase and the introduction of some biotite and orthoclase. Pyrite

disseminations and fracture fillings occur widely. Molybdenite occurs widely, mainly in narrow quartz veins and fractures that form large diffuse stockworks in the Casey quartz monzonite.

The main showing occurs 800 feet west of a small lake south of Owl Lake. The molybdenite is found in or near narrow quartz veins which mostly trend eastward and dip northward.

The Casey quartz monzonite is cut by quartz veins rarely as much as one-quarter inch wide, some of which contain molybdenite which is mostly very finely disseminated. Fractures which are mostly chloritic, are in some cases smeared with molybdenite. The quartz monzonite is cut by aplite dykes and is variously altered, being partly both bleached and chloritized and partly containing fresh biotite and orthoclase, which are accompanied by greenish or yellow plagioclase.

A total of 11,991 feet of drilling was done in 1965-1966. The grades are mostly sub-marginal (e.g. .01 to .10% MoS₂ over 410 feet of core), partly in holes northwest of the showing at distances of as much as 2,300 feet.

Summary and Conclusions

The KS claim covers an area which is predominately overburden and drift covered. Rocks exposed belong to the Topley Intrusions, a collection of batholiths and stocks of Upper Jurassic age. The rocks are quartz monzonites in composition and are cut by fractures which contain quartz, pyrite, chlorite and molybdenite. Low-grade mineralization occurs over a large area and has been cut in widely spaced drill holes.

Considering the general suitability of the area for molybdenite mineralization, there seems a good chance for the discovery of a molybdenum deposit within the area despite the lack of outcrop. The KS claim has not been tested by any geophysical methods and a large portion of the area has not been drill tested.

It is suggested that a ground magnetometer and induced polarization survey be conducted over a selected portion of the KS claim.

A P P E N D I X

Excerpts from The Northern Mines that pertain to the K.S.
Group.

April 22/1965 p.13

Two claim groups were acquired by United Buffadison
in the Endako area. The program will involve stripping,
trenching, geochemical survey and possibly diamond drilling

May 6/1965 p.17

Line cutting near completion. Be followed by soil
sampling and diamond drilling.

May 13/1965 p.17

Grab samples from the KS group gave .35% and .47% MoS_2
Start of geochem program.

June 7/1965 p.3

Diamond drilling commences. Geochem survey completed.

August 19/1965 p.1

Hole A₁ drilled from the NE to SW, completed. Leached
core from 0-110 ft. and some moly on fracture slips.
.01 to .16% MoS_2 over the rest of the length of core.

September 2/1965 p1

Hole A₂ drilled from SW to NE and completed at 480 ft.
0-150 ft. graded .05% MoS₂ and to 480 ft graded .046% MoS₂.

February 17/1966 p8

Hole A₈ completed. Assay results given as follows:

170 - 180 ft.	.21% MoS ₂
180 - 190 ft.	.22% MoS ₂
190 - 200 ft.	.07% MoS ₂
370 to 500 ft.	.05 to .21% MoS ₂

References

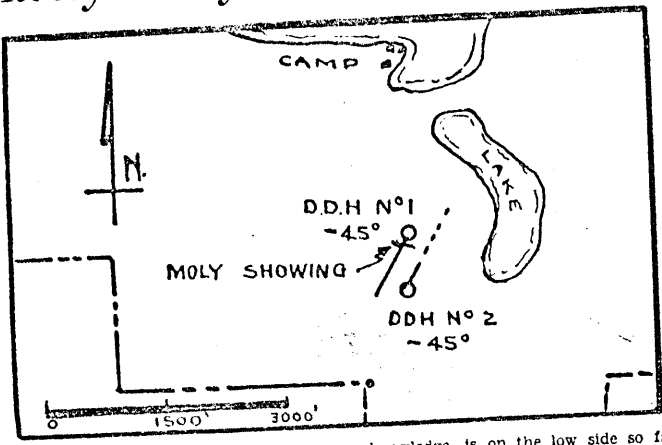
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MMAR 1965 pp 114 to 139
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B.C. Dept. of Mines and Petroleum Resources
- Douglas, R.J.W. 1970 (editor)
Geology and Economic Minerals of Canada
pp 514 to 515
G.S.C. Economic Geology Report No I.
- Drummond, A.D. and Kimura, E.T. 1969
Geology of the Endako Molybdenum Deposit
C.I.M. Bulletin Vol. 62, No. 687

