

824705

A REPORT ON THE
J.C. I AND J.C. II MINERAL CLAIMS

KAMLOOPS MINING DIVISION
BRITISH COLUMBIA

LATITUDE 51°08'N
LONGITUDE 119° 54'

N.T.S.
82M/4W

FOR
CELEBRITY ENERGY CORPORATION

By
G.H. RAYNER, P. ENG.
G.H. RAYNER AND ASSOCIATES LTD.

WEST VANCOUVER, B.C.

FEBRUARY 13, 1984.

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GEOCHEMICAL CERTIFICATE

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RECORD OF MINERAL CLAIM

SUMMARY AND CONCLUSIONS

The J.C. Claims immediately adjoin the property of Rea Gold Corporation on the west. The mutual boundary lies about 2500 meters west of the Rea Gold discovery showing. The regional bedding trend appears to strike into the J.C. property from the area of the Rea Gold Corporation discovery. Similarly, the regional trend extending north west from the nearby Kamad (Homestake) mineral zone should pass through or close to the property.

Since these and other deposits known in the Eagle Bay Formation are believed to be stratigraphically controlled and since rocks favourable for exhalite-type mineralization are seen or reported on and around the J.C. Group it is concluded that the property has very good potential for the discovery of volcanogenic exhalite mineralization. In particular, the close proximity to the Rea Gold Corporation discovery along strike to the east is considered encouraging.

A program of work is recommended.

INTRODUCTION

At the request of Mr. Paul Frigstad, President of Celebrity Energy Corporation, the J.C. property was examined on November 29, 1983. Mr. Maurice Matheu and Mr. Fred Klages who were familiar with the area acted as guides during the examination.

Snow cover on the property varied from about 5 to 15 cm. at the time of the visit so that no rock or float was seen in the bush. The few exposures that were available were restricted to road cuts.

