821K/6

825268

POPLAR CREEK GOLD PROPERTIES

The property consists of 5 reverted crown granted mineral claims, one located claim and one fractional claim owned solely by B. C. Ziegler of Kaslo, B.C.

Attached is an assessment report on one of the claims. Since the writing of that report a new access has been constructed and a minimal of development.

It has been noticed in the drill logs that the 1.4 oz/ton drill intersection was not bracketed. Another observation was that D.D.H. #1 was too steep to intersect the intended target.

The claim was dropped in 1981, before the results of the drilling were received as were numerous claims in this district by Westmin.

In 1984 Hordy International Developments acquired an interest in the property and reassayed D.D.H. #5 and found .264 oz/ton over 20 ft. and 1.3 oz/ton over 4.2 ft. within.

The property now requires intensive sampling and follow-up diamond drilling. A good structural geologist may also be an asset.

Further information is also available.

J Ziegler
c/o Val D'or Office

Barry Ziegler
Box 345
Kaslo BC V0G 1M0
604-353.7706

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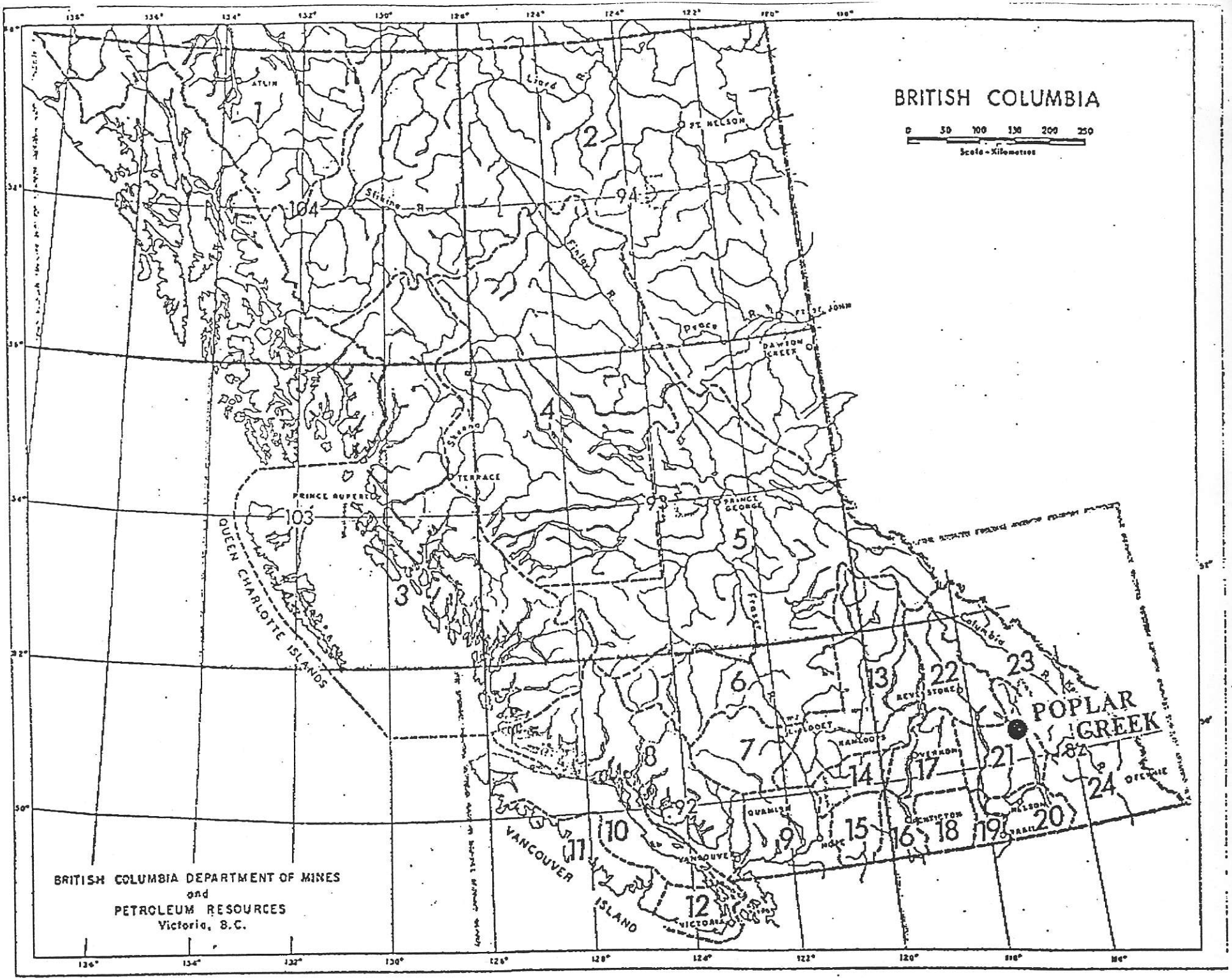
ATTACHMENTS