Aug. 19/65

Lively "Moly" Bet For Buffadison

Windfall Report Nearly Finished

Gold-Silver In Stump



(Continued from Page One)
 already amounts to an impressive drill hole.
 A second hole has been started 200 ft. to the east, and drilled in the opposite direction in order to obtain structural information. At mid-week it was down to 38 ft.
 Core and sludge assays have so far checked out quite nicely, and one feature has been a good degree of uniformity in values in individual sample sections. Consecutive 5-ft. sections from 15 to 120 ft., for example, ran 0.25%, 0.50%, 0.30%, 0.30%, 0.26%, 0.44%, 0.39%, 0.32%, 0.32%, 0.33%, 0.27%, 0.27%, 0.27%, 0.31%, 0.30%, 0.30%, 0.40%, 0.34%, 0.29%, 0.34%, 0.29%, 0.31% and 0.37%. Check assaying of rejects from the core assays is now in process.

Wednesday morning, partial assays were received on the balance of core from the first hole. The section from 260 to 219.5 ft. averaged 0.23% MoS₂ and provides an average for the entire length from 10 to 219.5 ft. of 0.286%. Additionally, 15 ft. starting at 245 ft. averaged 0.21%, and 30 ft. starting at 380 ft. in the hole averaged 0.21%. Intervening sections are out for assay, as well as the interval from 410 ft. to the bottom of the hole.

Large Property
 The property under test embraces what the company calls its "S" and "K" groups, totalling 71 claims in a contiguous block lying some six miles north and a little west of Endako Mines, which itself came into production as a major-sized molybdenum producer just a short time ago. The location is not far from the C.N.R. about 100 miles west of Prince George, B.C.

A second group of claims, the Garnet, is also held by the company somewhat closer to Endako, but work has been deferred on this ground for the time being.

The new discovery lies within the same granite intrusive as the Endako, and the immediate discovery zone is expressed as a ridge of altered and fractured granite which was first stripped by bulldozer over an area of about 500 by 300 ft. This work revealed widely scattered molybdenum mineralization with some sparse pyrite over the entire area.

In fact, such an area was involved that normal surface sampling was impractical, and for this reason only limited character sampling was carried out.

Altered Zone 2,000 Ft. Long
 Next, a cross-trench was cut at a point about 1,000 ft. to the west, and again scattered, low grade molybdenum mineralization was evident, and this work was followed by some stripping some 300 ft. to the east, which again confirmed the zone. Thus, a strike length of nearly 2,000 ft. was confirmed on surface for the zone prior to the start of drilling.

The suggestion of a substantial size potential, together with the results of the first drill hole. The Northern Miner can say, has already whetted the interest of at least one major mining company which has started some serious talks aimed towards participating in exploration and development.

The initial hole, mining people

acknowledge, is on the low side so far as grade is concerned — a type of situation that will require major tonnage and open pit mining conditions. But the one drill hole together with surface information combine to suggest interesting possibilities in this direction.

In a grade sense, the one hole is fairly comparable to grade experience at Endako, which itself was brought into production on the concept of low unit costs stemming from a big open pit operation. Endako initiated production with rated plant capacity of 10,000 tons daily.

Substantial Funds Raised
 Character samples of core shown to The Northern Miner showed a finer grained granite, fractured with "moly" occurring in the slips, but also with quite fine disseminated mineralization with very minor pyrite. The upper section of the hole was somewhat weathered and was a little tough to drill, requiring cementing on several occasions. However, with experience, drilling should progress rapidly at this stage.

Interest aroused by the hole has permitted some additional financing for the company. Previously outstanding options on treasury stock involving 100,000 shares at 70¢ and 200,000 shares at 80¢ were exercised, and 200,000 shares were firmly underwritten at \$1.65. These treasury sales brought the company's cash position to somewhat more than \$900,000, and it is expected that the remaining outstanding options on 190,000 shares will be exercised to bring the company's treasury position to over the \$1 million mark.

Lively Copper Mart

(Continued from Page One)
 But to already volatile markets, the decision was the spur to sharply higher prices on the London Metal Exchange and on the New York Commodity Exchange.

The U.S. announcement comes at a time when major Free World suppliers are still rationing customers to previous order patterns; when there are rumblings of labor discontent in the vital Zambian Copperbelt and at large Chilean mines and, also at a time when the much touted Chilean government's "partnership" plan involving U.S. owned mines in that country is running into unexpected difficulties with the cry for outright nationalization becoming louder. All of these influences are acting as grist for the bubbling price mill that major markets have become. There is also the continuing maritime strike in the U.S. which has curtailed imports of metal.