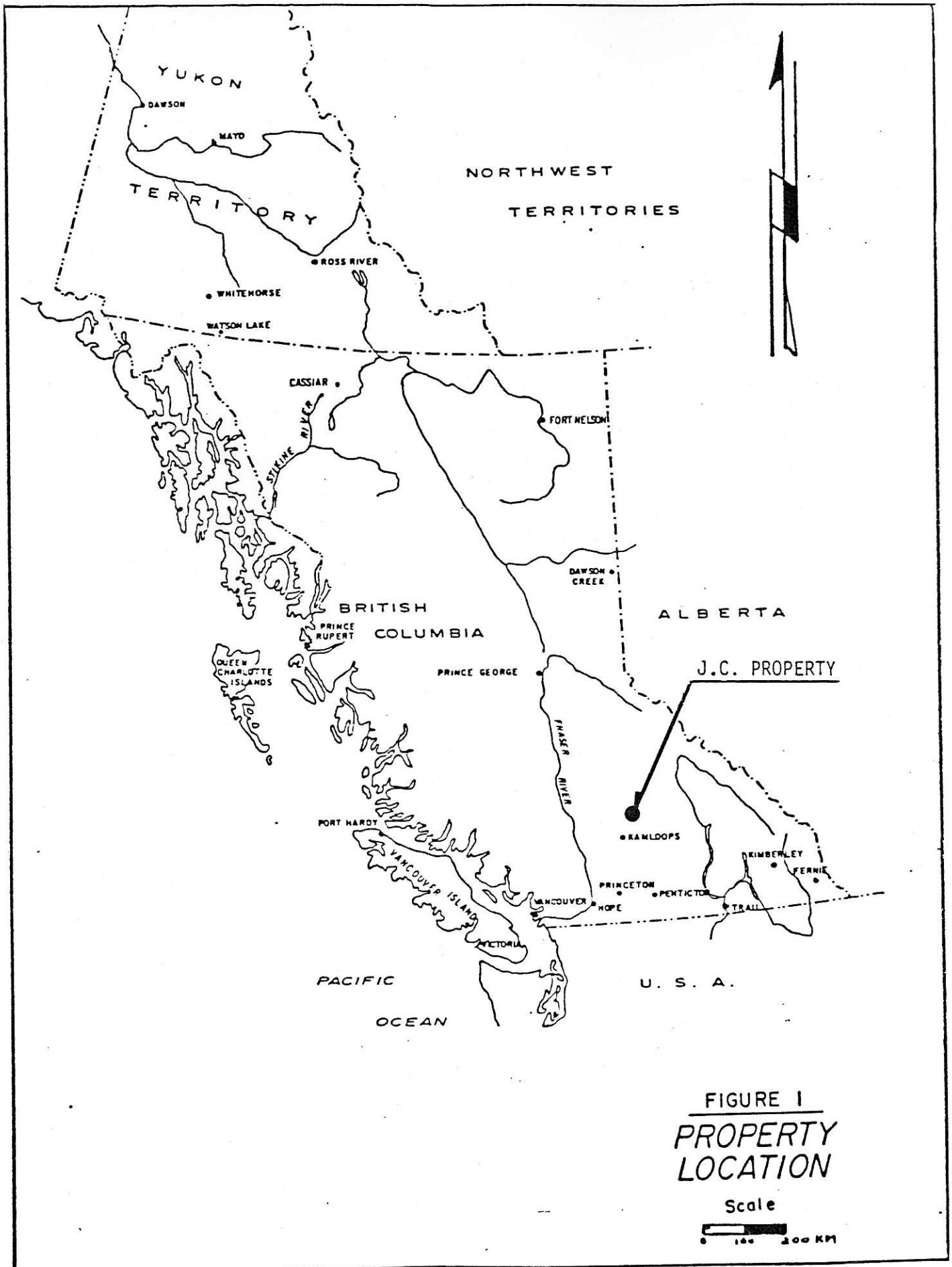


FIGURE I
PROPERTY
LOCATION

LOCATION AND ACCESS

The property is located in the North Thompson area about 45 km. northeast from the town of Kamloops, B.C. The specific location would be Latitude 51°08' North; Longitude 119°54' West.

Access from Kamloops is by Highway 5 from Kamloops north to the small settlement of Louis Creek. From here the Skwanin Bay Road is followed to the east. At a point about 25 km. from Louis Creek, a logging access road branches to the north and by a network of local roads provides access through the east-central part of the J.C. Claims.

The terrain on the property is generally subdued and rolling with some steeper areas. Vegetation consists of a general coniferous cover with moderate underbrush.

PROPERTY

The property consists of two M.G.S. claims, the J.C. I and II, of 20 units each in Kamloops Mining Division. According to the records at the Vancouver Sub-mining Recorder's office, claims details are as follows:

<u>Claim Name</u>	<u>Units</u>	<u>Rec. No.</u>	<u>Rec. Owner</u>	<u>Expiry Date</u>
J.C. I	20	4864	Fred Klages	Oct. 26, 1984
J.C. II	20	4865	Pete Johnston	Oct. 26, 1984

Details of title were not further investigated.