INTRODUCTION

The Goldsmith claim is located south of Poplar Creek near its confluence with Lardeau River, 70 km north of Kaslo, B.C. (Figures 1, 2). Access is by Highway #31 (gravel surface) from Kaslo via Meadow Creek and by a 4-wheel drive road from the valley bottom at 2,150 feet to Goldsmith at 3,500 feet elevation.

Evidence of early gold prospecting on Goldsmith includes hand trenches, pits, open cuts, short adits and remains of log cabins, all believed to be pre-1930. Westmin Resources and Armco Ltd. optioned the Goldsmith claim from Pan-American Consultants in 1981 and carried out a grid soil survey and geological mapping of the area (described in an earlier assessment report). Cat and backhoe trenching, sampling, diamond drilling, core logging and splitting were carried out between September 18 and October 10, 1981 and is reported herein. Eighty-six gold assays are reported and seventy-seven geochemical gold determinations are also listed. A Case 1000 dozer and backhoe were used for trenching and moving the diamond drill, a Longyear Super 38. Six holes totalling 1,342 feet were drilled and the core is stored in a rack located in a clearing 200 m west of Hwy. #33, 300 m south of the Poplar Creek bridge.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PRINCE GEORGE
QUEEN CHARLOTTE ISLANDS
Fraser R.
Columbia R.
REVELSTOKE
KAMLOOPS
VERNON
KELOWNA
PENTICTON
NELSON
TRAIL
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QUESNEL
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VANCOUVER ISLAND
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BRITISH COLUMBIA DEPARTMENT OF MINES
and
PETROLEUM RESOURCES
Victoria, B.C.

REGIONAL SETTING

The Poplar Creek area is underlain by lower Paleozoic volcanic and sedimentary strata of the Lardeau Group. These have undergone polyphase deformation and biotite grade metamorphism. The Poplar Creek area geology has been studied in detail by Read (1973) and the regional context for this report is given by a preceding assessment report (Wojdak 1981). The main lithologies of the area are variably carbonated mafic volcanic rocks (chlorite schist, greenstone) and argillaceous metasediments.

GEOLOGY (Figure 3)

The Goldsmith claim is underlain mainly by basaltic strata that are variably altered and contain from 5-40% carbonate. The rocks are now chlorite ± sericite ± quartz-carbonate schists and range from light green to dark blue-green in colour. Locally, especially near quartz veins (as in trench GS-34), the chlorite schist contains minor disseminated pyrite resulting in deep oxidation. There are two distinct textural varieties of greenstone; most outcrops are schistose, soft and recessive but some conformable bands are semi-massive, hard and distinctly resistant, although they may be well carbonated. The former are probably thin flows and tuffs while the latter may be a thick flow or intrusive sill. Neither possess preserved primary textures.

Graphitic argillite, argillite and siltstone (or siltite) are interbedded with the mafic volcanic strata. These are thin bedded and were probably deposited in deep water, possibly as distal turbidites. Sediments and greenstone strike northwest and dip moderately (40-60°) northeast. Terrain slopes north-easterly but less steeply than stratigraphic dip. Some abrupt changes in slope and gullies transverse to slope strongly suggest strike faults but stratigraphic control is insufficient to define these probable faults. One such structure is shown on Figure 3.

