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Queenstake Resources Ltd.

Preliminary Report on the "Patch" claim, Bella Coola Area Skeena M.D., B.C.

M. G. Price

1 October, 1982

202-3681 W 8th Are VGR 149 (604). 733-9201

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#### 1. Introduction

The "PATCH" claim, 18 units, was staked by the author on 15th - 16th September 1982, to cover the outcrop of a large copper, silver and gold-bearing quartz vein near Bella Coola, B.C. (Skeena Mining District).

#### 2. Location and Access (see Fig. 1)

The claim is located on the headwaters of the Smitley River, about 16 miles SE of Bella Coola (NTS map sheet 93D/2E). Access is presently by helicopter from Bella Coola, but road access could be provided at moderate cost; either from the Williams Lake – Bella Coola highway by way of Snootli Creek valley, a distance of 12 miles, 7 of which would be at a 10% grade and the remainder almost level; or by extending the existing Crown Zellerbach logging road from the lower Smitley valley, about 14 miles on an easy grade.

#### 3. History

The vein was first discovered by the author during the summer of 1980 while working for Norada Explorations Ltd. The Smitley 1, 2 and 3 claims were staked to cover the ground in August 1980, but Noranda apparently did no follow-up work in the area and allowed the claims to lapse in August 1982.

#### 4. Geology and Mineralization

The dominant rock type in the claim area is a coarse grained intrusive of granodioritic to quartz-dioritic composition: in the vicinity of the vein, numerous large xenoliths or screens of a dark grey, fine-grained metasedimentary or metavolcanic rock are enclosed within the intrusive. Some of this fine grained rock shows malachite staining and has a small copper content.

The vein consists of a milky-white quartz, striking 153 degrees and dipping 25 - 30 degrees southwest, carrying abundant but erratically distributed pyrite and lesser amounts of chalcopyrite and bornite. A pale yellow carbonate, probably dolomite, occurs locally. The vein outcrops on a precipitous mountainside and has an exposed strike length of about one mile: at its east end it disappears under a glacier, and to the west it is covered by moraine and overburden. Where exposed it is at least 3 m wide, and is locally in excess of 5 m.

Numerous smaller veins also exist in the area, some of which carry molybdenite.

#### 5. Metal Values

The deposit originally excited interest due to its copper content: a grab sample from about the location of sample 01 (Fig. 2), taken in 1980, assayed 15% copper and 1 oz/ton silver, with only traces of gold.

A series of channel samples taken across the vein in September 1982, however (Fig. 2), gave much lower copper values but, in one case at least (02), excellent gold and silver assays.

The sample locations are described in the following table, and assay results listed in Appendix I.

1.

Location	Elevation	Vein Width	Sample	Width	Notes	lu B	149	12
1	1524 m	3 m +	01	1.5 m	Hanging wall of v	ein-74	.63	.048
			02	1.5 m	Footwall of vein	.15	3.45	. 410
2	1520 m	5 m +	03	1.5 m	Hanging wall	2.01	.25	.010
			04	2.0 m	Centre	-01	.24	.008
			05	1.5 m	Footwall	6-01	.04	
3	1580 m	4 m	06	40 m	Barren quartz	2.01	.05	6.003
Ū	1000 m		07	-	Grab sample of	.07	.03	6.003
					malachite-stained	ock	.003	

#### 6. Conclusions and Recommendations

This deposit is presently of unknown potential. The vein is at least 3 - 4 m in width and is open to both depth and strike length: metal values are erratic but locally high grade. The deposit is rather difficult of access at the present time, and orthodox exploration techniques would be difficult to apply. However, it is definitely important enough to warrant further attention. The following exploration program is tentatively proposed.

- a) The remainder of the outcropping portion of the vein should be systematically sampled.
- b) A geophysical survey (IP or EM) over the western portion of the claim, might be able to locate the westward extension of the vein. It is highly unlikely that geochemical methods would be applicable here, since the overburden in the area consists almost entirely of transported material (talus and moraine).
- c) The eastward extension of the vein lies under a dangerous icefall, and would have to be explored by underground methods.

d) Diamond drilling; either downwards from several possible drillsites on the mountainside above the vein, or upwards from short adits driven below the vein.

This would be an expensive program (probably at least \$100,000, due mainly to the necessity for helicopter support), and might best be undertaken as a partnership with a major company.





Appendix I

Assay Results

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### ATTN: MIKE PRICE

V6C 1E1

*	Sample	Prep	Cu	Ag FA	AU FA			
٠	description	code	*	oz/T	oz/t			
	01	207	0.74	0.63	0.048-			
	02	207	0.15	3.45-	0.410-	·		
	03	207	<0.01	0.25	0.010		·	
	04	207	0.01	0.24	0.008			
	05	207	<0.01	0.04	<0.003			
tinan atau ing ti	06	207	<0.01	0.05	<0.003			
	07	207	0.07	0.03	0.003			

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