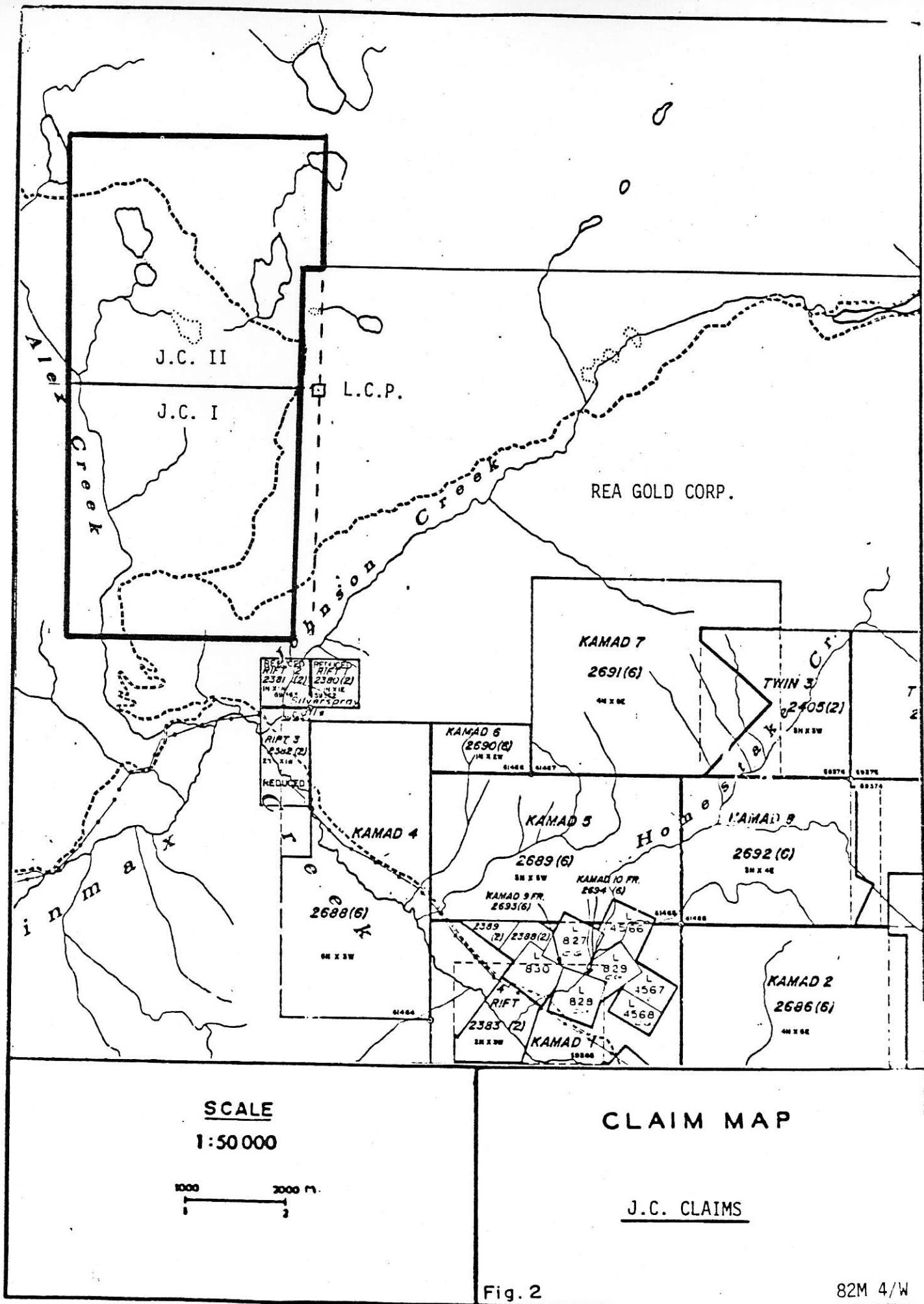


Fig. 2

HISTORY AND PREVIOUS WORK

The area underlain by rocks of the Eagle Bay formation has been known to be prospective for massive sulphide volcanogenic deposits for many years before there was any understanding of their genesis.

Mineralization on the Adams Plateau in the Keystone (Kamad) area and around Skwaam Bay has been under investigation and development at various times over the years.

Probably the most advanced of these properties is the Keystone lying some 3 km. to the southeast of the J.C. along the general trend of the Eagle Bay formation. Here Kamad Silver Co. Ltd. is preparing to place a mill on the property. Strongly renewed interest in the district has been sparked by the recent discovery of high grade massive sulphide mineralization on the Rea Gold Corporation ground lying immediately to the east of the J.C. Property. Surface sampling on the Rea discovery has shown good grade base metal mineralization with very significant values in gold. Work is continuing on this deposit under the guidance of Corporation Falconbridge Copper.

On the J.C. Claims themselves, there seems to be no record of previous work. The general overburden cover in the area has undoubtedly been a strong deterrent to traditional prospecting.

