

KERR ADDISON MINES LIMITED

SUITE 703 - 1112 WEST PENDER STREET  
VANCOUVER, B.C. V6E 2S1  
PHONE 682-7401

LH Property 82F

822951

I.D.B.
A.H.C.
P.S.C.
<del>D.M.C.</del>
W.J.
<del>D.M.C.</del>
J.B.S.
FILE

July 20, 1982

Mr. G.I. Hall,  
Hudson's Bay Oil and Gas Company Limited,  
700 Second Street S.W.,  
Calgary, Alberta. T2P 0X5

Dear Ian:

Many thanks for the loan of the report and maps on the LH Property.

I understand from Dave Lowrie that the time has actually expired for any proposals on this property and I regret that our response has exceeded the available time.

We don't negate the possibility of finding some additional tonnage on the LH ground but I am afraid it does not loom as a high priority prospect at this time.

Again my thanks for your co-operation.

Yours very truly,



(J.)  
W.M. Sirola,  
Regional Exploration Manager.

WMS/ck

c.c. D.A. Lowrie ✓

TO DAL

FROM

CKW

DATE

July 6 1982

PLEASE REPLY DIRECT

PLEASE HANDLE

PLEASE SEE ME

YOUR COMMENTS

FOR YOUR INFORMATION

FOR APPROVAL

PLEASE RETAIN

PLEASE RETURN

I note Bill Jordan's impression (p.1) that the deposit was actually found at #3 level. My recollection is that it ~~is~~ was found only in an up hole from #3 level i.e. above that level.

However this is only a minor point and in no way affects our general conclusion that the property is unattractive.

CKW

JUL 05 1982

KERR ADDISON MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

~~DE~~  
~~file~~  
~~clear~~

To D.A. Lowrie From W.M. Sirola

Subject LH PROPERTY - SILVERTON, BRITISH COLUMBIA 82F/14W<sup>1</sup>/<sub>2</sub> Date June 29, 1982



I have now completed my study of the data that we had on file, the data provided by your office and a complete report provided by HBog. I do not dispute the concept that additional drilling might find additional mineralization, but I question that sufficient mineralization would be found to support a profitable mining operation. This rather brash statement is based on the following:

1) The grades encountered by HBog in sampling the upper level were substantially below previously reported grades. The Falconbridge sampling was 0.34 ozs per ton across 15 feet (?). HBog cut four samples-only one of which was ore grade [10 metres (32.80 feet) at 0.411 ozs per ton]. This simply suggests that the core of the mineable material at that level is very limited in size.

For some reason no assays are shown for the raise which extends 40 feet above #1 level nor for that matter are any assays shown for the raise and sub-level between #1 and #2 levels. At least part of this raise should have been in mineralization.

2) If we assume that the deposit continues up plunge from the #1 level another 300 feet, the maximum additional tonnage would be 60,000 - 75,000 tons. Total tonnage would then be 120,000 - 135,000 tons grading somewhere in the vicinity of 0.20 ozs per ton prior to dilution. This tonnage and grade would not support a mining operation.

3) I am under the distinct impression that contrary to other opinion, the deposit was actually found at the #3 level and just above the #3 level, in drill hole #7 (15 feet at .103 ozs). At tunnel level the mineralization was found in drill holes #2 (20 feet at .09) and #13 (7 feet at .443). These occurrences at or above #3 level fit the steep northerly dip and the westward plunge but on average are not ore grade.

Cont'd.....

# KERR ADDISON MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

To D.A. Lowrie From W.M. Sirola  
Subject LH PROPERTY - SILVERTON, BRITISH COLUMBIA 82F/14W $\frac{1}{2}$  Date June 29, 1982

(2)

4) Our longitudinal section (figure #1) suggests that it plausible for a similar or larger tonnage to occur down plunge but the HBog mapping shows no structural or geochemical evidence to support such a notion. However, if we owned the property, limited drilling for a possible down plunge extension or recurrence would probably be justified.

5) Pursuit of this lenticular sulphide deposit up plunge is inhibited by topography so severe that suitable drill sites would be hard to establish unless an intrepid Cat driver could be found to establish a road on contour on or about the 1,800 metre elevation. I understand from Ian Hall of HBog that it is not possible to reach the #1 tunnel portal by tractor.

There are some arsenic soil anomalies on contours 1,920 m and 1,980 m which possibly should be investigated by trenching to determine their importance, but HBog did not appear to attach much importance to these. They may simply be part of a larger arsenic envelope surrounding the gold mineralization in the tunnels.

6) Molybdenum shows up in the soils and rock samples taken from the Hornblende feldspar porphyry (unit 3 in the southwest corner of the property). Apparently no molybdenite was seen in the rocks and there is no stock work of quartz veins. Minor amounts of gold were found in soil and rocks in this vicinity but the breccia dyke types of mineralization found on the Rockland property by Rio were not found on the LH property. It may be, as suggested by Bresee, that the LH occurrences are distal to the Rockland mineralization.

## CONCLUSIONS

Despite fairly numerous occurrences of arsenopyrite and pyrrhotite in the metamorphic roof pendant rocks, there do not appear to be any strong persistent fracture systems or shears which would clearly justify additional work.

Cont'd.....



# KERR ADDISON MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

To D.A. Lowrie From W.M. Sirola

Subject LH PROPERTY - SILVERTON, BRITISH COLUMBIA 82F/14W $\frac{1}{2}$  Date June 29, 1982

(3)

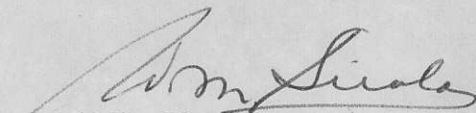
The combination of really tough topography and small showings places this property low on our priority list at this time.

I appreciate that your sentiments may differ from mine and if you still feel keenly about optioning this property, we would be happy to comply with whatever designs you might have for future work.

*I felt keenly about investigating the property!*

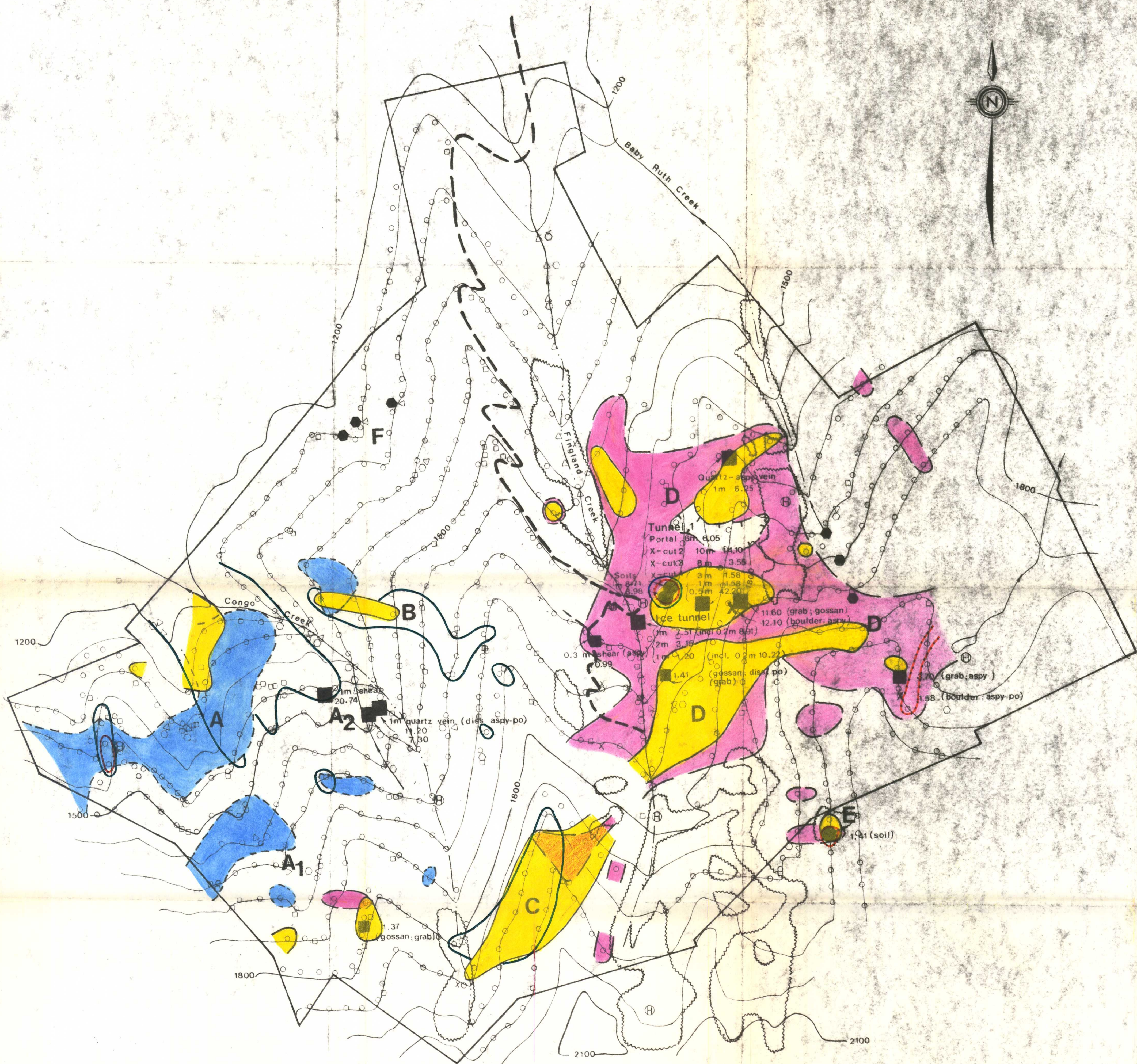
## ENCLOSURES

- Figure #1 Longitudinal Section
- Figure #2 Composite Assay Plan
- Figure #3 Geological Plan
- Figure #4 Composite Anomaly Plan



W.M. Sirola,  
Regional Exploration Manager.