The Goldsmith claim lies 500 m along strike northwest of a ferroan dolomite-fuchsite-quartz exhalite. Quartz veins occur over a 150 m width extending onto Goldsmith. These have a similar strike to the host rocks but their dip varies from 45° SW to 45° N. Dumps containing massive arsenopyrite (with high gold content) were found beside old hand trenches at what is now trench GS-18, GS-18 East and GS-20. A soil geochemical survey located strong arsenic and gold anomalies (see previous assessment report, Wojdak 1981). These anomalies, arsenopyrite-bearing dumps and quartz vein locations were the basis of the trenching program.

TRENCHING AND SAMPLING (Figure 3)

Six bulldozer trenches were dug on the Goldsmith zone, named GS-18, 19, 20, 22, 30 and 34 (the numbers do not designate the sequence of trenching). Continuous chip samples were taken from the trenches with a 2½ lb. hammer and moil. All analyses were performed by Chemex Labs in North Vancouver. A complete list of sample widths, results and concise description is given in Table 1, sample sites are shown in Figure 3.

Trench GS-20 was dug beside a pile of massive arsenopyrite and immediately exposed a 10-25 cm vein within argillite. It is the only Au-bearing vein discovered to date within metasediments. Assays range from 0.058 to 0.370 oz Au/ton across 0.24 to 2.1 m. Cat-road exposures and very high soil geochem values at site JE 25 (>1000 ppb Au, 1900 As) trace the vein for 100 m along strike although it becomes a narrow quartz vein with arsenopyrite odour but very sparse visible arsenopyrite.

Trench GS-19 aimed to better expose an old hand-dug open cut in argillite that was sampled and returned 0.05 oz Au/ton across 4.0 m (sample GS-11). The follow-up sampling (GS-19A to 19E) confirmed the original value with 19E returning 0.062 oz Au/ton over 4.1 m.

Trench GS-30 was dug above a soil sample site that gave 200 ppb Au. A 10-15 cm wide southwest dipping quartz vein was exposed that possesses a strong arsenopyrite odour but no visible sulphide. Four 1.0 m samples across the vein, spaced 2.5-3.0 m apart, ranged from trace to 0.418 oz Au/ton, dramatically demonstrating the gold sampling problem.

Prospecting follow-up of the soil anomaly at JE-21 (250 ppb Au, 340 ppm As) located an arsenopyrite-bearing quartz vein in a small hand trench. Cat trench GS-34 and three backhoe cuts exposed two parallel quartz veins in deeply weathered pyritic (and arsenopyritic?) chlorite schist. An early sample, prior to the backhoe trenches, gave 0.164 oz Au/ton but subsequent sampling gave low results (all less than 100 ppb gold). Minor galena occurs at the eastern end of the exposed vein and sample 34E gave 0.42 oz Ag/ton, the only significant silver assay from the entire Goldsmith area.

Trench GS-18 East was located on the basis of dump arsenopyrite beside a sloughed open cut. A narrow, flat to very gently north dipping quartz-arsenopyrite vein was exposed. Gold values are 100 to 1000 ppb (the latter assayed 0.036 oz Au per ton) over about one metre (see Table 1). The main part of trench GS-18 exposed three close spaced quartz veins with sporadic pockets of massive arsenopyrite. The sampling (GS-18A to 18I) gave consistent low anomalous values (30-420 ppb Au). The trench has been located on the basis of poorly exposed veins and an old dump of massive arsenopyrite. Two samples of the latter assayed 0.068 oz Au/ton (GS-15) and 0.674 oz Au/ton (DR-45). An apparently barren vein was exposed on the steep sidehill between trench GS-18 and 18 East. A sample of this 15-25 cm vein gave a surprising 0.510 oz Au/ton over 1.6 m.

A quartz vein with sporadic arsenopyrite was exposed while preparing drill site 6. This was designated trench GS-22. A sample of the vein returned only 0.003 oz Au/ton.

DIAMOND DRILL PROGRAM

A complete description of hole orientation, depth, rocks encountered and assays is given in the logs and are only summarized below.

Drill holes 1 and 2 tested the arsenopyrite vein exposed in trench GS-20. Because of some uncertainty regarding vein dip in the incompetent host argillites, the vein was tested by drilling in both directions. Although numerous thin quartz veins were intersected no arsenopyrite was observed and all assays were very low. The only interesting result was identification of abundant andalusite and coexisting biotite, thereby better defining the metamorphic grade.