REGIONAL GEOLOGY AND MINERALIZATION

Regionally the bulk of the district is underlain by the Eagle Bay formation of Late Devonian to Early Mississippian Age. This unit is a diverse assemblage of sedimentary and volcano-sedimentary rocks. The formation has been subdivided during recent work by geologists from the British Columbia Department of Mines. The published results are shown in Figure III.

LEGEND

PLEISTOCENE AND/OR EARLIER

- 15 OLIVINE BASALT FLOWS, MINOR INTERBEDDED MUDSTONE

CRETACEOUS

- 14j BALDY BATHOLITH: BIOTITE QUARTZ MONZONITE, GRANITE, AND GRANODIORITE

- 14i QUARTZ FELDSPAR PORPHYRY DYKES AND SILLS

JURASSIC OR TRIASSIC

- 13 DIORITE AND MICRODIORITE

UPPER TRIASSIC ?

- C SHEARED AND POORLY FOLIATED AUGITE PORPHYRY TUFF BRECCIA, SOME INTERBEDDED VOLCANIC SANDSTONE

AGE UNKNOWN

- B SERPENTINITE

LATE DEVONIAN

- A GRANDDIORITE ORTHOGNEISS, CUTS ROCKS OF UNITS 1, 7a, 7c, AND 10b

LATE DEVONIAN-EARLY MISSISSIPPIAN

EAGLE BAY FORMATION (UNITS 1 AND 3 TO 12)

- 12 LIMESTONE: DARK TO LIGHT GREY, BANDED TO MASSIVE, MINOR DOLOMITE

- 11 TSHINAKIN LIMESTONE MASSIVE, LIGHT GREY TO WHITE, FINELY CRYSTALLINE LIMESTONE AND DOLOMITE

- 10 (a) GREENSCHIST DERIVED FROM MAFIC MASSIVE AND PILLOWED (b) FLOWS, BRECCIAS, AND TUFFS (c) TUFF, PHYLLITE, AND MINOR AMPHIBOLITE, TYPICALLY WITH STRIPED APPEARANCE DUE TO THIN GREY AND GREEN INTER-LAYERS, OCCASIONALLY ALTERED TO GARNET EPIDOTE SKARN, LOCALLY WITH APPRECIABLE PYRRHOTITE, PYRITE, AND TRACES OF CHALCOPYRITE AND GALENA, LOCALLY WITH DISTINCTIVE ASBESTIFORM AMPHIBOLE

- 9 BRICK RED TO RUSTY COLOURED SIDERITE AND/OR ANKERITE-RICH PHYLLITE

LATE DEVONIAN-EARLY MISSISSIPPIAN (CONTINUED)

- 8 HOMESTAKE SCHIST: PLATY, LIGHT RUSTY YELLOW WEATHERING SERICITE-PYRITE-QUARTZ PHYLLITE AND FINE-GRAINED SCHIST

- 7 (a) INTERMEDIATE TO FELSIC PHYLLITE AND FINE-GRAINED SCHIST DERIVED MOSTLY FROM FELSIC TUFFS AND LITHIC TUFFS, LOCALLY GRADES INTO MINOR, THINLY LAMINATED SERICITE-CHLORITE SCHIST AND PHYLLITE (b) INTERLAYERED CHERTY TUFF, CHERT, CALC-SILICATE ROCK AND THIN LAYERS OF IMPURE LIMESTONE (c) GREY TO GREENISH GREY SERICITE AND SERICITE-CHLORITE PHYLLITE, DERIVED MOSTLY FROM INTERMEDIATE TUFFS AND POSSIBLY SOME FLOWS, OCCASIONALLY WITH GOOD LAYERS OF VOLCANIC BRECCIA WITH FELSIC AND MAFIC CLASTS (d) POORLY FOLIATED RHYOLITE

- 6 (a) DARK GREY TO BLACK PHYLLITE, INTERBEDDED GRIT, SANDSTONE, SILTSTONE, AND ARGILLITE (b) CALCAREOUS DARK GREY TO BLACK PHYLLITE, WITH THIN LAYERS AND LENSES OF GREY, IMPURE LIMESTONE AND OF WHITE CALCITE; VERY SIMILAR IN LITHOLOGY TO PARTS OF THE SICAMOUS FORMATION