**LEGEND**

- Soil sample
- Rock sample
- △ Stream sediment sample
- Water sample

**Soil Anomalies**

- 100+ ppb Au
- 150+ ppm As
- 20+ ppm Mo
- 175+ ppm Cu
- 2.0+ ppm Ag

**Gold Fire Assays**

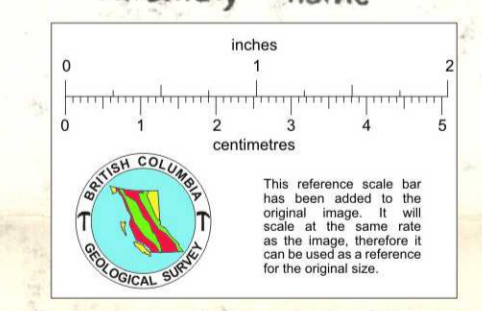
- X Rocks, boulders g/t Au
- Soils g/t Au

**Water Anomalies**

- 200+ ppb F

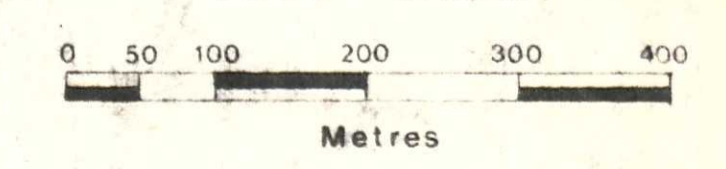
- Talus field
- ⊕ Heliport
- Stream; intermittent
- 4x4 road
- Property boundary

A1 Anomaly name



Contour interval 60 metres

Scale 1:5000

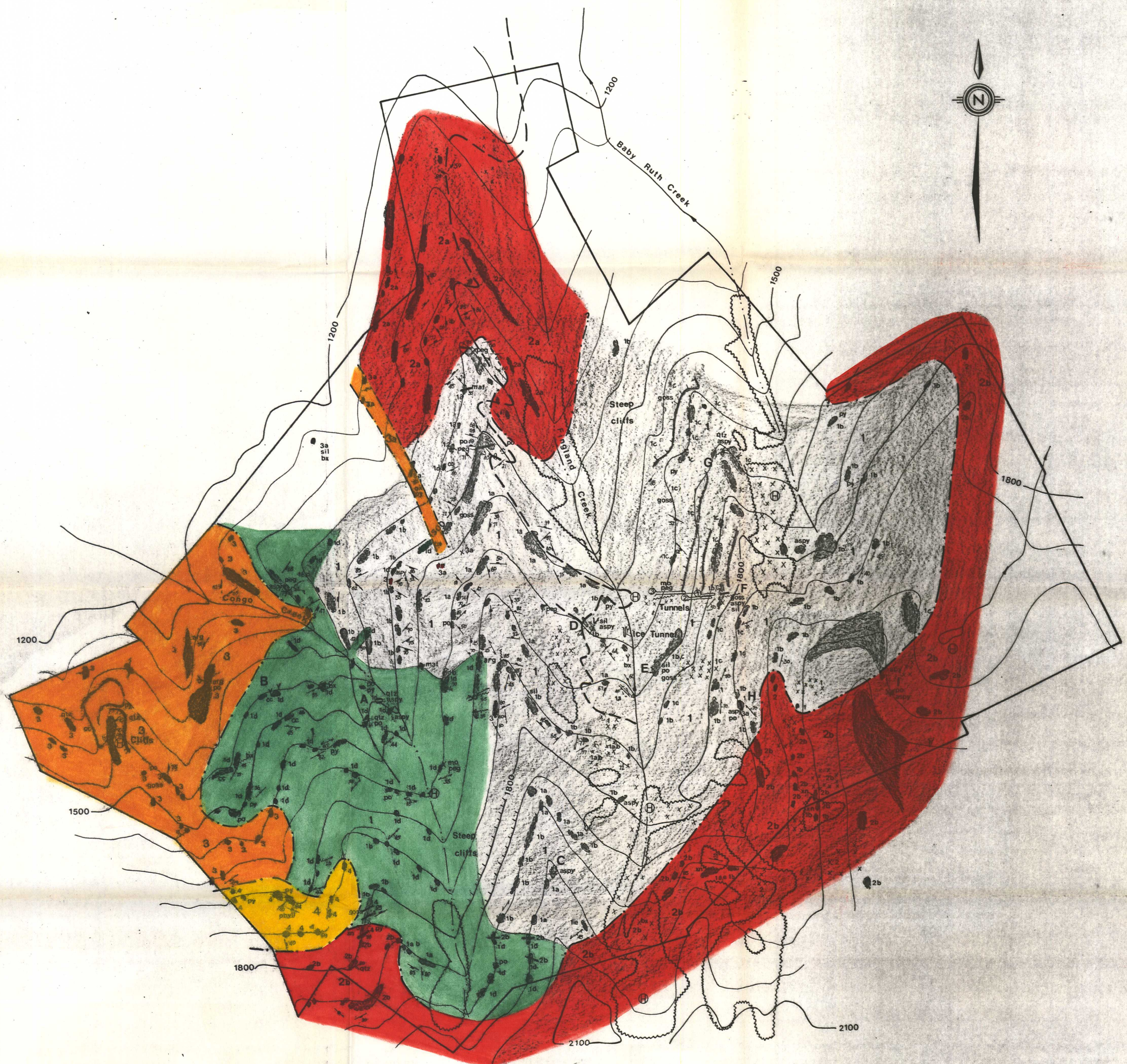


**Hudbay Mining Company**  
 A Division of Hudson's Bay Oil and Gas Company Limited

LH PROPERTY  
**Geochemical Anomaly  
 Summary Map**

MAP	DATE	BY	SCALE	S.T.S.
FIG. 81-14	Nov. 1981	P.B.B.	1:5000	82 F/14





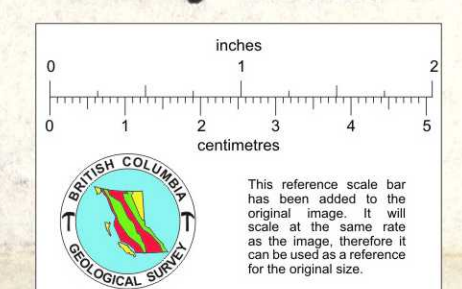
# LEGEND

- LITHOLOGY**
- INTRUSIVES**
- Quartz porphyry
  - Hornblende feldspar porphyry
  - 3a Feldspar porphyry dike
- NELSON INTRUSIVES**
- 2a Porphyritic granite
  - 2b Hornblende granodiorite
- METASEDIMENTS, METAVOLCANICS AND METAVOLCANICLASTICS**
- 1a Quartzite
  - 1b Biotite quartzite
  - 1c Fine grained - lapilli tuff
  - Siliceous metavolcanics, biotite - chlorite schist
  - 1e Migmatite, gneiss

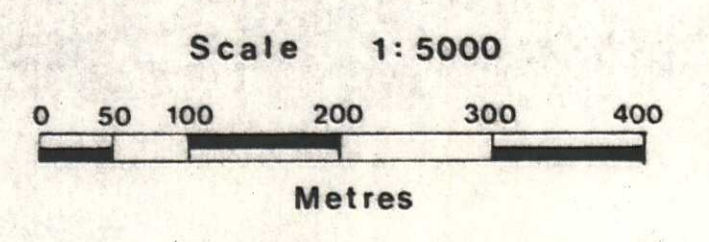
- SYMBOLS**
- Outcrop
  - Boulders, talus
  - Geologic boundary (approximate, assumed)
  - Bedding
  - Foliation, Schistosity (inclined, vertical)
  - Jointing, fracture cleavage (inclined, vertical)
  - Shear zone (dip known, unknown)
  - Dike, sill or major vein, (dip known, unknown)
  - Tunnel, adit
  - Open cut
  - Trench, pit

- ABBREVIATIONS**
- |                            |                                 |                          |              |
|----------------------------|---------------------------------|--------------------------|--------------|
| <b>Alteration Minerals</b> |                                 | <b>Sulphide Minerals</b> |              |
| sil                        | silicification                  | aspy                     | arsenopyrite |
| phyl                       | phyllitic alteration (sericite) | po                       | pyrrhotite   |
| arg                        | argillic alteration (clay)      | py                       | pyrite       |
| cc                         | calcite                         | mo                       | motybdenite  |
| <b>Miscellaneous</b>       |                                 |                          |              |
| bx                         | breccia                         |                          |              |
| xn                         | xenolith                        |                          |              |
| qtz                        | quartz                          |                          |              |
| goss                       | gossan                          |                          |              |
| peg                        | pegmatite                       |                          |              |
| maf                        | mafic                           |                          |              |

- Talus field
- Heliport
- Stream, intermittent
- 4 x 4 road
- Property boundary
- A** Showing described in report



