

## PROPERTY ACQUISITION PROPOSAL

## PASS CLAIMS, TELKWA PASS, SMITHERS AREA, B.C.

INTRODUCTION

The Pass claims contain Au, Ag, Pb, Zn, in quartz vein sets in granite. They were brought to our attention by W. Tompson, of Smithers. Wilf Tompson, a consulting geologist had recently examined the claims as a favour to a friend, Bill Morris, who owns the property. Bill Morris acquired the property by staking in 1977 as a favour to a friend who had held the ground for years after acquiring it from Johnny Goodwill, who apparently was the first to stake the ground in 1903. Mr. Morris has paid cash in lieu for the past 6 years to maintain the 4 units, which are now in good standing 'till 13 September 1983.

LOCATION (see figures 1 and 2)

The Pass claims are located in the Telkwa Pass, at an elevation of 4500-5500 feet, south of Top Lake, 41.5 km S.W. (313°) of Smithers, B.C. Top Lake is accessible by 4x4 road along the gas pipeline/power transmission line from Telkwa. There are no roads or known trails from the road to the showings 1.2 km to the south and 1,700 feet higher in elevation. More convenient and expedient access is by helicopter from Smithers (22 minutes), landing right at the showings above tree line (see figure 4 (H)).



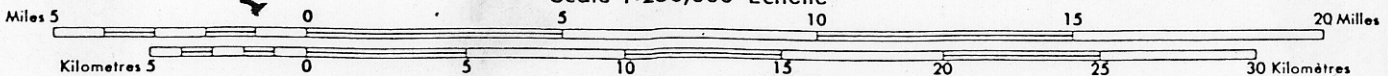
**PASS CLAIMS**

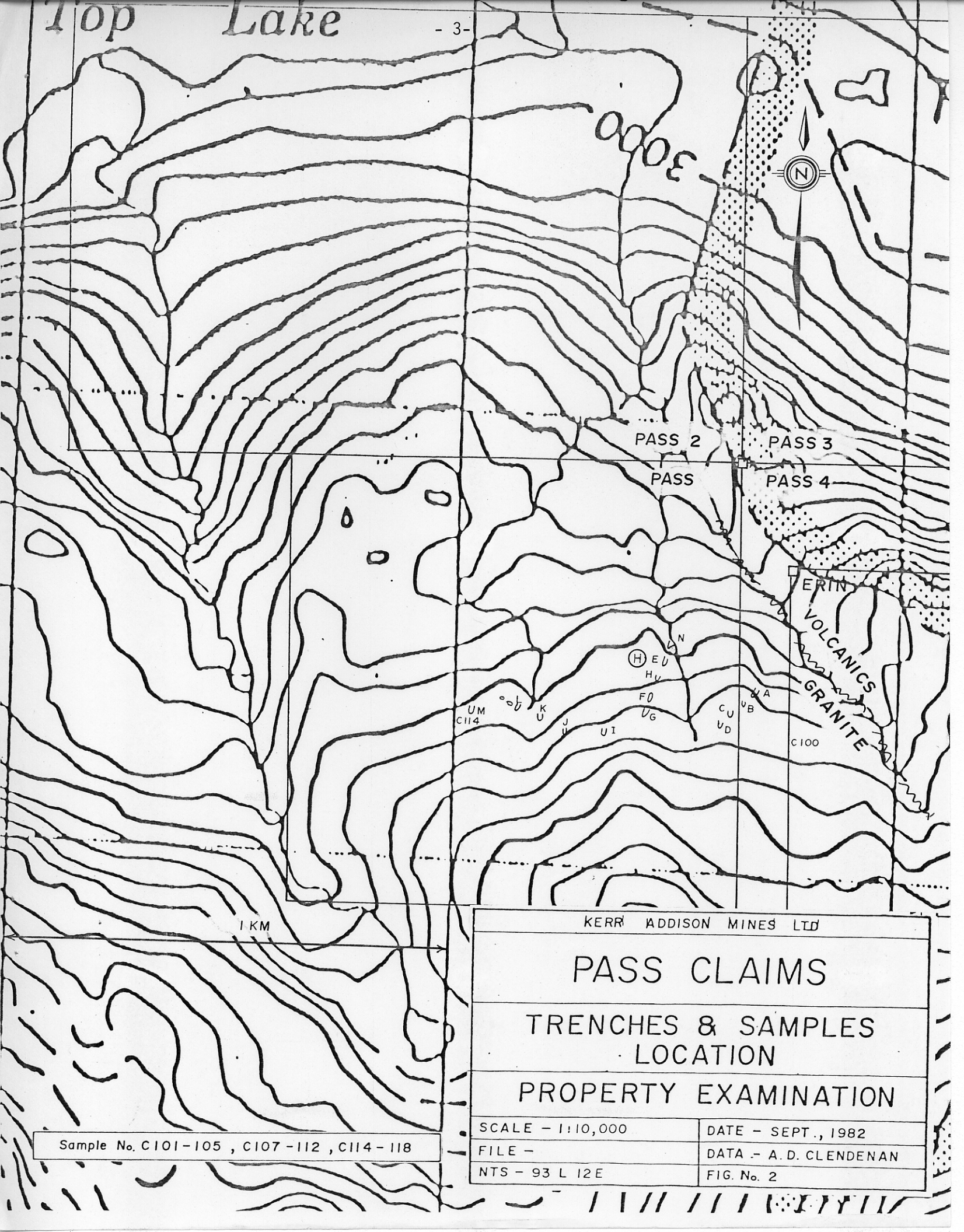
# SMITHERS BRITISH COLUMBIA

SMITHERS  
93 L  
EDITION 3

figure 1

Scale 1:250,000 Échelle





KERR ADDISON MINES LTD

# PASS CLAIMS

## TRENCHES & SAMPLES LOCATION

## PROPERTY EXAMINATION

SCALE - 1:110,000

DATE - SEPT., 1982

FILE -

DATA - A. D. CLENDENAN

NTS - 93 L 12E

FIG. No. 2

Sample No. C101-105, C107-112, C114-118

### GENERAL GEOLOGY

The Telkwa Pass area is mapped as Upper Cretaceous and Early Tertiary granite. The granite has intruded Jurassic and (?) Middle Jurassic red, purple, grey and green andesitic to rhyolitic tuffs breccias and flows.