Hole 3 was intended to test trench GS-30 quartz vein. Predominantly sediments were intersected although chlorite schist is present in the trench. Either an abrupt facies change or, more likely, a fault intervenes between the trench and drill hole. A vein was intersected at the anticipated depth of 23 m but assays are very low.

Hole 4 represented a final test of the trench GS-20 vein on soil line 41+00 NW. Interbedded chlorite schist and argillite were cored, with numerous quartz veins,but low assays.

Hole 5 tested the quartz-arsenopyrite veins in trench GS-34. It intersected mainly greenstone with quartz-arsenopyrite vein zones intersected at 15.6-19.3 m, 43.2-45.5 m and at 50 and 57 m. The quartz veins are narrow, usually a few centimetres but with bleached vein envelopes extending from 0 to 20 cm out from the vein. Arsenopyrite may occur

in the vein but is more common as disseminated (0-15%), coarse, euhedral crystals in the altered vein halo. The best vein-arsenopyrite section gave only 0.018 oz Au/ton (540 ppb). However, a 2 cm quartz-carbonate vein at 57.1 m with a wide altered halo containing pyrrhotite gave an astounding 1.404 oz Au/ton following a geochem value of only 1200 ppb. A re-assay returned 0.996 oz Au/ton.

Drill hole 6 was planned to test veins in trench GS-18. It cored interbedded greenstone and argillite with numerous quartz veins but none bearing arsenopyrite or alteration envelopes comparable to hole 5. Assay values are low.

CONCLUSIONS

Gold mineralization at Goldsmith occurs associated with arsenopyrite-bearing quartz veins hosted by interbedded carbonated mafic volcanic strata and argillaceous metasedimentary rocks. Although there is a broad correlation of gold with arsenopyrite, in detail high gold values may occur with or without arsenopyrite and high arsenopyrite content does not guarantee more than geochemically anomalous gold. Detailed trench sampling demonstrates pronounced variability in gold grades and despite sporadic high values (up to 1.4 oz Au/ton over 0.9 m) the average gold content is sub-economic.

P.J. Wojdak

Paul J. Wojdak
Project Geologist

December 1981

TABLE 1 GOLDSMITH TRENCH SAMPLING

TRENCH	SAMPLE #	WIDTH	LITHOLOGY	Au (ppb)	Au (oz/t)	Ag (oz/t) or ppm when state
GS-1	72213	2.5 m grab	quartz vein in argillite		0.090	0.02
GS-2	72214	1.5 m	quartz carbonated veins		0.058	0.01
GS-3	72215	3.0 m	argillite		0.062	0.01
GS-4	72216	0.8 m	quartz vein in adit #3		<0.003	0.05
GS-5	72217	2.0 m	chlorite carbonate schist in adit #3		0.010	0.10
GS-6	72218	2.3 m	quartz vein		0.003	0.02
GS-7	72219	0.8 m	quartz vein		<0.003	0.01
GS-8a	72220	1.2 m	quartz vein		<0.003	0.01
GS-8b	72221	1.3 m	quartz vein		0.004	0.02
GS-8c	72222	1.0 m	quartz vein		0.005	0.01
GS-9	72223	1.0 m	quartz vein		<0.003	0.01
GS-10	72224	1.5 m	carbonated chlorite schist		<0.003	0.01
GS-11	72225	4.0 m	argillite		0.050	0.07
GS-15	72226	grab	trench arsenopyrite		0.068	0.28
DR-45	72067	grab	trench arsenopyrite		0.674	.55
GS-20	72227	1.7 m	quartz veins in chlorite schist in adit #3		0.004	0.07
GS-21	72228	1.3 m	quartz vein in chlorite schist in adit #3		<0.003	0.01
GS-22	72229	1.1 composite grab	quartz vein in adit #3		0.003	0.02
GS-23	72230	grab	quartz vein, adit #1 dump		0.005	0.01
GS-24	72231	grab	chlorite schist, adit #1 dump		0.005	0.03

TABLE 1 GOLDSMITH TRENCH SAMPLING (cont'd)