Contour interval 60 metres



**Hudbay Mining Company**  
A Division of Hudson's Bay Oil and Gas Company Limited

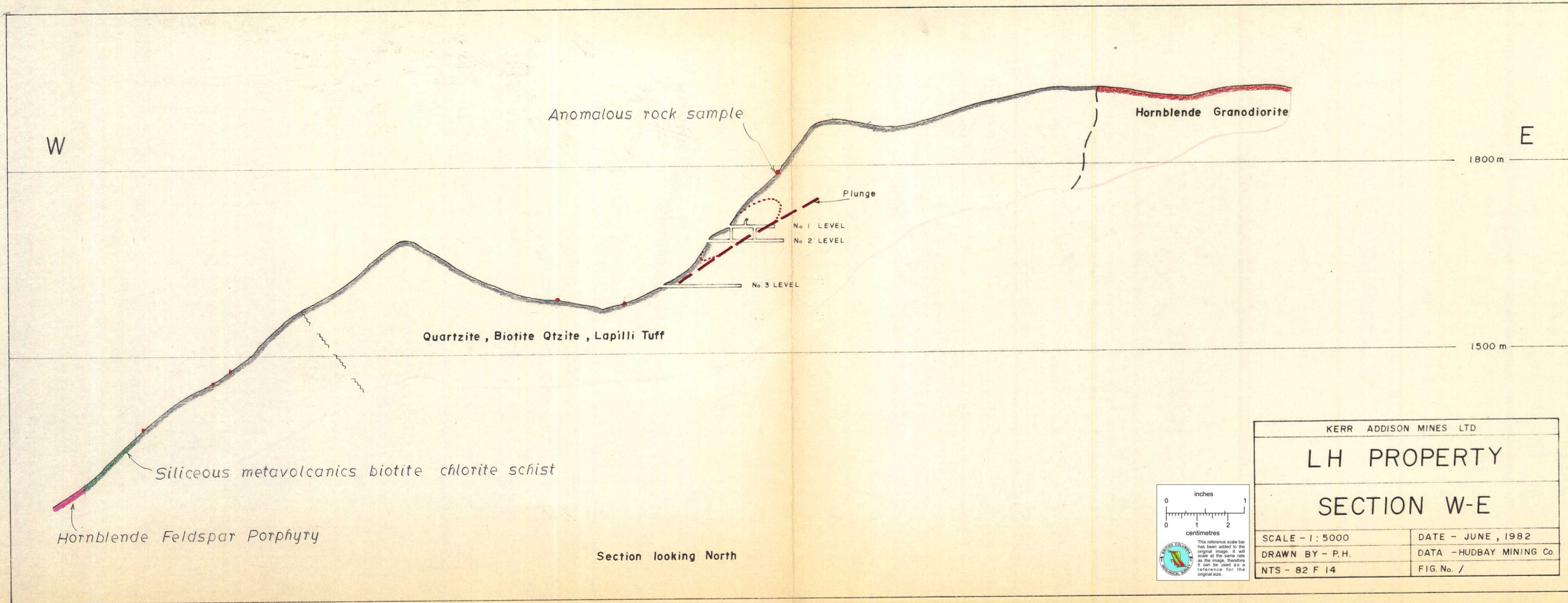
LH PROPERTY

## GEOLOGY

MAP	DATE	BY	SCALE
FIG. 81-	Nov. 1981	PRB	1: 5000

N.T.S.  
82 F/14





W

E

Anomalous rock sample

Hornblende Granodiorite

1800m

Plunge

No. 1 LEVEL

No. 2 LEVEL

No. 3 LEVEL

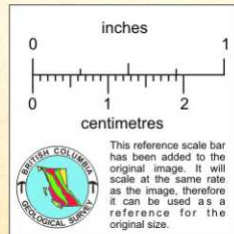
Quartzite, Biotite Qtzite, Lapilli Tuff

1500m

Siliceous metavolcanics biotite chlorite schist

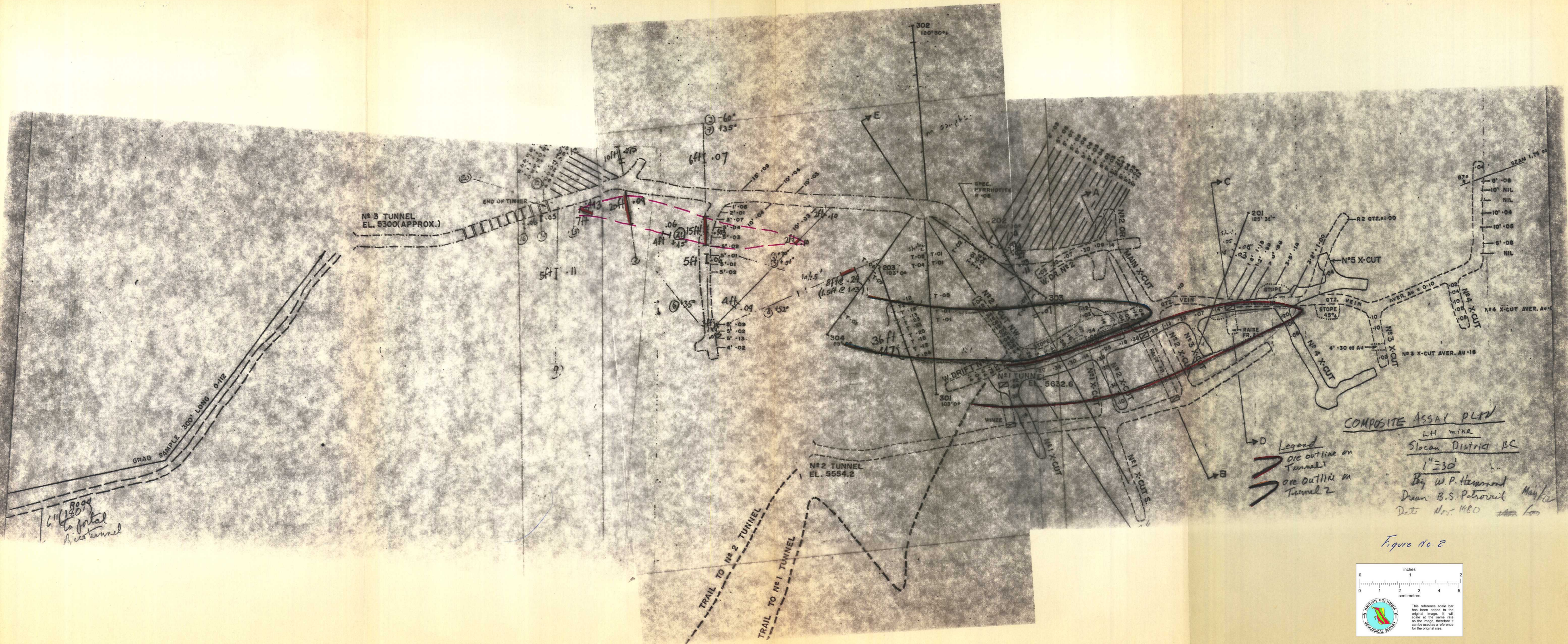
Hornblende Feldspar Porphyry

Section looking North



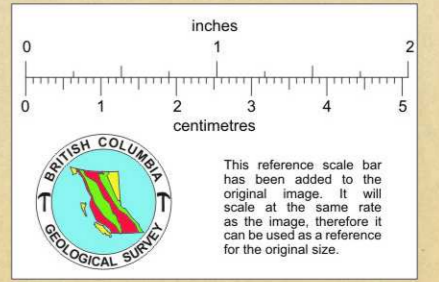
KERR ADDISON MINES LTD	
LH PROPERTY	
SECTION W-E	
SCALE - 1:5000	DATE - JUNE, 1982
DRAWN BY - P.H.	DATA - HUDBAY MINING Co.
NTS - 82 F 14	FIG.No. /





COMPOSITE ASSAY PLN  
 LH mine  
 Slocan District BC  
 1" = 30'  
 By W.P. Hammond  
 Dren B.S. Petrovic  
 Date Nov. 1980

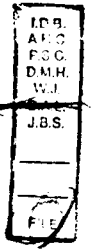
Figure No. 2





KERR ADDISON MINES LIMITED

M E M O R A N D U M



TO: D. A. Lowrie

DATE: May 31, 1982

FROM: C. K. Wilton

SUBJECT: LH property, Slocan Mining Division, B.C.

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The attached composite plan, tunnel plans of 2 and 3, the longitudinal sections and cross-section attached show assays and information not shown in my memo of May 28th.

Logs of Holes LH 1 to LH 21, drilled by the Quebec Gold Mining Corp., drilled on Level 3 and logged by F. C. Buckland are in the Hubday, Toronto office. Ten of the holes were flat, there were 6 up holes and two down holes. Lengths varied from 8' to 212'. Most holes are logged as hornfels, generally siliceous, with occasional quartz stringers, some associated with low values. Hole 3 was drilled to cut the ore shoot 100 feet above the level (see longitudinal section attached). The core was all sampled at 2.5' intervals.

The longitudinal and cross-section show the conclusion reached that the ore bottoms above Tunnel 3 and plunges about 45° W.

The drift in Tunnel No. 1 averaged 0.34 ozs. Au/ton in sampling by a Falconbridge engineer and 0.31 ozs. Au/ton in 14 samples on the "B.C. copper map".

Metallurgical work for B.C. copper gave recovery of 37.5% by amalgamation and 90% by cyanidation.

Logs of Holes 201, 202, 203, 302, 303 and 304, drilled in 1936 and logged by H. A. Rose are in the data examined.

Reports and letters, of historical interest only, which were examined include:

- (a) a 1918 report by Frederick Keffer;
- (b) a "report" by Fingland in 1947;
- (c) a report letter by Evans B. Mayo to W. C. Douglass, Manager, Kelowna Exploration Ltd., on October 29, 1941;
- (d) a 1947 letter in 1947 by Fingland in "explanation" of some parts of Keffer's report.

To summarize, assessment of this situation should focus first on the possibility of finding more ore along strike and up and down plunge from the known lens of auriferous material. Bill Sirola's comments on this aspect would be helpful.

The geochemistry apparently did not turn up specific targets other than the 1 sq. km. area around the Tunnels. The geochemical maps and reports are available in the Calgary office of Hudbay.



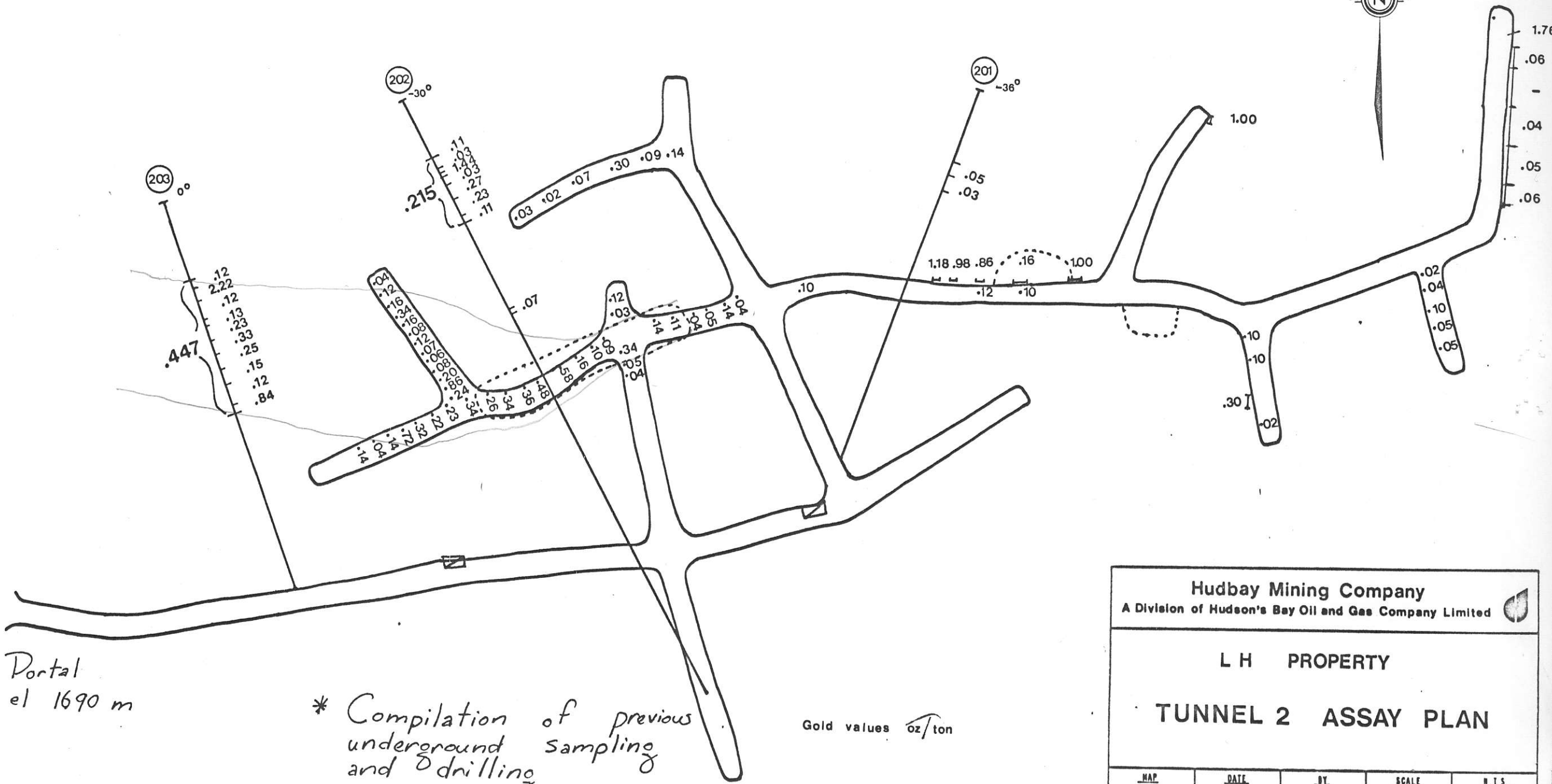
C. K. Wilton

CKW/sm

Attachments

cc: W. M. Sirola

This prospect is worth further attention. It is a good prospect which requires drilling to ascertain its strike and plunge potential. The target would be 200-300 Tpd of 0.25 - 0.30 Au oz/ton feed. The next step is to determine the terms of agreement between Hudbay & Andauer.