- 5 RELATIVELY PURE, LIGHT GREY QUARTZITE

- 4 PYRITIC CHLORITOID-SERICITE-QUARTZ SCHIST AND SERICITE-QUARTZ SCHIST

- 3 INTERLAYERED GRIT, MICACEOUS QUARTZITE, PHYLLITE, CALCAREOUS QUARTZITE, IMPURE LIMESTONE, CALCAREOUS PHYLLITE, AND MINOR GREENSCHIST (c) - CONGLOMERATE ON MOUNT ARMOUR

- 1 AMPHIBOLITE, MICACEOUS QUARTZITE, GARNET-BIOTITE SCHIST, IMPURE FINE-GRAINED MARBLE

LATE DEVONIAN

2 FENNEL FORMATION

- (a) MASSIVE AND PILLOW BASALT WITH MINOR INTERBEDDED CHERT AND CHERTY ARGILLITE (b) CHERT AND RIBBON CHERT, LOCALLY BRECCIATED (c) QUARTZ FELDSPAR PORPHYRY (SPRAGUE CREEK - BIRK CREEK AREA) (d) CONGLOMERATE WITH PEBBLES AND COBBLES OF CHERT, ARGILLITE, QUARTZ FELDSPAR PORPHYRY, AND BASALT

SYMBOLS

BEDDING TOPS KNOWN, OVERTURNED	
BEDDING TOPS NOT KNOWN	
EARLY SCHISTOSITY: INCLINED, HORIZONTAL	
PHASE 1 FOLD AXES	
PHASE 2 FOLD AXES	
INFERRED FAULT	
GEOLOGICAL CONTACT	

RADIOMETRIC AGE LOCALITY	
FOSSIL LOCALITY	
MINERAL OCCURRENCE	
EARLY AXIAL TRACE:	
SYNFORM UPRIGHT, OVERTURNED	
ANTIFORM UPRIGHT, OVERTURNED	
LATE AXIAL TRACE:	
SYNFORM UPRIGHT, OVERTURNED	
ANTIFORM UPRIGHT, OVERTURNED	

NOTE: The order of superposition between the Fennell Formation and the Eagle Bay Formation has been established. Units within the Eagle Bay Formation, however, are lithologic units and not lithostratigraphic units. For instance, every unit of greenschist within the Eagle Bay has been designated 10 regardless of its stratigraphic position.

(AFTER PRETO, 1981)

(4)

This recent mapping has clarified the relations within the Eagle Bay to some degree. However, certain problems with the stratigraphy still remain and the numbered order of the units on the map may not be strictly stratigraphic.

Metamorphic levels are generally low however some units reach green schist levels.

The Eagle Bay Formation hosts a number of massive sulphide deposits. To date, none of these has been brought to profitable production however the various sulphide zones and showings clearly demonstrate the potential of the formation for massive sulphide mineralization.

Three of the more important of these known deposits are the new Rea Gold discovery 2.5 km. to the east, the Homestake (Kamad) deposit 4 km. to the southeast and the Bay area at Skwaam Bay on Adams Lake some 6 km. to the southeast.

The J.C. Claims lie along the regional trend from these three mineral zones and appear to be underlain by the same units either at surface or at depth.

PROPERTY GEOLOGY AND MINERALIZATION

Exposure on the J.C. Claims is sparse although the general depth of overburden seems to be shallow.

Projecting the contacts of the regional scale B.C. Department of Mines mapping it would appear that the southern 30 per cent or so of the property is underlain by foliated rusty weathering phyllite (Unit 9). This unit is considered to be a distal equivalent of intermediate to acid metavolcanic rocks mapped from Johnson Creek to Barrier River (B.C. Department of Mines Paper 1981-1).