Market Prices Soar
 In the last week, the London Metal Exchange spot copper price rose from \$428 per long ton (57¢ lb.) to \$444 per long ton (60¢ lb.) on Tuesday. They are the highest London market prices since the end of June. Of note, too, is the narrowness of backwardation on the London market (the premium of spot prices over forward prices). This week the L.M.E. forward price was equal to 57¢ lb., only 3¢ below the spot quote.

Comex prices at New York for copper futures reached season's highs this week. Sept., 1965, contracts touched 53.15¢ per lb.; Oct., 1965, contracts topped 50.75¢ lb.; Dec., 1965, contracts to 48.20¢ lb. and May, 1966, at a high of 43.70¢ lb.

Supplies Increase
 On the credit side of the copper situation, however, is the steady improvement in supplies. Canadian copper men expect to see further improvements in statistics

Minor revisions are all that remain to be done to finish off the report of the Kelly Royal Commission on Windfall. It has been set up in type and revisions currently being worked on are aimed at clarifying certain points or wordings, to make the report readily understandable to the general public, said James Karfills, assistant commission counsel.

Premier John Roberts will receive the report late this month or early the next month it was indicated and release to the public is expected to follow as soon as it has been duplicated in volume, a spokesman from the Premier's office said.

The commission was called to investigate the trading of Windfall Mines and Oils shares on the Toronto Stock Exchange, particularly in the period June to Aug., 1964, when the stock went from pennies to over \$5.00 and right back to pennies again.

It also had the task of investigating general trading at that time and commission members even took a trip down to the United States to personally observe the measures taken by the S.E.C. to prevent like occurrences. Mr. Justice Arthur Kelly, who has headed the commission from the start, will have given one full year to it by the time the report will be submitted.

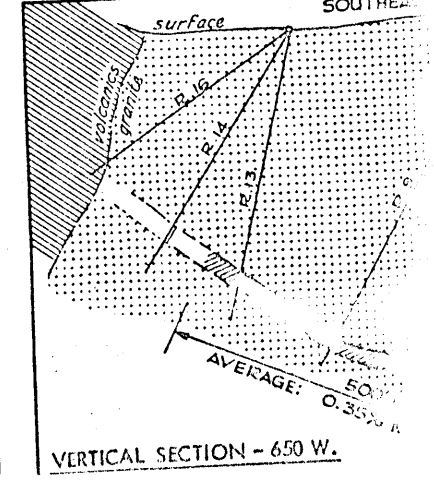
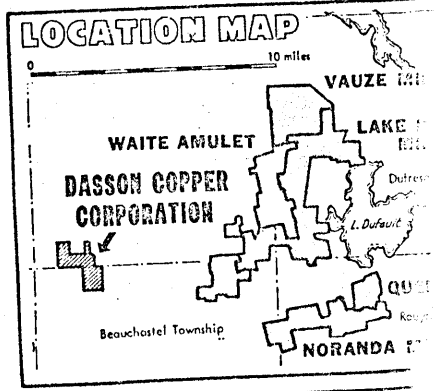
Valnicia Explores Prospect

Valnicia Copper Mines, a newly incorporated company, is proceeding with a magnetic survey on its 24-claim property six miles southeast of Merritt, B.C. Soil sampling is in prospect for the property and this is to be followed by trenching and drilling. Extensive trenching and limited drilling have already been carried out.

The property lies to the southwest of the Merritt-Princeton highway and on the east flank of Iron Mountain. Mineralization is in the form of disseminated bornite and chalcocopyrite associated with quartz veins and magnetite.

The company's first share offering will be 300,000 shares at 15¢ each. The capitalization is 5,000,000 shares, 50¢ par. Directors of Valnicia, all Merritt residents, are: James Wilcock, president; Orval Gillespie, secretary; Alex Campbell, treasurer. The company's office is at 510, West Hastings St., Vancouver.

For the information of shareholders:



Stamp Mines well-mineralized. No. 2 hole on prospect north. Assays are not yet that the section.