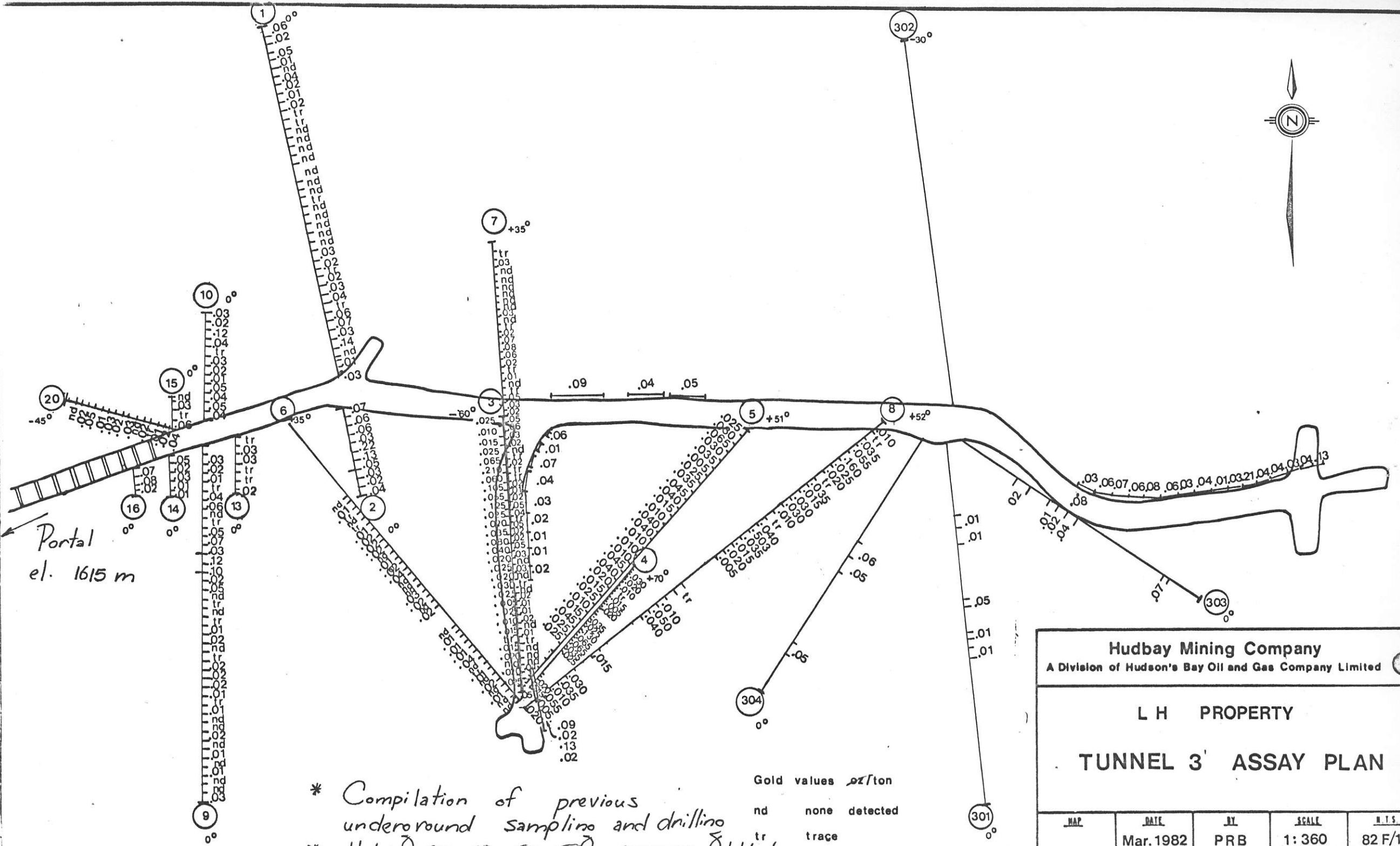


Portal  
el 1690 m

\* Compilation of previous  
underground sampling  
and drilling

Gold values oz/ton

<b>Hudbay Mining Company</b> A Division of Hudson's Bay Oil and Gas Company Limited				
L H PROPERTY				
<b>TUNNEL 2 ASSAY PLAN</b>				
MAP	DATE	BY	SCALE	R.T.S.
	Mar. 1982	PRB	1 : 360	82 F/14



Portal  
el. 1615 m

\* Compilation of previous  
underground sampling and drilling  
\* Holes (3), (4), (5), (8) averages plotted

Gold values *oz/ton*  
nd none detected  
tr trace

<b>Hudbay Mining Company</b> A Division of Hudson's Bay Oil and Gas Company Limited				
L H PROPERTY <b>TUNNEL 3 ASSAY PLAN</b>				
<u>MAP</u>	<u>DATE</u>	<u>BY</u>	<u>SCALE</u>	<u>R.T.S.</u>
	Mar. 1982	PRB	1:360	82 F/14

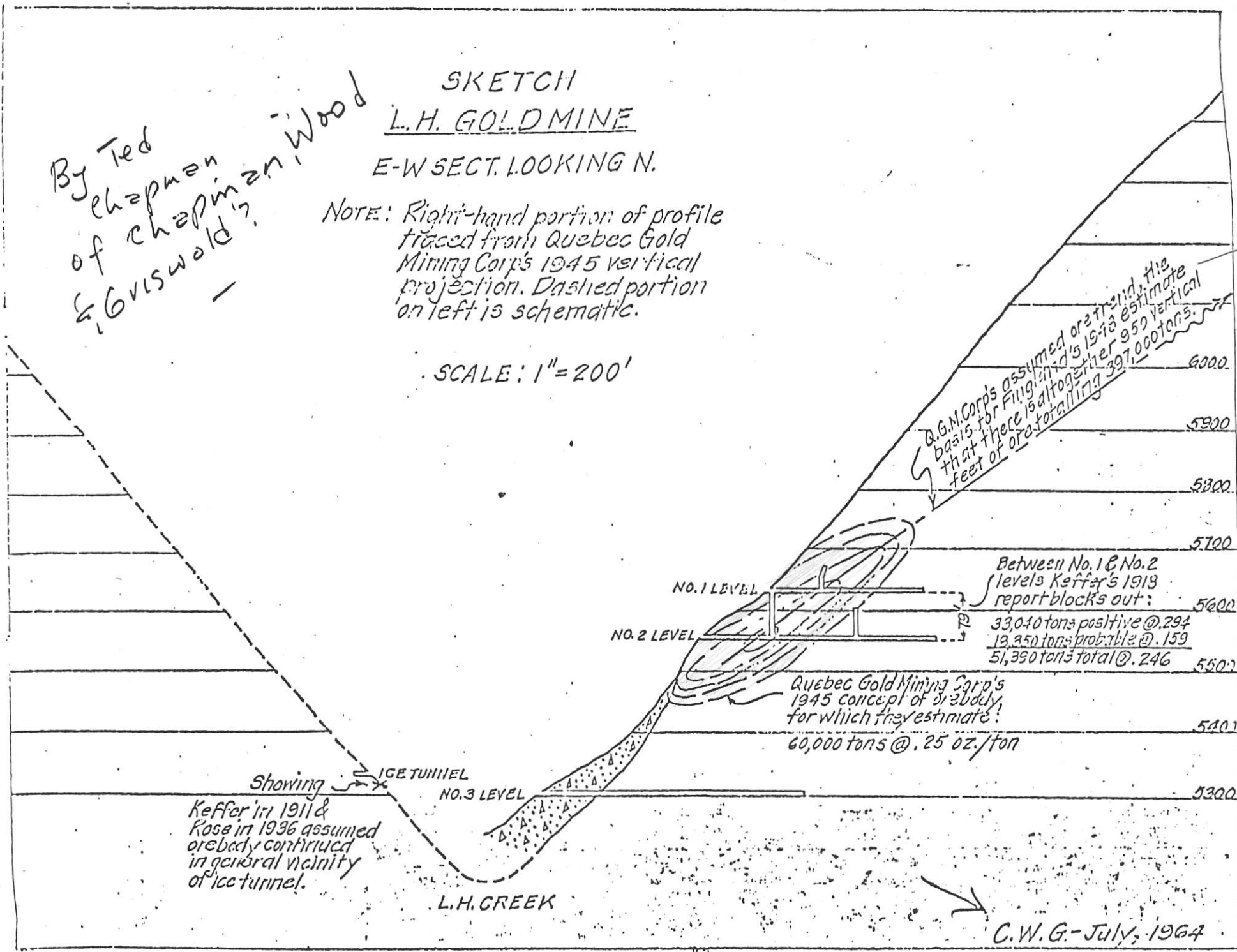
By Ted Chapman  
of Chapman Wood  
& Griswold

SKETCH  
L.H. GOLD MINE

E-W SECT. LOOKING N.

NOTE: Right-hand portion of profile traced from Quebec Gold Mining Corp's 1945 vertical projection. Dashed portion on left is schematic.

SCALE: 1" = 200'



Q.G.M. Corp's assumed or estimated basis for Finland's 1945 estimate that there is altogether 950 vertical feet of ore totalling 397,000 tons.

Between No. 1 & No. 2 levels Keffer's 1913 report blocks out:  
33,040 tons positive @ .294  
18,350 tons probable @ .159  
51,390 tons total @ .246

Quebec Gold Mining Corp's 1945 concept of ore body for which they estimate:  
60,000 tons @ .25 oz./ton

Showing Keffer in 1911 & Rose in 1936 assumed ore body continued in general vicinity of ice tunnel.

Note - Finland was non-technical C.W.

C.W.G. - July, 1964



MERV ENGINEERING CORP.

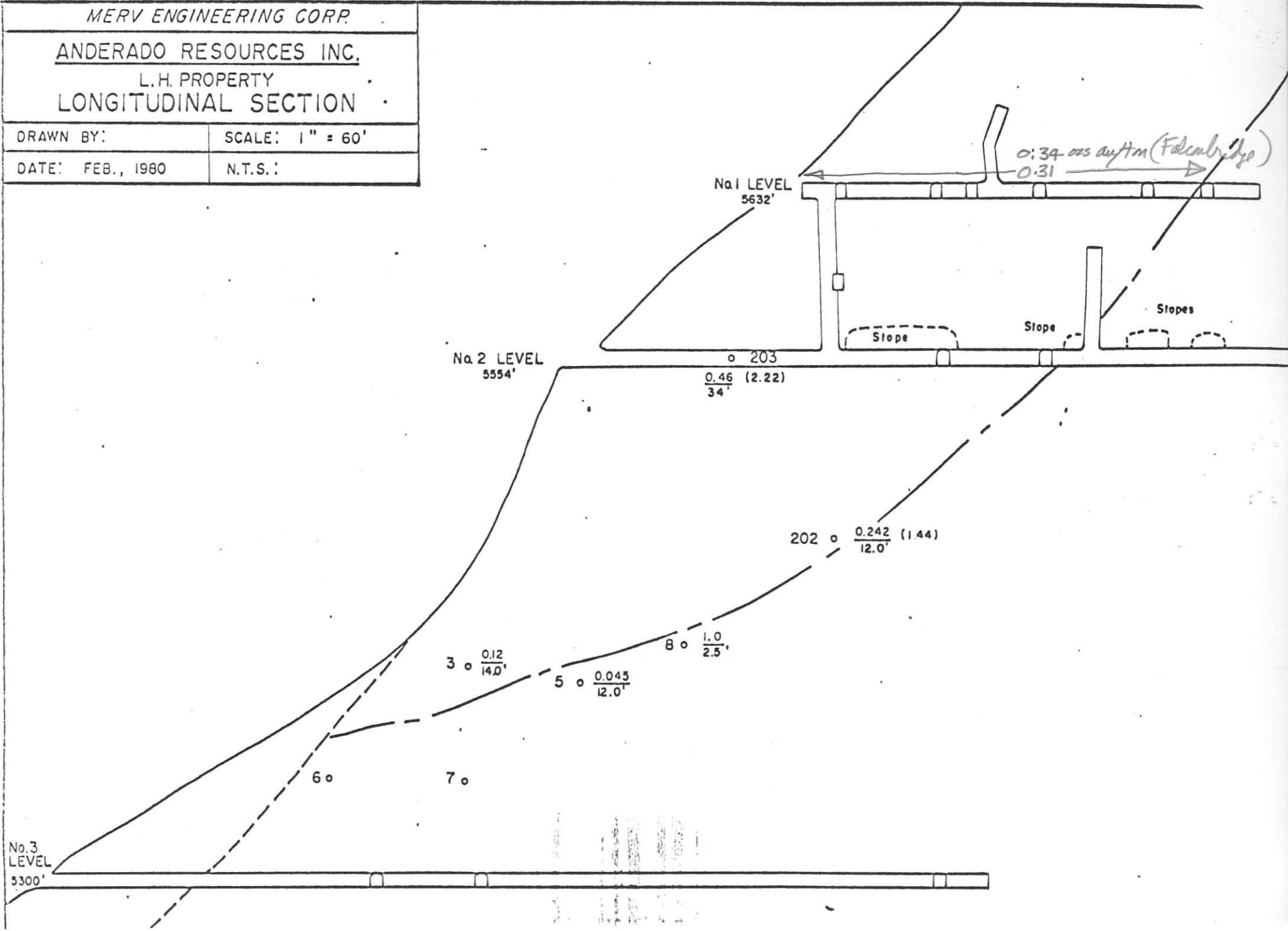
ANDERADO RESOURCES INC.  
L.H. PROPERTY  
LONGITUDINAL SECTION

DRAWN BY:

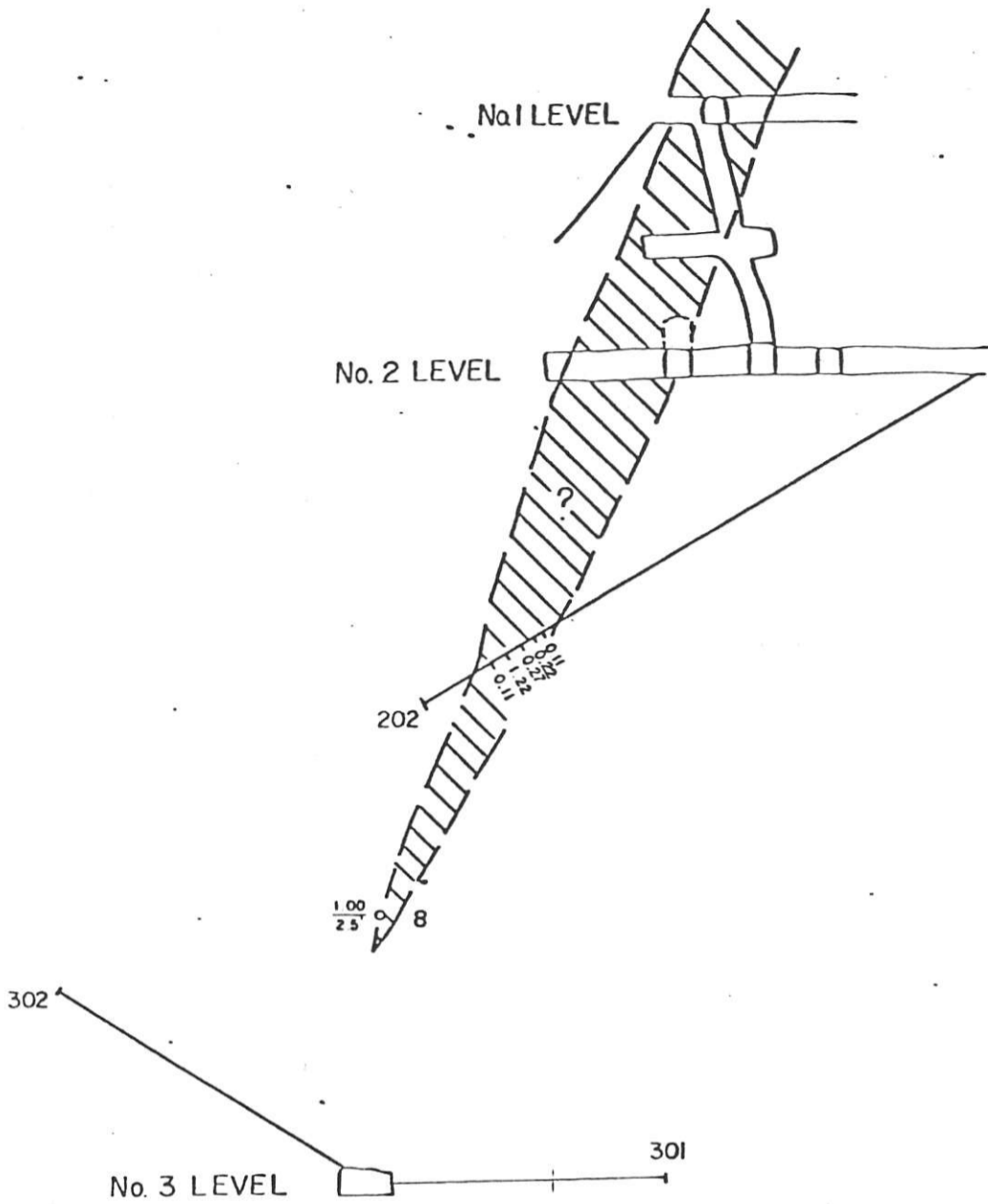
SCALE: 1" = 60'

DATE: FEB., 1980

N.T.S.:

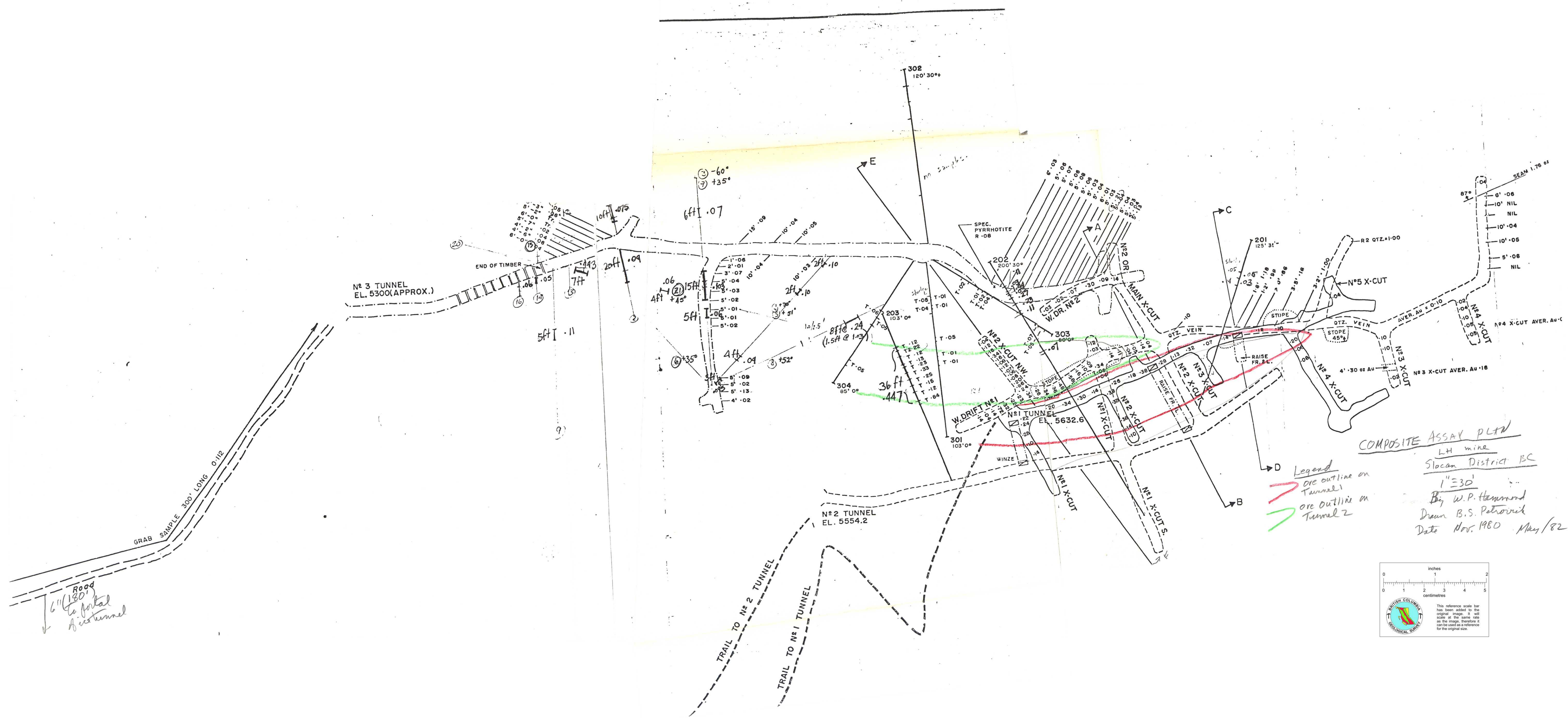


2  
127  
3/6



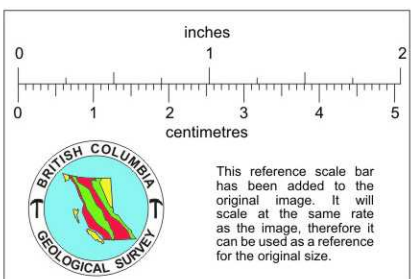
MERV ENGINEERING CORP.	
ANDERADO RESOURCES INC.	
L.H. PROPERTY	
CROSS SECTION E-F	
DRAWN BY:	SCALE: 1" = 60'
DATE: FEB., 1980	N.T.S.:





**COMPOSITE ASSAY PLAN**  
 LH mine  
 Slokan District BC  
 1"=30'  
 By W.P. Hammond  
 Drawn B.S. Petrovich  
 Date Nov. 1980 May/82

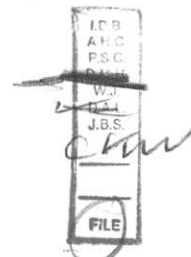
**Legend**  
 [Red line] ore outline on Tunnel 1  
 [Green line] ore outline on Tunnel 2





KERR ADDISON MINES LIMITED

M E M O R A N D U M



TO: D. A. Lowrie

DATE: May 28, 1982

FROM: C. K. Wilton

SUBJECT: LH property, Slocan Mining Division, B.C.

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Attached are notes made from reports examined on May 27 in the Toronto office of Hudbay Mining Ltd., a subsidiary of Hudson's Bay Oil and Gas Company. The attached maps include a surface plan and plans of Tunnels 1 and 2 and the Ice Tunnel. Tunnel 3 is covered by scree from Tunnel 2.

This property has been intermittently, inconclusively explored since the original discovery of gold in 1895. Tunnels 1 and 2 were driven in 1911-14 and reserves of 33,040 positive tons at a grade of 0.294 ozs./t Au established plus 18,350 tons at a grade of 0.159 ozs./t Au probable. In 1934 Tunnel 3 was completed. In 1936, 6 holes were drilled from Tunnels 2 and 3. In 1939, 216.2 tons were shipped (probably from selected areas) which gave 111 oz. Au and 71 ozs. Ag. In 1945 Quebec Gold Mining Corp. (Kenville Gold) drilled 18 holes totalling 460 m. from Tunnel 3 and estimated reserves of 60,000 tons @ .25 ozs./t Au. In 1973 Granby did mapping and rock geochemical sampling around the workings. In 1980 Andaurex upgraded the access road and carried out 2 km. of soil sampling west of the showings.

In 1981 Hudbay did mapping, prospecting, airborne geophysics, high density geochemical coverage, a boundary survey and road building.

Gold is associated with arsenopyrite (fine grained disseminations and massive pods and veins) and pyrrhotite (disseminations) in silicified shear zones and quartz veins in all lithologic units. Geochemistry provided targets of which the best was a 1 sq. km. area centred about the Tunnels and an area near the confluence of two tributaries of Congo Creek.

As a result of the 1981 work it was recommended to Hudbay that an underground diamond drill program should be undertaken in the areas of Tunnel 3 and the ice Tunnel to test lateral and depth continuity. No diamond drill layout was included in the report. It was considered that this work might lead to deep drilling probably from surface. It was recommended that other gold zones inaccessible to road building should be sampled and drilled by shallow holes.