### LOCAL GEOLOGY

The property appears to be a set or group of three or possibly more quartz veins up to 9 feet in true thickness that strike N, NE and E and dip W, SE and S respectively. The granite to granodiorite host is moderately to weakly propylitically altered near the veins on the eastern edge (or off the eastern edge) of the property and is very weakly propylitically altered at the western edge of the located quartz veining. The quartz veining appears to extend over an area 2,500 feet east-west by 1,000 feet north-south (see figure 3).

### MINERALIZATION

Trench "A" (easternmost) returned assays up to 1.75 oz/T Au, 5.4 oz/T Ag and +23% Pb & Zn over 1 foot. The Kerr Addison weighted average of the exposed 9 foot true thickness of quartz in trench "A" is 0.420 oz/T Au, 1.3 oz/T Ag, 4.52% Pb & Zn. The

Trench "A" Pass Claims, 93 L12 E

Comparison of channel sample results.

Figure 4.

W.S.L. 1/10/82

Au oz/T wid	Ag oz/T wid	ft	Tompson/Morris Samples					Clendenan/Kerr Addison Samples			ft	Au oz/T wid	Ag oz/T wid	
			Au oz/T	Ag oz/T	wid ft	Sample #	true width ft	Sample #	width ft	Au oz/T				Ag oz/T
			.136	.85	2.5	7930	0	101	2.5	.062	.52			
							1							
							2							
			.274	1.08	1.0	7940	2.5	C102	1.0	.190	.90			
							3							
							3.5							
							4							
.752	2.39	6.0	.772	1.44	3.0	7950	5	C103	2.5	.460	1.24			
							6							
							6.5	C104	1.0	1.750	5.41			
			.962	4.48	2.0	7960	7					6.5	.558	1.60
							8	C105	2.0	.270	.50			
							8.5							
			<u>wtd</u>	<u>wtd</u>	<u>wtd</u>		9			<u>wtd</u>	<u>wtd</u>			
			.571	1.94	8.5				9.0	.420	1.30			

Bishop Mines sample  
5 feet .274 oz/T Au ; 2.20 oz/T Ag.

Morris/Tompson weighted average for an 8.5 true width in trench "A" is .571 oz/T Au, 1.94 oz/T Ag, and 5.76% Pb & Zn (see figures 2, 3 and 4).

