

File

October 7th, 1971.

48WB
 P.F. J. G.

LUC SYNDICATE
 PROGRESS REPORT
 THIRD QUARTER - 1971

The general prospecting program was pursued with vigour by an excellent group of personnel. Good weather in July and August helped the cause.

Investigation of the Hogem batholith was continued by 5 2-man prospecting crews. This work extended from N. Lat. $55^{\circ}30'$, some 10 miles south of Kwanika Creek, to N. Lat. $56^{\circ}15'$, in the Matetlo Creek vicinity. Some work was carried out from the Department of Mines access road between Germansen and Aiken Lake and beyond, in the Lay Creek area (N. Lat. $56^{\circ}30'$).

The crew in the Takla Lake area was maintained there until early in August. The search here was mainly for mineralized granitic stocks in the Triassic sedimentary-volcanic terrain. Work was done to the southwest and northeast of the lake - without much encouragement.

During August a find was made in the Hogem batholith south of Kwanika Creek. This was considered sufficiently encouraging to advise the Parties in a special Bulletin datelined September 2nd. Eighty (80) claims, Burn Nos. 1-80, have been recorded to cover this discovery.

A 2-man crew, with Land Rover, is working the area southeast of Vanderhoof (N. Lat. $54^{\circ}00'$, W. Long. $124^{\circ}00'$).

Burn Group

Work on the Burn group has involved about 30 miles of soil sampling, 11 miles of linecutting and 13 miles of magnetometer survey. Geologically, the positions of outcrops have been noted and recorded on a 1" = 400' plan of the claim group.

The Hogen batholith is made up of a variety of intrusive rocks varying in composition from diorite to granite. On the Burn group, molybdenum was found in an outcrop of alaskite and magnetic work over this outcrop indicated a 'low' which subsequently was found to extend for at least 6300 feet in an elongate anomaly of 300-400 foot width.

The alaskite thus appears to be a dike. The northern 3800 feet (as indicated by the magnetics) does not outcrop and it is here that the best geochemical results were obtained. To the north, geochemical highs occur for a further 1400 feet, beyond the present limit of the magnetic survey.

A contract to build an access road to the property from the Kwanika Creek road was let to Turbo Contracting Ltd. of Prince George. The tractor and 2-man crew arrived at Kwanika Creek on September 29th. Mr. Crowhurst is presently on the scene supervising the contractor.

Once the access road is completed, a rudimentary tent camp will be erected on the property and the tractor will then be used for trenching in an effort to uncover some bedrock. As the alaskite strikes north, the trenches will be E-W.

Col Group

This group of 40 claims is in the immediate vicinity of Kennco's old Lorraine showing which is currently under option to Granby. This company has carried out a program of mapping, soil sampling and diamond drilling for the past two summers.

The Col group was staked for the following reasons:

1. Favourable geology including a monzonite dike showing some malachite and chalcopryrite mineralization - about 1 mile north of the Lorraine showing.
2. Investigation of claim posts in the area appeared to indicate a rectangular gap in Granby's staking, i.e. a piece of open ground 3-4 claims long and 600 feet wide. This assumed gap is about 2800 feet north of the Lorraine.

Resolution of the claim situation will require a legal survey and LUC should consider undertaking one during the summer of 1972.

General

A number of showings, mainly copper, were found north of Germansen and considerable silt sampling and geological examinations were carried out. Nothing, however, of mine making potential was observed.



W.R. Bacon,
Manager - LUC Syndicate

LUC SYNDICATE
FINANCIAL REPORT
THIRD QUARTER - 1971

| <u>Account</u> | <u>Period</u> <u>July 1 - Sept. 30</u> | <u>Year to Date</u> |
|--|---|-------------------------|
| Petty Cash | 300.00 Cr. | 800.00 |
| Accounts Receivable | .21 Cr. | 28.59 |
| Machinery & Equipment | 296.96 | 1,386.83 |
| Automotive Equipment | - | 2,100.00 |
| Purchases - Food | 2,511.32 | 5,025.28 |
| Purchases - Maps, Photos, Publications, etc. | 1,009.92 | 1,434.48 |
| Claim Recording | 810.00 | 850.00 |
| Geochemical | 6,831.00 | 7,919.28 |
| Casual Labour | 225.00 | 288.75 |
| Holiday Pay | 46.67 Cr. | 46.67 Cr. |
| Workmen's Compensation | 571.27 | 571.27 |
| Unemployment Insurance | 129.67 | 193.32 |
| Pension Expense | 239.27 | 404.30 |
| Tools & Supplies | 1,006.48 | 3,944.87 |
| Blueprinting, Drafting & Supplies | 16.28 | 172.47 |
| Rent | 505.00 | 535.00 |
| Equipment Rental | 58.45 | 58.45 |
| Aircraft Rental | 34,075.26 | 34,445.26 |
| Repairs - Equipment | 398.06 | 653.81 |
| Vehicle Operating Costs | 893.25 | 1,400.87 |
| Travel Expense | 1,395.20 | 3,303.32 |
| Salaries | 17,193.02 | 32,577.83 |
| Office Expense | 1,500.00 | 4,500.00 |
| Cartage, Express, Telephone, Postage, etc. | 955.08 | 1,243.81 |
| Insurance | - | 889.00 |
| Management Fee | 4,500.00 | 13,500.00 |
| Licenses & Fees | 5.00 | 30.00 |
| Interest, Bank Charges & Accounting | 7.500 | 77.20 |
| Miscellaneous Expenses | - | 54.05 |
| TOTAL EXPENDITURES | \$74,853.61 | \$118,361.39 |
| PLUS BANK BALANCE SEPT. 30/71 | | <u>31,638.61</u> |
| TOTAL CONTRIBUTIONS - 1971 | | \$150,000.00 |

LUC SYNDICATE
FINANCIAL REPORT

SPECIFIC PROJECT BURN

| <u>Account</u> | <u>Expenditures</u> <u>Sept. 10 - Oct. 3</u> |
|-----------------------------|---|
| Salaries | \$1,166.66 |
| Fringe Benefits | 107.73 |
| Sub-Contracting | 1,715.00 |
| Tools & Supplies | 5.46 |
| Blueprinting & Supplies | 12.44 |
| Aircraft Rental | 1,446.00 |
| Travel Expense | <u>871.53</u> |
| TOTAL EXPENDITURES | \$5,324.82 |
| PLUS BANK BALANCE Oct. 3/71 | <u>20,175.18</u> |
| TOTAL CONTRIBUTIONS | \$25,500.00 |