Since the portal of Tunnel 3 is covered by scree from Tunnel 2, Tunnel 3 is inaccessible but previous drilling suggests that Tunnel 3 is in the hanging wall of the zone and the only X-C fell short of the projection from Tunnel 2. Drill intercepts show 0.1 oz./t suggesting

## Slocan Mining Division

Owner Andalex

Operator HBC

Geologist P. Bresee

Date March 1, 1982

SUMMARY & CONCLUSIONS

1. 1981 work was geologic mapping, prospecting, airborne geophysics, high density geochemical coverage, hampered in places by rugged topography. A boundary survey and road building were initiated late in the season.
2. Geol. is a roof pendant of metamorphosed volcanic flows, pyroclastics and sediments within differentiated phases of the Nelson batholith and intruded by a younger multi-phase stock and dike west of Congo Creek.
3. Gold is assoc. with arsenopyrite (f.g. disseminations and massive pods and veins) and pyrrhotite (disseminations) in silicified shear zones and quartz veins in all lithologic units.
4. Geochemistry provided targets of which the best was a 1 sq. km. area centered about the Tunnels, and an area near the confluence of two tributaries of Congo Creek. Detailed sampling was successful to some degree in confirming previously reported gold grades in the main zone and the importance of the area near the Ice Tunnel.
5. The distribution and zonation of metals suggests a potentially significant Au - (As - Mo - Cu) mineralizing event(s) within the roof pendant.



# RECOMMENDATIONS

1. a d.d program should be undertaken in the road-accessible areas of Tunnel 3 and the big Tunnel to test the lateral and depth continuity of mineraliz<sup>n</sup>. In view of topography the drilling should be from underground after rehabilitation of the three tunnels ~~and~~ to test the gold zone and gain additional information prior to deep diamond drilling.

2. The exploration of these several gold-bearing zones and veins inaccessible to road building should be two staged:

- (1) several crews should be engaged in pad clearing, surface trenching, and possibly shallow drilling and sampling
- (2) pending favorable results, a decision to commit to helicopter-supported drilling

Location - The property is about 7 Km. south of Silvertown, BC on the east side of Slovan Lake NTS 82F/14W

- Access is by Mt Mountain Road originating 1 Km. south of Silvertown along Hwy 6, for 4 Km and a steep, narrow 4 wheel drive road up Fingland Creek for 3 Km. to the workings.

- In 1981 two landing pads for helicopter were cleared and 5 others not requiring clearing were used

property - 19 contiguous Crown granted claims (old fractions) and one located fraction

History - Intermittent, inconclusive expl<sup>n</sup> efforts over the past 80 yrs.

1895 - original discovery of gold

1911-14 - underground development in Tunnels 1 to 2  
 gave reserves of 33,040 tons @ .294 ozs/t au (POS.) and  
 18,350 " " .159 " /t (probable)

1934 - tunnel 3 completed

- 1936 6 drill holes totalling 250m. from Tunnels 2 & 3
- 1939 shipment of 216.2 tons from Tunnel 2 gave 111 oz Au and 71 oz. Ag.
- 1945 Quebec Gold Mining Corporation (Kenivik Gold) diamond drill 18 holes totalling 460 m. from Tunnel 3 and estimate reserves of 60,000 tons @ .25 oz/t Au
- 1973 Granby did geo mapping and rock geochem sampling around workings
- 1960 Arkwright upgrade access road and carry out 2 km. of soil sampling west of town

Physiography

- relief ranges between 1250 and 2100 m. above sea level
- average slope 27-30°; some precipitous cliffs; ~~some~~ numerous talus piles
- drained by 3 major creeks; Fingland and Long Creek basins are active avalanche chutes over winter.
- overburden generally less than 1 m.
- soil profiles of forest litter, A<sub>1</sub>, A<sub>2</sub> (checked) and B
- survey lines were contours @ 60m. intervals.

Regional Geology - a 3x5 km. rock pendant (Triassic-lower Jurassic) in the Nelson batholith. Pendant rocks are metamorphic volcanics, pyroclastics and sediments. The pendant is intruded by Tertiary acidic stocks, dikes and sills.

MINERALIZATION

Gold mineraliz<sup>n</sup> in the main zone has been explored by 520 m. of underground development in three tunnels 150 m. east of Fingland Creek. Portals are at elev<sup>n</sup>s of 1615, 1690 and 1720 m. About 160 m. of strike length has been explored.

Tunnel 1 is a hanging wall drift, 1 raise and 4 x-cuts.

" 2 " 2 footwall drifts, 1 raise to Tunnel 1 and 4 x-cuts.

" 3 is inaccessible, covered by snow from Tunnel 2.

Results from previous drilling suggest Tunnel 3 is in the hanging wall and the only x-cut fell short of the zone projected from Tunnel 2. However numerous drill intercepts from previous work of 0.1oz./ft suggest there is enrichment of the hanging wall.

Gold is associated with arsenopyrite and pyrrhotite in an intensely silicified shear. There is 3-5% diss. f.g., Po and ~~As~~ FeAsS or mass. pods of FeAsS 10-50 cm. across. Quartz occurs as stringers 1-5 cm. wide and small lenses but most commonly as f.g. impregnations healing fractures.

A prominent 40 cm. vein of pegmatitic granite occurs in the footwall of the zone and is thought to be late.

Controls are not clear. Schistosity, gneissosity, fractures, and footwall granite strike 080 A2 with moderate to steep dips south but previous drilling suggests that the zone dips steeply N between Tunnels 1 & 2.

Another zone on the west bank of Finland Creek has been explored by a 90m. drift, two 3m crosscuts and two short adits known as the Ice Tunnel. Au here is associated with vein & knob-like FeAsS 20-40cm in width and diss. f.g. Po. This zone trends NNE and dips moderately east.

Prospecting located several showings, many of which were previously trenched.



- | <u>Showing location</u> | <u>Description</u>  |
|-------------------------|---|
| A                       | Two gr. veins 1-1.5 m. wide 080/75 S<br>+ 5% Po & diss. Aspy 11.14 and 7.27 g/t Au<br>at two locations 50 m. apart.                   |
| B                       | 1 m. shr. (20.74 g/t Au)  |
| C                       | Ptchy aspy 10-20 cm in diam (450 ppb)   |
| D                       | 30 cm. shr. (0.99 g/t Au)   |
| E                       | <del>shr.</del> Rusty shr. (1.41 g/t Au)  |
| F                       | Rusty silicified shr. with oxidized Aspy prob<br>10 cm. in diam; probably up-plunge<br>extension of zone from Tunnel 1 (11.52 g/t Au) |
| G                       | 1 m. sheared gr. Aspy vein  |
| H                       | Mass. ptch Aspy - Po 10 cm across cut by<br>F.P. dyke (390 ppb Au)  |
| I                       | Patchy Aspy (3.67 g/t Au)   |
| I                       | Boulder with mass. Po & 10% Aspy blades.<br>Source unknown but within talus field (1.58 g/t Au)                                       |

## STRUCTURE

Very few bedding structures were found. Those found were at 330-020/10 E. Foliation in the pendant is NE to E/moderate S dip. A significant deviation occurs on the NE facing ridge W of Furland creek. Here fol  $\approx$

strikes NE to NW and dips E. This deviation may have controlled Aggy min. in the area Ice Tunnel and upslope.

Shears & veins vary in attitude between 10 and 80° AZ and dip E to S. Shear surfaces can vary in dip as much as 30° over 1 m. Shear zones vary in width from 20-40 cm. to 1-8 m. and are in all lithologies but are narrow in intrusives and volcanics whereas in metaseds and gneisses they are wider and healed by silica.

METAMORPHISM - one regional event assoc<sup>td</sup> with emplacement of Nelson batholith and two thermal events assoc<sup>td</sup> with stock emplacement west of Congo Creek.

GEOCHEM - 1000 samples collected at 50 m. intervals on contour traverse lines from B horizon at depths of 15-30 cm.  
- rock samples at selected points  
- veins and shears were chip sampled at 0.5 to 1 m. intervals  
- detailed sampling in Tunnels 1 & 2 and Ice Tunnel area

LAB Procedure - Soils, stream sed & rocks were analyzed for Mo, Cu, As, Au and Ag. Waters were analyzed for Mo, Cu, Fe & U. Samples having > 1000 ppb Au were reanalyzed by fire assay.

Geochem results in arsenic define a broad halo 1 sq. km. in area centred about the tunnels.

Geochem results in gold show widespread distribution and close assoc<sup>n</sup> with arsenic. Anomalies are explained by 15 separate sources detailed in the report.

Geochem results for Ag are not encouraging.



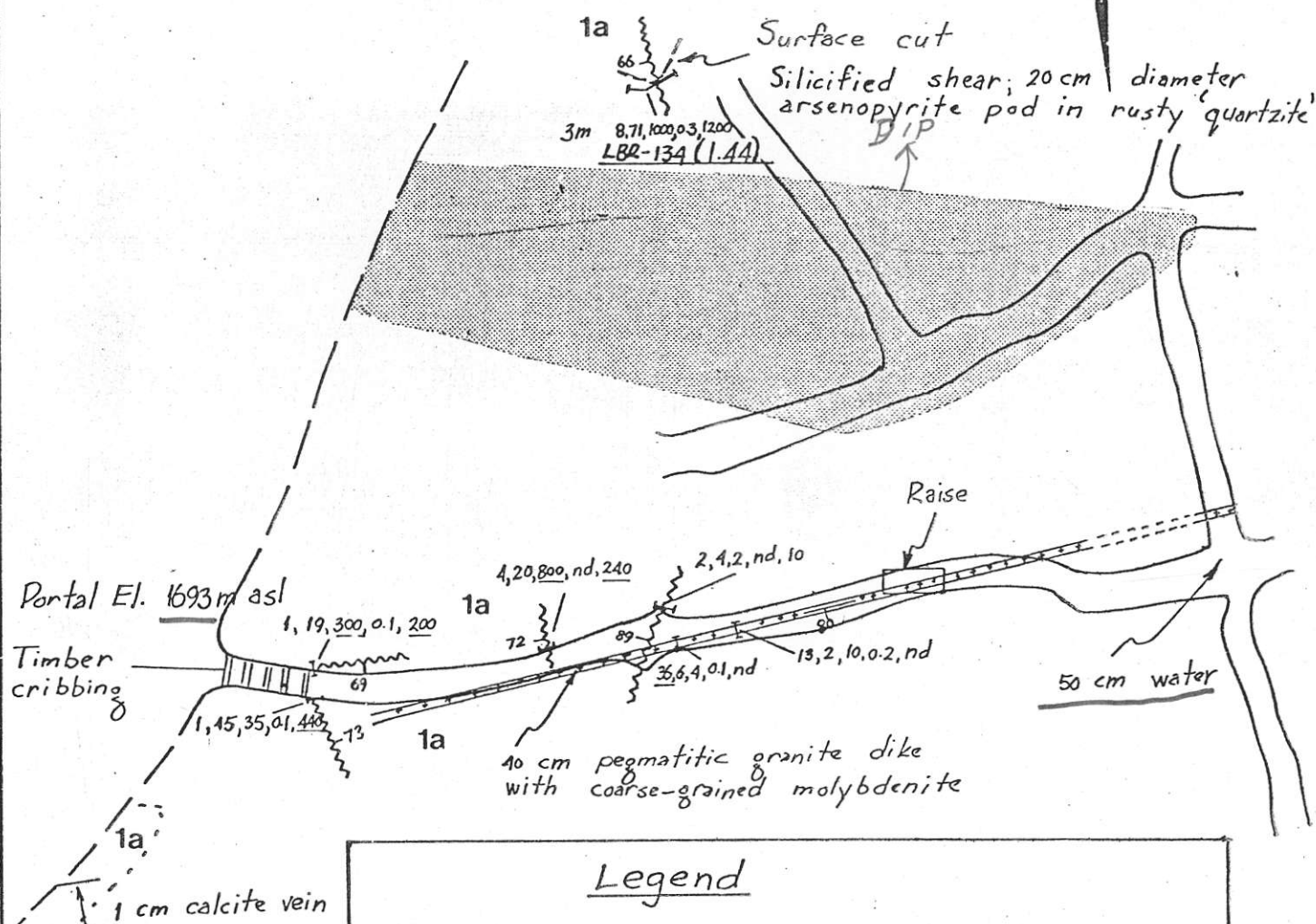
Detailed sampling of the Tunnel 1 area showed lean and high grade sections. The west wall of No. 3 X-C assayed 3.53 g/t Au across 8 m. The west " " No. 2 X-C " " 14.0 g/t Au/10 m. Grade depends on the amount and habit of the sulfides.