HARVEY

Toronto 259-3281

Feature

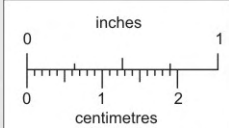
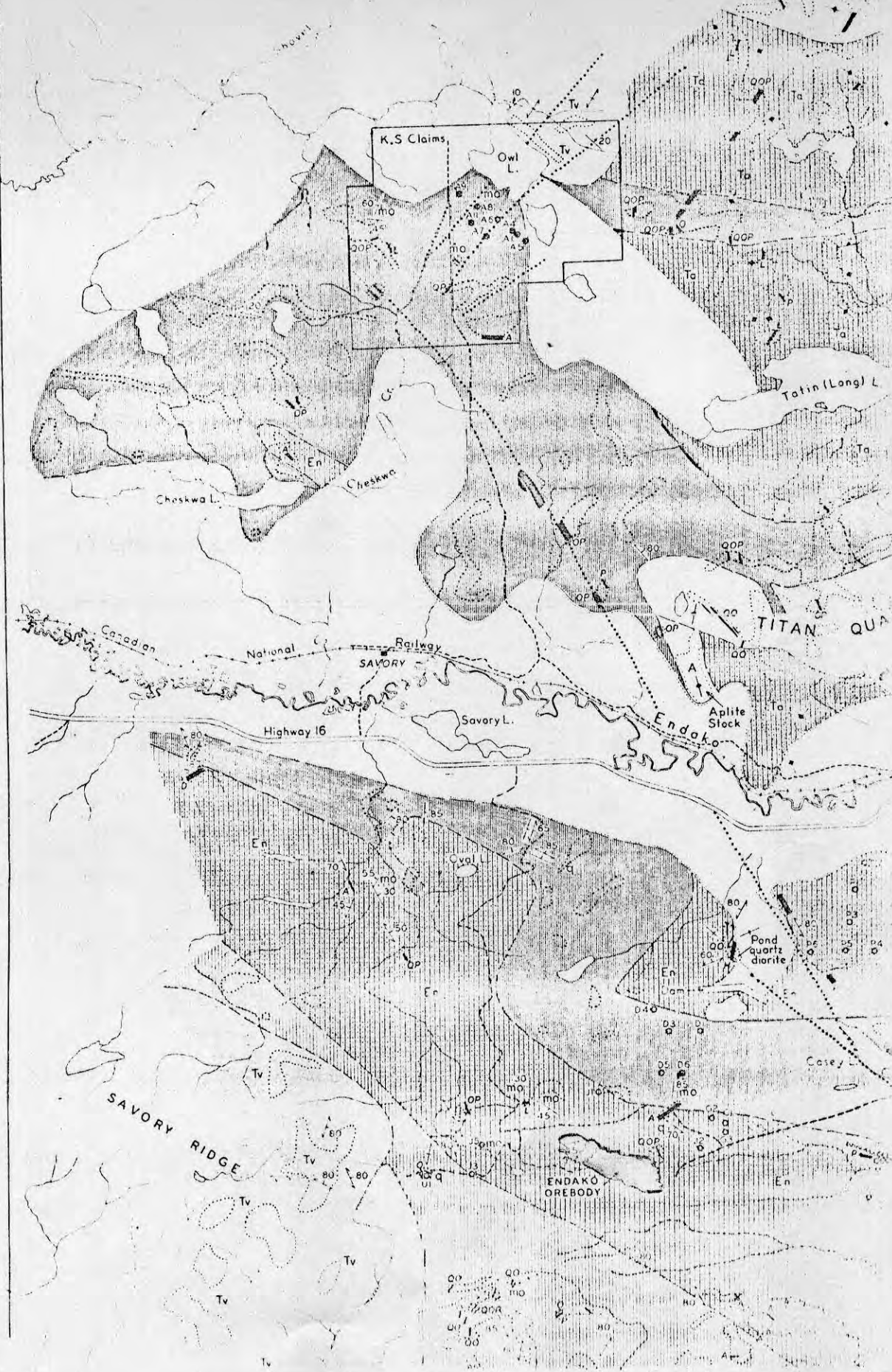
Aerial Trac 150 tons 3 phase - Automatic conveyor, etc. and all e

Three (3) 4160 volt station, air break

Head C

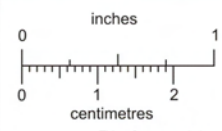
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BRITISH COLUMBIA GEOLOGICAL SURVEY



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TO WEST SEE MAP 93K/3W

3



700
C-40
27/14
28/14

RESERVED MINERAL & PLACER 1/2 MILE EITHER SIDE OF 2160 JULY 11 1968 SUBJ. TO CONDITIONS

Endeavour R.
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TO EAST SEE MAP 93K/2W

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