

Report on George Nagy's Cu-Moly Property,
Lillooet River Area, B.C.
New Westminster Mining Division, 92 J-2SE

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George Nagy submitted the Cu-Moly property for Kerr's consideration, for a 100% buy-out of his mineral claims plus his mining assets such as milling equipment and buildings located on the property.

The data presented by G. Nagy includes Edward W. Grove's April 9/86 Geological Report and Work Proposal on the Cu-Moly Property for Pemgold Resources Inc., in which he has re-classified all the rock units used by previous authors in describing the geology, and summarized data from previous examinations by other geologists plus recent work done by the owner.

Property Location

The property comprises of three Cu-Moly claims (6 units) and four Eileen claims (23 units) owned by G. Nagy. It is located on the west side of Lillooet R., about 40 km NW of the N end of Harrison Lake. Road access is via a 40 km road from Pemberton.

Geology

The property is underlain by steeply dipping Mesozoic age pebble conglomerates and felsic sandstone which is part of the NW trending Lillooet R. roof pendant. On the west the sediments are in contact with diorite and granodiorite of the Pemberton Dioritic Complex which form tooth-like reentrants in the layered rocks. On the east the Lillooet R. Fault separates it from the granitic rocks of the Spetch Lake Pluton.

The sediments have been deformed and cut by NE and NW striking shears and faults. An elliptical shaped breccia pipe measuring 270 m EW by 200 m NS straddles the Cu-Moly No. 1 and No. 2 claim boundary, near the SE corner of the property. The breccia pipe composes of fine to angular metasediments and both rounded and angular granodiorite blocks in a granodiorite matrix.

Mineralization

Mineralization is reported on three locations, described as Nos. 1, 2 and 3 showings.

- No. 1 Showing, located at Billygoat Creek on Eileen No. 1 M.C., are two exposures of massive pyrite in metamorphosed sandstone. The showings are up to 2m wide, contain minor chalcopyrite with bornite, cut by faults within a highly sheared and faulted area. Samples assayed from 0.01 - 0.03 oz Au/T, 0.03 - 0.15 oz Ag/T, 0.02 - 0.08% Cu and 0.01% Mo over 2 meters.
- No. 2 Showing (gold showing), located 2.5 km south of No. 1 showing on Cu-Moly No. 1 M.C. is a 15 m long exposure of a northerly striking, 5-30 cm wide shear zone in pebble conglomerates. The location is cut by N, NW and E-W shears. Assays from samples taken from the main shear by various individuals vary from 0.148 oz Au/T/5cm to 0.88/oz Au/T/30cm and Ag values vary from 0.01 - 17 oz/T. This shear and other narrow shears contain low, erratic amounts of Cu, Mo, Pb and Zn. A composite, sample 20m along strike by Pemgold assayed 0.148 oz Au and 0.16 oz Ag/T plus 0.2% Cu. DD Hole 85-2 intersected this shear between 2.0m to 2.5 m giving 0.016 oz Au and 0.21 oz Ag/T.
- No. 3 Showing (Moly Showing), straddling the Cu-Moly No.1 and No.11 M.C., is porphyry mineralization within the breccia pipe. The road cuts northerly across the pipe for a distance of about 245 meters. Chalcopyrite and moly occurs as lenses, streaks and specks along fragment boundaries and along fractures. Gold and/or Ag occur in trace amounts but concentrations of both metals is found in a few of the NE striking shears, up to 2 oz Au/T over 10cm, though most of the shears assayed around 0.002 oz Au/T. In 1985 Pemgold sampled 90 m of the road cuts at 2 m intervals, the results show 62 meters of sub-economic Cu-Mo grades in the southern section of the breccia pipe. The weighted average assay is 0.003 oz Au/T, 0.10 oz Ag/T, 0.29% Cu, 0.064% Mo, <0.01% Pb and 0.01% Zn.

Two d.d. holes fanned into the breccia pipe from the road at -50o dip, to cover the best mineralization on the surface, gave a weighted average of 0.002 Au, 0.05 Ag, 0.29 Cu and 0.092 Mo over the first 24 m of core length. The remaining core contained lower values of about 0.15 Cu, 0.04 Mo, 0.002 Au and 0.025 Ag. The core was sampled at 0.5 m intervals and no high-grade Au/Ag was found except 0.537 oz Au/T at footage 74.0 - 74.5 meters.

The assay results from the two d.d holes and the road cuts outline an area, 4m - 10m west of the road for a distance of 62 meters N-S, which contain the best known Cu + Mo mineralization, but insignificant Au or Ag. The breccia pipe likely extends to the Lillooet R. Fault, approximately 150m eastward.

Although the breccia pipe has not been thoroughly tested, the results to date do not show any economic precious metal mineralization and only a sub-economic Cu-Mo deposit. The values are not encouraging enough to warrant further work at present Cu and Mo prices. Gold and silver bearing shears are few in number and too narrow to justify exploration.

Fred Chow
October 5, 1987.