A surface cut near Tunnel 2 returned 3 m. of 1.44 g/t Au. The ice tunnel sampling in the N. Wall east X-C gave 3.15 g/t Au. ~~and the~~ The N. Wall Adit 1 gave 1.20 g/t Au/1 m. and Adit 2 sampling gave 8.51 g/t Au across 1 m.

Results were said to be encouraging and worth following up. (It may be noted that reserve grade was stated in 1911-14 as .294 ozs./t (positive) and 0.159 (probable) while a 216 ton shipment returned 111 ozs. Au and 71 ozs. Ag. It appears the shipment was selected.)

The plan of Tunnel 1 shows a drift ore 4 X-C's which explored as "ore lens" 54 m. long and ~~3 to 7 m wide~~ 7 m. wide averaging in the X-C's, 6 g/t/6 m., 44.1 g/t/10 m., 3.55 g/t/8 m. and 1.58 g/t/3 m. (Ore limits by Quebec Gold Mining Corp.)

The plan of Tunnel 2 shows a length of about 31 m., a width of about 10 m., sample averages in gold not given. ~~The~~ Tunnel 2 is unworkable due to 50 cm. water in the X-C to it.



Legend

$1, 19, 300, 0.1, 200$   
LBR-130 (0.042) → 1m continuous chip sample with Mo, Cu, As, Ag (ppm), Au (ppb)  
 Assay sample number (g/t Au)

Shearing, gouge zone

Vein

Limit of 'ore' determined by Quebec Gold Mining Corporation

Note Tunnel 3  
 Portal El. 1615m asl

Hudbay Mining Company  
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Tunnel 2  
 Detail Geology - Geochemistry

Basemap after Quebec Gold Mining Corporation  
 \* Only includes western portion of Tunnel 2

MAP	DATE	BY	SCALE	N.T.S.
Fig. 81-12	Nov. 1981	PRB	1: 360	82 F/14

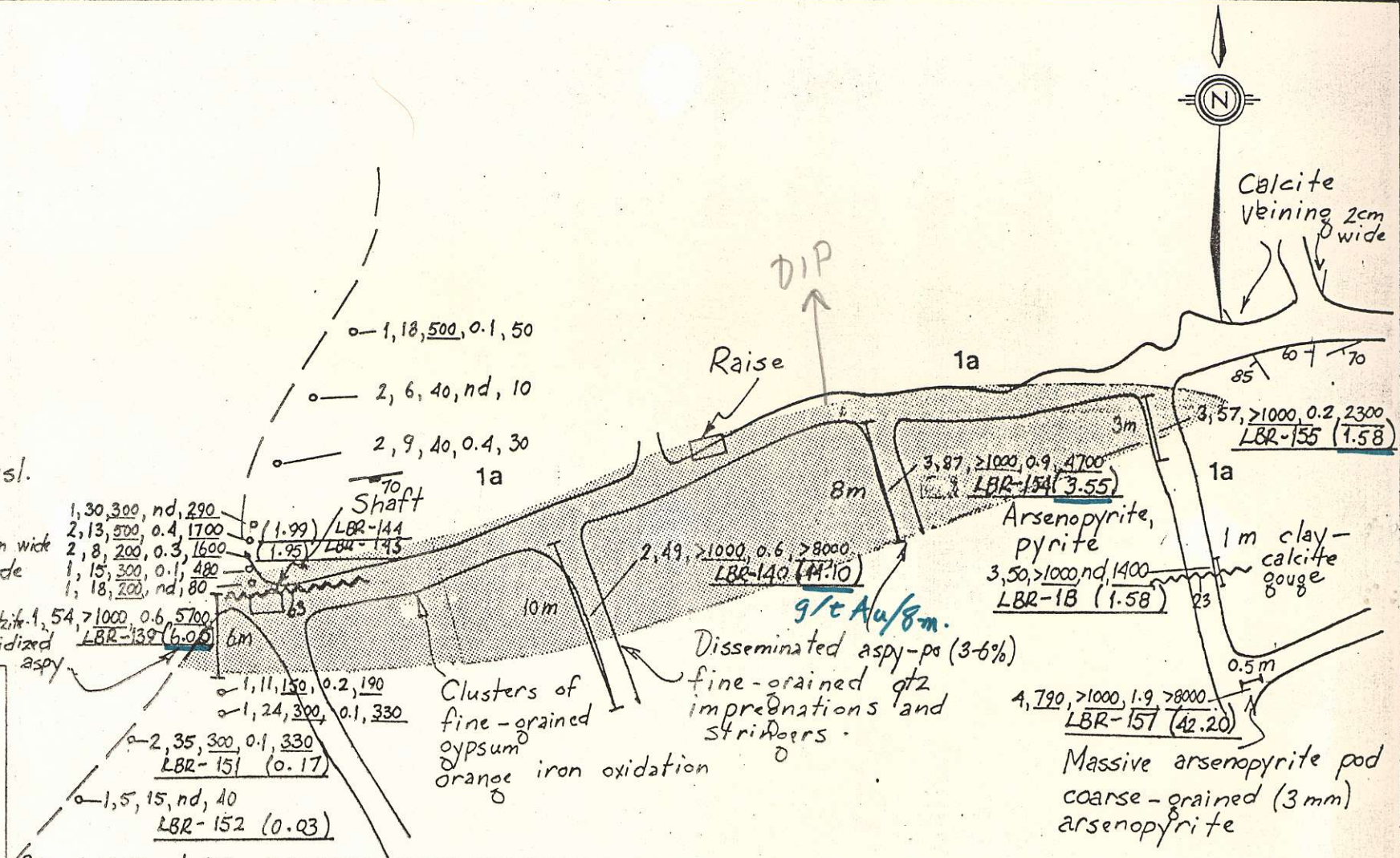




Calcite  
veining 2cm  
wide

Portal El. 1717m asl.

Surface shows: 10cm wide  
black gouge, 6m wide  
rusty iron oxides in  
intensely silicified quartzite  
knobs 20cm dia., black oxidized  
aspy



### Legend

Continuous chip sample  
with interval in meters  
and Mo, Cu, As, Ag (ppm), Au (ppb)  
Assay sample number (g/t Au)

Grab sample with  
Mo, Cu, As, Ag (ppm), Au (ppb)  
Assay sample number (g/t Au)

Limit of ore determined by  
Quebec Gold Mining Corporation

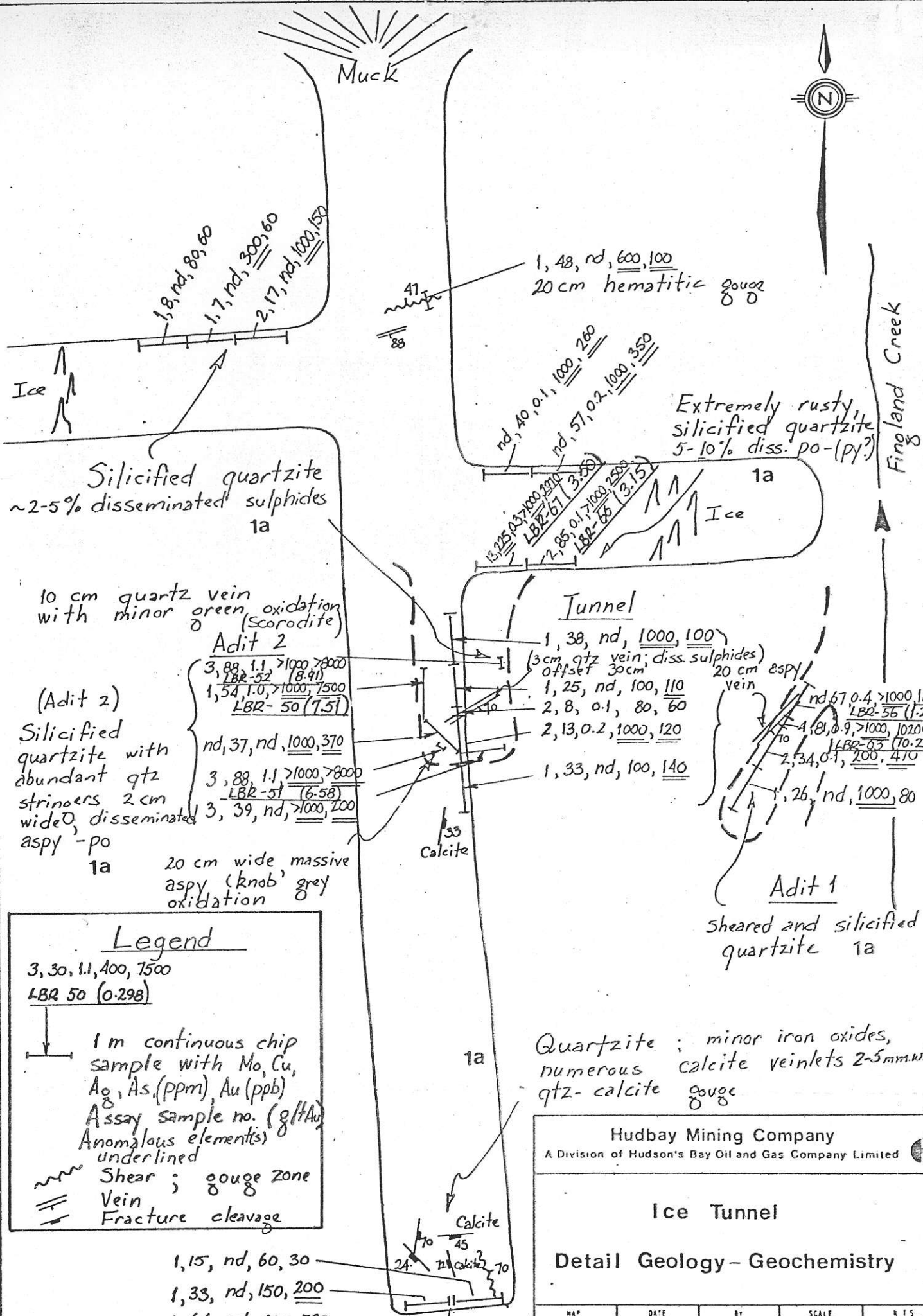
Basemap after  
Quebec Gold Mining  
Corp.

## Detail Geology - Geochemistry

### Tunnel 1

Hudbay Mining Company  
A Division of Hudson's Bay Oil and Gas Company Limited

Fig. 81-11	DATE	PI RB	SCALE	7.15
	Nov. 1981		1:360	82F/14



**Legend**

3, 30, 1.1, 400, 7500  
LBR 50 (0.298)

1 m continuous chip sample with Mo, Cu, Ag, As (ppm), Au (ppb)  
Assay sample no. (g/t Au)  
Anomalous element(s) underlined

Shear ; gouge zone

Vein

Fracture cleavage

Hubday Mining Company  
A Division of Hudson's Bay Oil and Gas Company Limited

**Ice Tunnel**

**Detail Geology - Geochemistry**

MAP	DATE	BY	SCALE	R.T.S.
Fig. 81-13	Nov. 1981	PRB	1:360	82 F/14



0 shs to Margaret Red  
o Ltd. McMarmac Red  
operations. Prop: Gold  
d Lake area, NW Ont.  
erable d d in 1944.