The "A trench zone" 042/35/E may continue for 350 ft to the SW then be moved downhill and rotated to the area of trench "G" for a total strike length of 450 ft. Trench "E" returned assays of .241 oz/T Au, 2.54 oz/T Ag, and 13.46% Pb + Zn over the exposed 5 feet true width. The "E trench zone" 10/60/W is intermittently exposed for 400 feet to the S, but values are low except in trench "G" which may be a faulted portion of the "A" trench zone. To the west of the "E trench zone" the +1,500 feet of faulted, east striking, south dipping quartz vein (veins) are very weakly mineralized in either Au, Ag, Pb or Zn.

Work on the Zap claim group during 1969 and 1970 by Associated Geological Services in the Top Lake area to the north is reported (D. Arscott) to have located shear zones with specular hematite and chalcopryrite in "M" creek, the eastern most creek on the property. All the 1969 and 1970 work was done below tree line so the reported showing must be downstream of the examined trenches which are above tree line at elevations of 4,500 to 4,900 ft. asl.

OPTION ARRANGEMENTS

Mr. Bill Morris is still awaiting Bishop Mines to make an offer on the property and will keep us informed. W.H. Tompson has advised Bill that he would be better advised to complete a deal with Kerr Addison. Mr. Morris has not previously optioned a property to a mining company and is therefore unsure of the type of arrangements normally considered. I believe he would like an initial cash payment of \$2,000 to \$5,000 and yearly payments.

RECOMMENDATIONS

Based on the grades and widths obtained by Tompson for Morris and confirmed by Clendenan for Kerr Addison, the possible strike extent, and the reasonably favourable location I feel Kerr Addison Mines Ltd. should option this property.

WORK PROPOSAL

1. Locate the Pass 1 Legal Corner Post and stake or abandon and restake to make certain the showings are adequately covered.
2. Survey with a brunton on a tripod and a nylon chain all the trenches and locations.
3. Prepare a geological map of the claims.

4. Clean out all the trenches along the strike(s) of the quartz veins to fully expose the quartz veins.
5. Carefully channel sample all the exposed quartz veins and adjacent wall rock.

This program is estimated to take 21 days with one geologist and 2 students and is estimated to cost \$20,000.

If the results of the trenching and mapping confirm the results to date, then a diamond drill program should be planned for either later in the 1983 field season or during 1984.