To the north, the central part of the claims, again from the B.C. Department mapping, appear to be underlain by Unit 6A. This unit consists of dark grey to black phyllite with some interbedded grit, sandstone, siltstone and argillite. A single exposure believed to be of this unit was noted during the examination. It consisted of thinly platy black phyllite with a rusty weathering surface. No sulphides were noted but the rusty weathering may reflect fine pyrite. A rock chip geochemical sample from this outcrop ran as follows:

<u>Cu (ppm)</u>	<u>Pb (ppm)</u>	<u>Zn (ppm)</u>	<u>Au (ppb)</u>	<u>Ag (ppm)</u>	<u>Hg (ppb)</u>	<u>As (ppm)</u>
46	21	172	15	0.9	125	600

The results indicate interesting background metal contents in the unit. The arsenic content is clearly anomalous and the mercury may also prove to be anomalous once local background levels are established.

The northern portion, perhaps as much as half, of the property is mapped as underlain by Tertiary basalt flows (Unit 15). These rocks are post-ore and represent a serious hinderance to exploration on the northern part of the ground. The area in which they occur consists of flat plateau-like terrain. Older phyllites are seen in outcrop within the southern portion of the plateau suggesting that the basalts may not be very thick and may in fact be intermittent.

RECOMMENDATIONS

In view of the excellent geological potential of the property, a staged program of exploration is recommended.

For the northern part of the ground where the favourable Eagle Bay Formation is covered by the younger basalts, no significant work is proposed at this time except for geological reconnaissance to

(6)

define the basalt limits. For that portion of the ground where the basalt is thin or absent the following work is recommended:

STAGE I

1. Grid Layout and Line Cutting:

In view of the general east-west trend of the geology in the area and the anticipated similar trend of mineral zones, it is recommended that base lines be laid out east-west and cross lines run north-south at intervals.

2. Geological Mapping:

The property, except the basalt-covered northern part, should be geologically mapped on a scale of perhaps, 1:2500.

3. Electromagnetic Survey:

Since the anticipated target is a massive sulphide volcanogenic system, an E.M. survey is essential. Before specific equipment is decided upon an attempt should be made to determine what system has proven most effective over the nearby Rea Gold mineralization.

4. Soils Geochemistry:

Grid sampling should be carried out and samples assayed for gold, zinc and arsenic. Favoured areas can later be run for lead, silver and mercury.

STAGE II

Stage II work will depend entirely upon a favourable engineering review of the results of Stage I. Stage II would consist of trenching or diamond drilling as indicated upon targets developed during Stage I.

(7)

COST ESTIMATES

STAGE I

Grid preparation	\$15,000.00
Geological mapping	5,000.00
E.M. survey	7,000.00
Geochemical survey	3,000.00
Geochemical analyses	9,000.00
Engineering	5,000.00
Administration	4,000.00
Transportation and lodging	12,000.00
Contingencies	<u>5,000.00</u>
TOTAL-STAGE I	\$65,000.00

STAGE II

No cost estimate for a Stage II program can be made at this time.

Respectfully submitted,

G. H. Rayner
G.H. Rayner, P.



REFERENCES

Preto, V.A. et al; 1980, in Geological Fieldwork 1979,
B.C. Mineral Resources Branch, Paper 1980-1.

Preto, V.A.; (1981), in Geological Fieldwork 1980, B.C. Mineral
Resources Branch, Paper 1981-1.

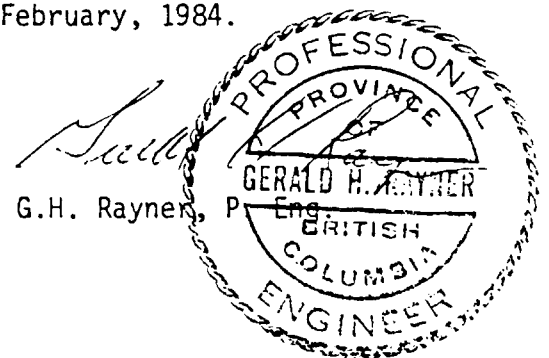
George Cross Newsletter; various issues.