(TSE)

Sta: Amos, Que. Off &  
p: J. O. Sabourin, sec-  
Burt, Toronto. M.M.:  
t. Cap: Auth, 3,000,000  
led. Tr Ag: Chartered  
ril 20, 1945. Hist: Acq  
ining Co. Part of prop  
Prop: Gold prospects  
laims, 300 ac, in Dog's  
Fwp. Dev: On Dalquier  
34 ft d d completed to  
B. On Louvicourt prop  
d cash \$29,554; Victory

K. Dempsey, pres; Wm.  
teard, Ont; Edward F.  
rs. M.M.: R. E. Miller,  
ne, 1945) 1,499,135, of  
rop: Gold prospect, 15  
dist, N Ont. Holds  
d d. Mid-1945 20,000  
5 vs curr llabs \$3,589.

: Wm. Adams Kissam,  
tr; J. W. Mercer, v p;  
M.M.: F. A. McGonigle.  
Cap: Auth, 100,000 shs,  
0; 1941, \$300,000; 1942,  
000. Hist: On inc acq  
N of Hedley, Osoyoos  
000,000 gold. Mine is  
ntrator & mill located,  
v: Main dev has been  
milling in 1934, with

1941	1940
97,476	82,660
33,881	
\$1,304,418	\$1,052,576
\$13.39	\$12.73

July, 1945, permanent  
4,000,000 shs, \$1 par.  
s from Kelrowe Gold  
d, latter a private co.  
slop & Guibord twps.  
th dev at 80, 180 &  
er dev planned mid-  
s providing finances.

pres & man dir: T. J.  
Toronto. Inc: 1944,  
005 of which 900,000  
p: Gold prospect, 16  
000 cash plus \$10,000

Off & Dir: Andrew  
v p; John Allen, sec-  
M, Que chart. Cap:  
art pooled. Tr Ag:  
bsid of Perron Gold  
p, NW Que, 22 miles

from Senneterre. Dev: Surface trenching & cross-sectioning; June, 1945, d d started.  
Fin: June, 1945, had \$40,000 cash, \$1,500 curr llabs.

#### KENIKONDA MINING CORPORATION LIMITED

Ex.O.: 11 King St W, Toronto. Off & Dir: S. R. Smith, sec-treas; Phillip Smith,  
Gladstone Murray, J. S. Booth, H. Henderson, all Toronto. Inc: 1944, Ont chart.  
Cap: Auth, 3,000,000 shs, \$1 par; iss (June, 1945) 1,000,005. Tr Ag: Crown Trust Co,  
Toronto. Prop: Gold prospect, 7 claims, Beauchastel twp, NW Que. Dev: Surface  
exploration and preliminary diamond drilling to June, 1945.

#### KENCO EXPLORATIONS, LIMITED

Ex.O.: 244 Bay St, Toronto. Off & Dir: E. T. Stannard, pres; R. J. Parker, v p;  
Anton Gray, v p; A. Cherouny, sec; E. S. Hann, treas; R. O. Klugescheid, C. T. Ulrich,  
all of 120 Broadway, New York. Mgr: A. H. Robertson, Toronto. Inc: 1944, Dom chart.  
Cap: Auth; 5,000 shs, \$10 par. Oper: Private co, wholly-owned substd of Kennecott Copper  
Corp, engaged in explor & dev of props in Canada.

#### KENNEDY RIVER GOLD MINES LIMITED

Ex.O.: C/o T. O. MacKay, sec-treas & tr ag, 1214 Broad St, Victoria, B C. Inc:  
B C chart. Cap: Auth, 250,000 shs, \$1 par; iss (June, 1945) 201,800. Prop: Gold pro-  
spects: (1) 9 claims, of which 3 held by Crown grant, Vancouver Island, B C. (2)  
Half-int in Rose Marie mine, 10 claims, of which 4 Crown granted, same area. Dev: Co  
inactive several yrs, but early 1945 moved equip from original prop to Rose Marie mine,  
where exploration work then started.

#### KENRIDGE RED LAKE MINES LIMITED

Ex.O.: Rm 710, 330 Bay St, Toronto. Off & Dir: W. T. Davidson, pres; Peter Mc-  
Donough, v p; J. P. Manley, sec-treas; Dr. J. W. Miller, E. N. Harrison, W. Mogridge,  
all Toronto, dirs. Cons Eng: W. Hesse. Inc: Apr, 1945, Ont chart. Cap: Auth, 3,000,000  
shs, \$1 par; iss, June, 1945, 1,100,000, of which 900,000 pooled. Tr Ag: Guaranty Trust  
Co of Canada, Toronto. Fise Yr: Dec 31. Prop: Gold prospect, 12 claims, Balmer twp,  
Red Lake area, NW Ont. Dev: Surface work; Mid-1945, d d in progress.

#### KENROY MALARTIC MINES LIMITED

Ex.O.: Rm 1701, 372 Bay St, Toronto. Off & Dir: R. H. Thompson, pres; Dr. A. F.  
Demary, v p; D. R. Michener, sec-treas; all Toronto; R. S. Potter, Matheson, Ont; E. E.  
Bilton, Toronto. Cons Eng: Murray Watts. Inc: Jan, 1945, Ont chart. Cap: Auth,  
3,000,000 shs, \$1 par; iss (July, 1945) 1,385,000, of which 990,000 pooled. Tr Ag: Char-  
tered Trust & Executor Co, Toronto. Fise Yr: Dec 31. Prop: Gold prospect, 11 claims,  
Malartic twp, NW Que. Dev: July, 1945, d d in progress.

#### KENTLAKE GOLD MINES LIMITED

Ex.O.: 32 Prospect Ave, Kirkland Lake, Ont. Off & Dir: Sidney A. Pain, Swastika,  
Ont, pres & mm; Gerald D. O'Meara, Kirkland Lake, sec-treas; Walter C. Dayton,  
Albion, N.Y.; Sidney A. Morse, Chatham, Ont; Donald Lough, Huntsville, Ont, dirs.  
Inc: 1944, Ont chart. Cap: Auth, 3,000,000 shs \$1 par; iss (June, 1945) 1,360,005 of  
which 1,000,000 pooled. Tr Ag: Capital Trust Corp, Toronto. Fise Yr: Aug 15. Prop:  
Gold prospect, 14 pat claims, of which 9 owned & 5 held as to mining rights,  
Gauthier twp, Kirkland Lake area, N Ont. Dev: Surface work & 4,000 ft d d to June,  
1945.

#### KENVILLE GOLD MINES LIMITED

Ex.O.: Suite 1216, 360 St. James St W, Montreal. M.O.: Nelson, B C. Off & Dir:  
G. H. Rainville, Montreal, pres; Jas. Y. Murdoch, KC, Toronto, v p; E. E. Diprose,  
Montreal, sec-treas; Messmore Kendall, New York; Jules R. Timmins, Leo H. Timmins,  
Montreal. Cons Eng: F. C. Buckland. Inc: Mar, 1945, Ont chart. Cap: Auth, 3,500,000  
shs, \$1 par; iss (June, 1945) 1,700,005. Tr Ag: Chartered Trust & Executor Co, Toronto.  
Hist: Co was organized to take over & oper props of Livingstone Mining Co Inc, Granite  
Poorman mine, Venango mine, Athabasca mine, Nelson Slocan Mining Co, Royal  
Canadian group of Jenny Long Mines & following adjoining groups: Marquis, Eureka,  
Josie & Onix, Venus & Juno, Dexter & Oro Fino, Dundee & War Admiral. Present co  
is controlled by Quebec Gold Mining Corp & Noranda Mines Ltd. Prop: Gold props,  
169 claims, approx 6,000 ac, Nelson mln dist, B C. Dev: In past oper considerable  
underground oper carried out in some sections of holdings & more than \$4,000,000 gold  
prod from various veins. Fin: June, 1945, had \$50,000 cash.

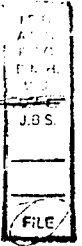
#### KENWEST MINES LIMITED

Ex.O.: Rm 26, 10 Adelaide St W, Toronto. Off & Dir: G. G. Gale, Ottawa, pres;  
W. M. Gordon, v p & sec-treas; R. A. Robertson, H. J. Coon, dirs, all of Toronto.  
C. A. Billings, Ottawa, dir. Inc: Nov, 1944, Ont chart. Cap: Auth, 3,000,000 shs, \$1  
par; of which 522,075 to be iss for props & pooled. Tr Ag: Trusts & Guarantee Co,  
Toronto. Hist: On inc acq assets of Kenwest Gold Mines Ltd, basis 1 new for 4 old shs,  
subject to pool. Prop: Gold prospect, 47 claims, of which 7 pat, approx 2,000 ac, Upper  
Manitou Lake area, Kenora dist, NW Ont. Dev: Prop formerly known as Big Master  
mine; Several yrs ago two shafts sunk to 650 & 250 ft, with considerable lateral work  
on four levels. 100-ton mill installed, with prod valued at \$12,244 during several  
months of 1942. Inactive from then till mid-1945, when plans made to resume dev.

MAY 25 1982

# Hudson's Bay Oil and Gas Company Limited

Telephone (403) 231-3711 - 700 Second Street S.W. - Calgary, Alberta, Canada T2P 0X5



1982 05 19

Mr. D. Lowrie  
Vice-President Exploration  
Kerr Addison Mines Limited  
P.O. Box 91, Commerce Court West  
TORONTO, Ontario  
M5L 1C7

Dear Mr. Lowrie

RE: DOME PETROLEUM LIMITED - MINERAL EXPLORATION PROPERTIES

Further to our telephone conversation of May 19, 1982 in which you expressed an interest in the Truax and LH gold prospects, I wish to confirm that the related technical data will be made available to you at our Toronto office. We will be sending material on the two properties to Toronto this week. Please check with our Toronto Manager, Ed Burgan at 361-0272, to arrange a review. We request that this data inspection follow the protocol as described on the attachment. This is basically the same as requested for your previous Selbaie mine data review.

Thank you for your interest in this regard.

Yours very truly

MINERALS EXPLORATION DEPARTMENT

A handwritten signature in cursive script that reads 'A. A. Brown'.

A. A. Brown  
Manager, Uranium

AAB/gs

cc: Mr. E. L. Forgues  
cc: Mr. H. M. Visagie  
cc: Mr. D. B. Agnew  
cc: Mr. E. C. Burgan



DOME PETROLEUM LIMITED  
MISCELLANEOUS MINERAL PROPERTIES  
DATA ROOM PROTOCOL

1. The Data Rooms are located at Hudbay Mining Ltd., 12th Floor, 10 King Street East, Toronto, Ontario and Hudson's Bay Oil and Gas Company Limited, 8th Floor, 703 - 6th Avenue S.W., Calgary, Alberta.
2. Representatives of interested parties may gain access to the Data Rooms by specific prior appointment only. This may be obtained by contacting Ed Burgan at (416)-361-0272 or Tony Brown at (403)-263-9640 or in their absence D. B. Agnew (Bud), Dome Petroleum at (403)-260-5889.
3. Access will only be permitted to officially designated representatives of interested parties who will have previously completed the Confidentiality Agreement with Dome Petroleum Limited.
4. Certain data will be given to the visiting party under the terms of the Confidentiality Agreement.
5. Each person gaining entry to the Data Room will both log-in and log-out.
6. A representative of Dome Petroleum shall be present at all times while the data room is in use.
7. Any information queries following the presentation period can be directed to any of the gentlemen mentioned under No. 2.
8. Offers to purchase should be addressed to:

E. L. Forgues  
Dome Petroleum Limited  
P.O. Box 200  
CALGARY, Alberta  
T2P 2H8

(Telex: 038-22626; Telephone No. (403)-260-5886) or in his absence Bud Agnew.)