TRENCH	SAMPLE #	WIDTH	LITHOLOGY	Au (ppb)	Au (oz/t)	Ag (oz/t) or ppm when stated
DR-44	72067	grab	quartz vein schist, adit #1 dump		.032	.17
GS-30	72314	1.0 m	trench GS-30 10 cm quartz vein with arsenopyrite odour, in chlorite schist	>10,000	0.418	0.9 ppm
GS-31	72315	0.9 m		3,100	0.006	0.1 ppm
GS-32	316	1.0 m		560	0.090	0.1 ppm
GS-33	317	1.0 m		20		0.1 ppm
GS-34	318	0.75 m	pyritic chlorite schist (no quartz veins)	4,400	0.164	1.2 ppm
GS-34A	334	1.3 m	rusty, carbonated chlorite schist	40		0.1 ppm
GS-34B	335	1.4 m	(20 cms) quartz vein and carbonated chlorite schist	100		0.8 ppm
GS-34C	336	2.0 m	(40 cm) quartz vein, rusty, carbonated, chlorite schist	40		1.0 ppm
GS-34D	72337	1.3 m	rusty, carbonated chlorite schist	20		0.2 ppm
GS-34E	338	3.4 m	rusty, carbonated chlorite schist and 60 cm quartz vein	80		0.42 oz/t 20.0 ppm
GS-34F	339	2.4 m	20 cm quartz vein & rusty carbonated chlorite schist	20		0.01 oz/t 0.7 ppm
GS-34G	340	1.8 m	30 cm quartz vein & rusty carbonated chlorite schist	70		0.1 ppm
GS-18A	341	1.6 m	3 small quartz veins (3 cm, 5 cm, 8 cm) & rusty carbonated chlorite schist	260		0.6 ppm
GS-18B	342	2.0 m	30 cm quartz vein, rusty, carbonated chlorite schist	160		0.2 ppm
GS-18C	343	1.6 m	rusty, carbonated chlorite schist	360		0.1 ppm
GS-18D	344	1.9 m	3 cm quartz vein, & rusty, carbonated chlorite schist	90		0.1 ppm

TABLE 1 GOLDSMITH TRENCH SAMPLING (cont'd)

TRENCH	SAMPLE #	WIDTH	LITHOLOGY	Au (ppb)	Au (oz/t)	Ag (oz/t) or ppm when stated
GS-18E	345	2.0 m	10-15 cm quartz vein & rusty carbonated chlorite schist	30		0.1 ppm
GS-18F	346	1.7 m	rusty carbonated chlorite schist	100		0.1 ppm
GS-18G	347	2.7 m	15 cm quartz vein, strongly carbonated, hard chlorite schist	140		0.1 ppm
GS-18H	348	1.2 m	15 cm quartz vein, strongly carbonated, hard chlorite schist	400	0.004	0.1 ppm
GS-18I	349	1.5 m	15 cm quartz vein, strongly carbonated, hard chlorite schist	420	0.003	0.1 ppm
GS-18J	350	1.6 m	15 cm quartz vein, chlorite schist	>10,000	0.510	2.4 ppm
GS-18K	351	1.3 m	3 cm arsenopyrite vein in carbonated chlorite schist	300		4.0 ppm
GS-18L	352	0.8 m	3 cm arsenopyrite vein in carbonated chlorite schist	260		0.2 ppm
GS-18M	353	0.7 m	3 cm arsenopyrite vein in carbonated chlorite schist	1,000	0.036	0.1 ppm
GS-18N	354	1.2 m	3 cm arsenopyrite vein in carbonated chlorite schist	160		0.1 ppm
GS-18O	355	1.1 m	3 cm arsenopyrite vein in carbonated chlorite schist	100		0.1 ppm
GS-19A	356	3.0 m		230		0.1 ppm
GS-19B	357	3.7 m		20		0.1 ppm
GS-19C	358	3.9 m		< 10		0.1 ppm
GS-19D	359	4.6 m		80		0.1 ppm
GS-19E	360	4.1 m		1,600	0.062	0.5 ppm

JUN 30 1981

KERR ADDISON MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

I.D.B.
A.H.C.
P.S.C.
D.M.H.
W.J.
D.A.L.
J.B.S.
FILE

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

Subject Andaurex Resources Claims, Silverton, B.C. *Date* June 25, 1981.

