

MINERAL EXPLORATION DIVISION

A.F.E. NO. _____

TITLE:SPENHO MINES PROJECT, PRINCETON AREA
SIMILKAMEEN MINING DIVISION, BRITISH COLUMBIAESTIMATED
COST:

	1970
Salaries & Wages	\$ 6,000
Surveying & mapping	3,000
Geophysics	5,000
Geochemistry	6,000
Outside Contract Services	3,000
Excavation	3,000
Drilling	20,000
Assaying & Sampling	1,000
Travel	3,000
Miscellaneous	1,000

\$ 51,000 ✓

PROJECT
DESCRIPTION:

An option agreement is proposed with Spenho Mines Limited on their 116-claim property adjacent to the east boundary of Manning Provincial Park in the Princeton area of British Columbia. The claims straddle Canada Highway #3, are easily accessible, and cover an area of Nicola volcanics near the contact with the Eagle Granodiorite of the Coast Intrusions series.

Previous work on the property includes geophysical and geochemical surveys, trenching, stripping, geological mapping and limited diamond drilling. Although somewhat patchy in quality and distribution, this work has revealed a number of wide zones of interest in highly sheared volcanics, with significant copper values and minor zinc and precious metal content. Locally, the Eagle Granodiorite is indicated as being intercalated with wedges of Nicola Volcanics, and it is considered that a thorough program of evaluation could indicate two or more zones amenable to low-cost open-pit extraction and/or smaller tonnages of high-grade material. Of further interest is the possibility of mineralized intrusive being present within the claim boundaries or at relatively shallow depth beneath the volcanics.

OPTION
CONDITIONS:

The terms of option as discussed with Spenho Mines Limited are as follows:-

- 1) No cash payments
- 2) A work commitment of up to \$400,000 over a period of five years
- 3) A minimum work commitment in 1970 of \$40,000
- 4) Cyprus to gain an 80% interest in the property, Spenho to have a 20% carried interest, with an option to increase to a maximum of 30% after the initial \$400,000 has been expended by Cyprus, by contributing up to 15% of the development costs thereafter.

WORK PROGRAM:

- 1) Detailed geological mapping to determine controls of visible mineralization and overall structure.
- 2) Detailed silt sampling of claim area and adjacent areas.
- 3) Grid soil sampling of known mineralized zones and further areas of interest delineated by silt sampling and/or geological work.
- 4) Geophysical surveys including E.M. and I.P. surveys and reinterpretation of existing magnetometer coverage.
- 5) Cleaning and re-sampling all trenches and open adits.
- 6) Diamond drilling of delineated targets with provision for NQ core in highly sheared volcanics.

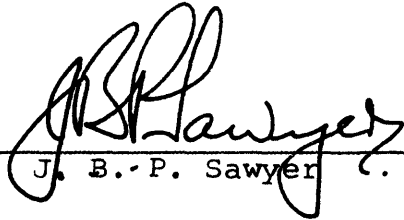
JUSTIFICATION:

Previous work has outlined the presence of marginal copper values in the order of 0.5% Cu over zones approaching 100' in width. The presence of several potential zones of this type and higher grade vein-type mineralization containing bornite and chalcopyrite suggest a limited program of exploration is warranted.

A more remote potential lies in the possibility of intersecting mineralized intrusive at relatively shallow depth beneath the marginal Nicola Volcanics. The excellent location and favourable option terms on this property further justify the proposed expenditures.

RECOMMENDATION:

We recommend the expenditure of up to \$51,000 in 1970 to carry out the exploration program outlined above.



J. B. P. Sawyer

C. A. Mark

J. G. Hansen

APPROVED:

For Management Committee

DATE: _____

Insert A Prospect Description.

An option agreement is proposed with Spenco Mines Ltd. on their 116 claim property adjacent to the east boundary of Manning Provincial Park in the Princeton area of British Columbia. The claims straddle Canada Highway No 3, and are easily accessible, and lie 63 miles by the highway east of Hope, the nearest rail road. Vancouver lies to approximately 162 miles by Highway No 3 and No. 401 to the west. The

The Princeton area is a well known copper, - silver - gold - lead - zinc area in southern British Columbia and as indicated on the attached map, there are several interesting mines and prospects within 20 miles of the Spenco property. There is a record of small production of 9.23 % Copper, 3.02 oz silver, and 0.04 oz gold are from this prospect.

FF The area is covered by
the Nicola Valconis near the
contact with the Eagle ~~intrusive~~
granodiorite of the Coast
in intrusive series.