A.D. CLENDENAN

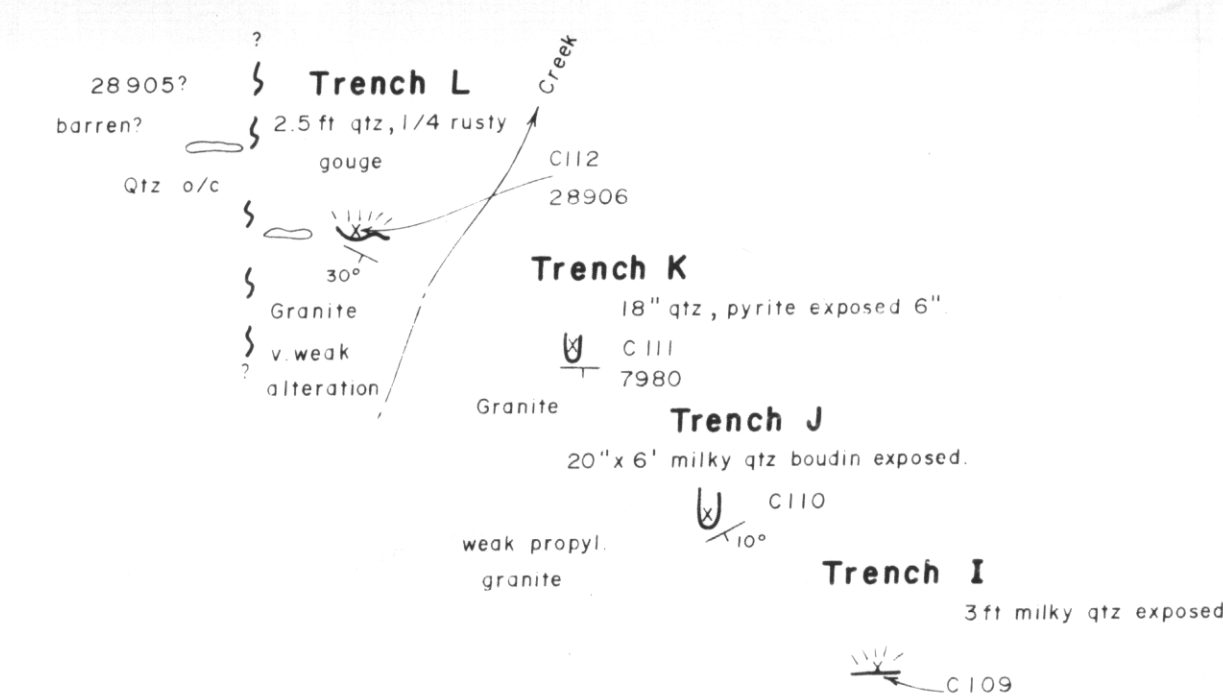
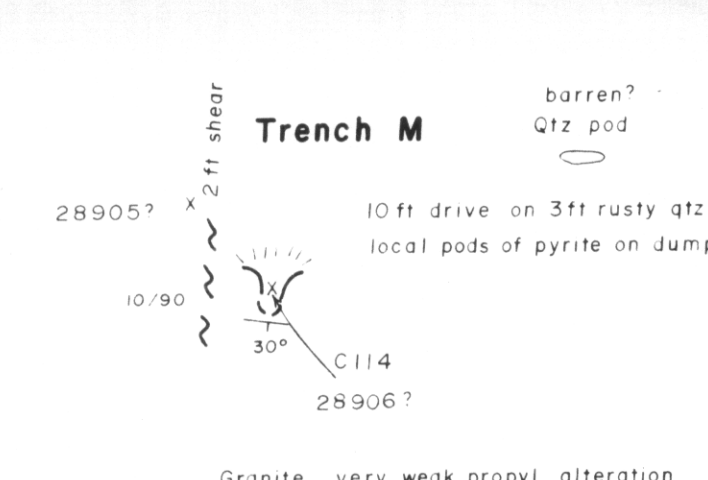
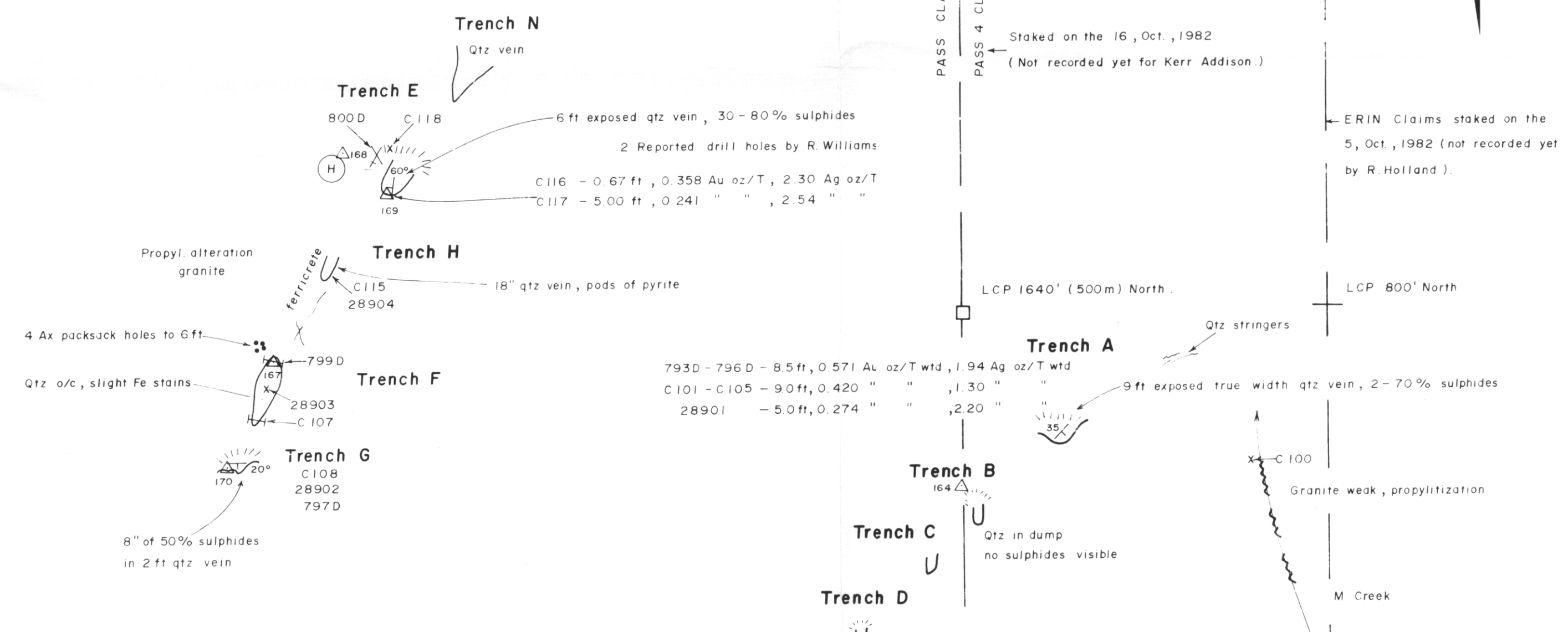
6 October 1982