Herewith the information I received from Paul Hammond yesterday.

To the best of my knowledge, Rio's first hole is located on the Rockland claims approximately 1100 meters from the south boundary of the Andaurex ground.

Fred and I will attempt to see some rocks on the Andaurex claims on Friday, June 26, 1981. John Anderson is not optimistic about our finding landing spots but you never know until you try.

Unless we find some strong evidence suggesting that brecciated dykes or pipe-like structures occur on the Andaurex claims, we will not be in a position to recommend the very stiff type of proposal which Hudson Bay Oil and Gas is alleged to have made to Andaurex.

HBOG Got the deal

Andaurex is asking for $100,000 on the signing of the agreement, a work commitment of $1,500,000 over 3 years and earnings to be divided on a 60%-40% basis. Andaurex would reduce to 20% if it did not contribute pro-rata after the expenditure of the $1,500,000.

W.M. Sirola,
Regional Exploration Manager.

WMS/al: Encl.

P.S. Shortly after writing this memorandum, Hammond advised that we should hold off our examination until he meets with Phil Black on the weekend. He felt that they might resolve their differences at that time but in any case would let us know.

Box 129,
Silverton, B. C.,
V0G 2B0,
January 26, 1981.

Personal & Confidential

Mr. W. P. Hammond,
President,
Andaurex Resources Inc.
Suite 200, 931 Yonge Street,
Toronto, Ontario,
M4W 2H7.

Dear Paul:

Re: Discussions with Riocanex regarding their thoughts and plans for their Alwin Creek Property near Silverton, B. C.

While on our last trip to Vancouver I had lunch with Dave Petersen of Riocanex, Senior Geologist, on January 15th. During this meeting I was apprised of the following information regarding the Alwin Creek Property operated jointly by Riocanex and British Petroleum and which adjoins our L. H. Gold Prospect southeast of Silverton, B. C. The area just east is about a claim south of our boundary.

1. They have jointly approved their budget for this project and are returning in the Spring of 1981 for further drilling and geological investigations on their Rockland Option and surrounding ground at Alwin Creek.

2. They believe that there are three stages of intrusive activity indicated:

First:	With a MoS_2 stockwork system
Second:	Cut off the first stage to a varying extent
Third:	Provided Au mineralization

3. They think that their Cu-Mo potential may be limited because of subsequent intrusions but this limitation may not effect us to the same degree on our ground to the northeast. We may still have a Mo potential as well as gold.

4. The Au mineralization appears to be associated or contained in a breccia dyke system possibly associated with or related to clusters of breccia pipes occurring along a NE-SW trending structure within the known roof pendant. They estimate the known breccia dyke on their property to be approximately 30 to 40 meters in width, at least 300 meters long, vertical or nearly so, and open to the NE and to the SW. (Drill hole intercepts of 40 to 50 meters in angle holes indicate a true width of 30 to 40 meters). Gold values are in the 5 gram/tonne or approx. 0.15 oz./t range, from a composite of 29 samples.

5. The fragments within the breccia dyke range from about 1mm in size to 5mm and some fragments are seen to be composed of older granite containing traces of stockwork Mo mineralization.

6. The opinion was expressed that breccia pipes occur in clusters and that they have at least one on their ground and that others extend on our ground to the NE.

7. Riocanex (with B.P.) will continue a major exploration program in 1981.

8. Geological mapping, rock geochemistry and angle (-45°) surface diamond drilling appears to be the most suitable exploration approach. Grid rock sampling for geochemical analyses is preferable where possible and hole spacing in the range 50 meters or less may be necessary.

9. Rock samples should be analysed geochemically for Cu, Mo, Au, As, Sb, Woz, F and Hg.

10. Silicification generally appears approximately 20' before Au mineralization commences and may indicate proximity to mineralization.

11. Depth of mineralized breccia dykes is probably dependent on depth of the roof pendant and is probably irregular.

12. Dave Petersen is currently on vacation in South Africa and has received permission to visit a mine there (Messina) which they believe could be similar geologically to their Alwin Creek prospect.

It was expressed that this area is the most interesting and significant Au prospects in the west.

Best regards.

Sincerely,

J. M. Anderson.