CERTIFICATE

I, Gerald H. Rayner do hereby certify that:

1. I am a consulting geological engineer with offices at 626 Duchess Avenue, West Vancouver, B.C.
2. I am a graduate of the University of British Columbia (B.Sc. Geology).
3. I am a member in good standing of the Association of Professional Engineers of the Province of British Columbia.
4. I have practised my profession since 1958 primarily in Western North America and the South Pacific.
5. This report is based on a visit to the J.C. Property on November 23, 1983, on the references cited and on a general familiarity with the area.
6. I have no interest in the shares or properties of Celebrity Energy Corporation nor do I expect to receive any.

Dated at West Vancouver, B.C. this 13th day of February, 1984.



APPENDIX I

GEOCHEMICAL CERTIFICATE

APPENDIX II
RECORD OF MINERAL CLAIM

872/47

FORM G

RECORD NO. 4504

MINING RECEIPT NO. 184765E

RECORDED AT Kamloops

B.C.

THIS 26

DAY OF October

1983

DO NOT WRITE IN SHADED AREAS

Gold Commissioner

Kamloops MINING DIVISION

Affidavit for Mineral Claim

I, FRED KLAGES

NAME

AGENT FOR

NAME

BOX 1101, MERRITT, B.C. V0K 2B0

ADDRESS

ADDRESS

VALID SUBSISTING F.M.C. NO. 224613

VALID SUBSISTING F.M.C. NO.

MAKE OATH AND SAY:- I COMMENCED LOCATING THE J C #1

MINERAL CLAIM

ON THE 21 DAY OF OCTOBER 1983 AT 8:30 a.m. AND COMPLETED THE LOCATION

(TIME INDICATE A.M. OR P.M.)

ON THE 21 DAY OF OCTOBER 1983 AT 5:00 p.m. CONSISTING OF

(TIME INDICATE A.M. OR P.M.)

5 UNIT LENGTHS SOUTH AND 4 UNIT LENGTHS WEST AND I HAVE IMPRESSED ALL THE REQUIRED INFORMATION

ON METAL TAGS NO. 79770 WHICH HAS BEEN SECURELY FASTENED TO THE POSTS AS REQUIRED UNDER THE REGULATIONS.

IDENTIFICATION POST(S) NOT PLACED WERE 5-S, 5-S 1-W

CHECK "X" APPLICABLE SQUARE THE LEGAL CORNER POST IS SITUATED: In the Kamloops Mining Division, Map 82M/4W, near Johnson Lake. 5.0km west of the west end of Johnson Lake. 5.8km south westerly from the west end of south Barrier Lake

precisely describe position of post relative to known topographical or surveyed features that relate to features on a map of Johnson Lake. 5.8km south westerly from the west end of south Barrier Lake @ approximately 3600' A.S.L.

BEARING AND DISTANCE TO TRUE POSITION OF LEGAL CORNER POST FROM THE WITNESS POST BEARING AND DISTANCE FROM IDENTIFICATION POST TO WITNESS POST

I HAVE COMPLIED WITH ALL THE TERMS OF THE MINERAL ACT AND REGULATIONS PERTAINING TO THE STAKING OF MINERAL CLAIMS AND HAVE ATTACHED A PLAN, ACCEPTABLE TO THE MINING RECORDER, OF THE LOCATION.

SWORN AND SUBSCRIBED TO AT THIS DAY OF 1983 BEFORE ME

Signature of Fred Klages

* THIS AFFIDAVIT MAY BE TAKEN BY A PERSON EMPOWERED TO TAKE AFFIDAVITS BY THE EVIDENCE ACT OF BRITISH COLUMBIA.

MR OR SMR STAMP

Table with columns: NO. OF UNITS, WORK REQUIREMENT \$ PER YEAR, RENTAL REQUIREMENT, CREDIT (WORK UNITS, RENTAL IN \$), TRANSFERS (B/S'S, ASSIGNMENTS, CONVEYANCES). Includes a vertical label 'OFFICER USE ONLY' on the left side.