A.D. Clendenan



COMPARISON OF KERR ADDISON / MORRIS / BISHOP ANALYSES

TRENCH	SAMPLE No	WIDTH (Feet)	Au oz/ST	Ag oz/ST	Pb %	Zn %	Cu %	Sb ppm	Hg ppm
A	C 101	2.5	0.062	0.52	0.33	0.22			
	793 D	2.5	0.136	0.85	0.66	0.38			2.5
	C 102	1.0	0.190	0.90	0.41	0.33			
	794 D	1.0	0.274	1.08	1.40	1.25			1.0
	C 103	2.5	0.460	1.24	2.45	2.45			
	795 D	3.0	0.772	1.44	4.65	2.97			3.2
	C 104	1.0	1.750	5.41	17.87	5.56			
	796 D	2.0	0.962	4.48	9.85	0.57			1.5
	C 105	2.0	0.270	0.50	0.74	0.14			
	793-96	8.5	0.571	1.94	4.32	1.44			
C 101-05	9.0	0.420	1.30	2.97	1.55				
28901	5.0	0.274	2.20	9.26	4.88	0.19			
F	C 107	15.0	0.005	0.01	0.03	0.0003			
	799 D	15.0	0.030	0.10	0.03	0.04			1.0
	28903	Grab	0.011	-	-	-	0.4		
G	C 108	2.0	0.260	1.86	5.45	10.75			
	797 D	1.5	0.444	1.75	5.37	5.98			5.8
	28902	0.5	0.140	2.38	6.28	13.50	0.8		
I	C 109	3.0 ll to strike	0.005	0.03	0.0063	0.0010			
J	C 110	20"	0.001	0.01	0.0003	0.0003			
K	C 111	2.0	0.057	0.24	0.0086	0.2400			
	798 D	Grab	0.080	0.24	0.09	0.35			1.0
L	C 112	2.5	0.004	0.02	0.0023	0.0058			
	28905 ?	Grab	0.232	0.56	0.03	2.78	0.82	0.001	
M	28906 ?	2.5	0.112	0.30	0.01	0.54	0.08	0.001	
	C 114	3.0	0.004	0.01	0.0004	0.0092			
H	C 115	2.0	0.077	0.06	0.0025	0.0071			
	28904	Grab	0.109	0.45	0.74	3.85	0.10		
E	C 116	8"	0.358	2.30	4.80	2.40			
	C 117	5.0	0.241	2.54	11.20	2.26			
	C 118	Grab	0.548	4.74	20.50	16.25			
	800 D	X Grab	0.772	3.19	8.83	7.29			5.8



NOTE - Trench locations, 1:10,000, 16/9/82, Fig. 2  
 Bishop Mines trench sketch 1" = 100', Aug 82, Fig. 5  
 Bishop samples 28901 - 28906, Aug 82  
 Tompson/Morris samples 793 D - 800 D, Aug 82  
 Clendenan/Kerr Addison samples C101-105, C107-112, C114-118, Sept 82

KERR ADDISON MINES LTD

## PASS CLAIMS

### TRENCHES & SAMPLES LOCATION

#### PROPERTY EXAMINATION

SCALE - 1 inch = 100 feet      DATE - SEPT, 1982  
 FILE -                                      DATA - A. D. CLENDENAN  
 NTS - 93 L 12 E                          FIG No 3