OWNER

82M/4W

RECORD NO. 4865

NO. RECEIPT NO. 184765X

RECORDED AT Kamloops

B.C. THIS 26 DAY OF October 1983

DO NOT WRITE IN SHADED AREAS

Gold Commissioner

Kamloops

MINING DIVISION

Affidavit for Mineral Claim

1. PETE JOHNSTON NAME
BOX 1101, HERRITT, B.C. V0K 2B0 ADDRESS

AGENT FOR NAME

VALID SUBSISTING F.M.C. NO. 224273

VALID SUBSISTING F.M.C. NO.

MAKE OATH AND SAY:- I COMMENCED LOCATING THE J C #2 MINERAL CLAIM

ON THE 23 DAY OF OCTOBER 19 83 AT 8:00 a.m. AND COMPLETED THE LOCATION

ON THE 24 DAY OF OCTOBER 19 83 AT 5:00 p.m. CONSISTING OF

5 UNIT LENGTHS NORTH AND 4 UNIT LENGTHS WEST AND I HAVE IMPRESSED ALL THE REQUIRED INFORMATION

ON METAL TAGS NO. 79218 WHICH HAS BEEN SECURELY FASTENED TO THE POSTS AS REQUIRED UNDER THE REGULATIONS.

IDENTIFICATION POST(S) NOT PLACED WERE ALL POSTS WERE PLACED

CHECK "X" APPLICABLE SQUARE THE LEGAL CORNER POST IS SITUATED: In the Kamloops

Mining Division, Map 82M/4W, near Johnson Lake. 5.0km west of the west end

of Johnson Lake. 5.8km south westerly from the west end of South Barrier Lake. @ approximately 3600' A.S.L.

BEARING AND DISTANCE TO TRUE POSITION OF LEGAL CORNER POST FROM THE WITNESS POST

BEARING AND DISTANCE FROM IDENTIFICATION POST TO WITNESS POST

I HAVE COMPLIED WITH ALL THE TERMS OF THE MINERAL ACT AND REGULATIONS PERTAINING TO THE STAKING OF MINERAL CLAIMS AND HAVE ATTACHED A PLAN, ACCEPTABLE TO THE MINING RECORDER, OF THE LOCATION.

SWORN AND SUBSCRIBED TO AT

THIS DAY OF 19 BEFORE ME

Signature of witness

* THIS AFFIDAVIT MAY BE TAKEN BY A PERSON EMPOWERED TO TAKE AFFIDAVITS BY THE EVIDENCE ACT OF BRITISH COLUMBIA.

MR OR SMR STAMP

Table with columns: NO. OF UNITS, WORK REQUIREMENT \$, RENTAL REQUIREMENT, WORK NUMBERS, C/L IN \$, MINING RECEIPT AND DATE RECORDED, TYPE OF WORK, YEAR OF EXPIRY, CREDIT (WORK UNIT(S), RENTAL IN \$), TRANSFERS (B/S'S, ASSIGNMENTS, CONVEYANCES)

OWNER

G.H. RAYNER & ASSOCIATES LIMITED

626 DUCHESS AVENUE, WEST VANCOUVER, B.C. V7T 1G7

• TELEPHONE (604) 926-5690

February 13, 1984.

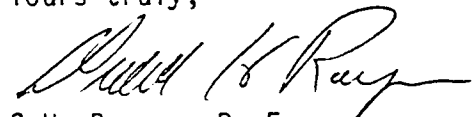
Mr. Paul Frigstad, President
Celebrity Energy Corporation
812-475 Howe St.
Vancouver, B.C.
V6C 2B3.

Dear Sir:

This letter will serve as authorization for inclusion of my report on the J.C I and J.C. II Mineral Claims, dated February 13, 1984, for Celebrity Energy Corporation in any statement of material facts or prospectus to be filed by the company with the regulatory authorities, for the purpose of raising funds for this project.

I trust that the above meets with your satisfaction.

Yours truly,



G.H. Rayner, P. Eng.

GHR:klr