

July 7th, 1972.

LUC SYNDICATE  
PROGRESS REPORT  
SECOND QUARTER - 1972

GENERAL PROGRAM

PRE-SEASON

Prospecting started in the last few days of April in an area approximately 25 miles south of Kamloops where a relatively large aeromagnetic anomaly was investigated.

The crew had been instructed to prospect the area of the anomaly before staking. They were severely hampered by snow above the 3700' elevation and on the third day found themselves in competition with helicopter-supported staking crews working for Imperial Oil.

Some 40 claims were staked for LUC covering the south extremity of the magnetic anomaly. Silt sampling and limited geological mapping indicate no significant mineralization. The magnetic anomaly is caused by basic intrusive rocks.

Some silt samples, apparently anomalous for copper, will require some further investigation late in the season. They are thought, however, to be caused by contamination in areas of recent logging.

The 1971 prospecting program indicated two anomalous silt samples (molybdenum) near the north edge of Map 93G/12W (20 miles south of Vanderhoof). Some check work was done in the area and a few more slightly anomalous silts have been recorded. No significant mineralization has been found, however, and no further work is planned.

KW

REGULAR SEASON

A base camp was established at Topley Landing on Babine Lake during the last week of May. Three prospecting camps were established from this base on May 27. Together with crews in the Kwanika Creek area and south of Babine Lake, 16 men are involved. Work was made difficult by late snow melt and more recently by high water levels in swamp areas.

Campsites are indicated by number on four 1" = 4 mile topographic maps and are described below:

Fort Fraser Map Area

- (1)           Prospecting was carried out by two men using vehicles along logging roads to investigate the vicinity of several Ag-Pb-Zn showings. Small soil sample grids were run over several isolated areas including an area of dioritic float with pyrite and chalcopyrite mineralization. No significant anomalies or showings were located.
- (2)           This camp has been used briefly because of good road access to investigate mineral showings in the area and to silt sample creeks. This work is only partially complete and the camp will be re-occupied.
- (3)           The crew is presently investigating a region centred on an aeromagnetic low. Although the region is mapped as underlain by Cache Creek sediments and volcanics, prospecting to the northwest has located some granitic rock and minor copper mineralization in the volcanics.

(4) A two-man crew prospected, silt and soil sampled over a strong aeromagnetic high near the east contact of a syenite body. The mag high is due to magnetite in basic volcanics; there is no similarity between it and the mag high copper bearing gneiss zones in the syenite area near Duckling Creek in the Hogen batholith. No mineralization was found.

(5) A four-man crew silt sampled and prospected under adverse snow conditions in an area generally underlain by syenite. Outcrop is very sparse but indicates a relatively complicated intrusive body. Several silt samples returned molybdenum values ranging up to 30 ppm and a further check of the area will be required.

(6) The camp was placed in an area of generally acid intrusive rocks. Rock exposure is poor and no significant geochemical results were obtained.

East of Wright Bay (Babine Lake) and south of camp 5, a helicopter supported traverse to investigate the granite-volcanic contact returned silt sample values ranging up to 236 ppm for copper and this area will receive detailed prospecting.

#### Smithers Map Area

(7) (8) (9) These camps were occupied by a two-man party investigating areas previously mapped as Topley granite. N.C. Carter of the B.C. Department of Mines suggests these may be Omineca type intrusives based on recent age dating. Outcrop is relatively sparse and the geology apparently quite complicated. Silt sampling shows no significant copper values and only minor molybdenum (up to .5 ppm) values, apparently associated with certain contacts.

(10) Thirty claims have been staked and a geochem survey has just started, covering an area where previous explorers encountered geochemical anomalies and LUC crews have found copper mineralization in volcanic float northwest of previous mapping and drilling. This program is still in its very earliest stages.

(11) Claims are being staked to protect ground being covered by a geochem survey and some geological mapping. Previous explorers found a geochemical anomaly here and LUC crews are investigating zones of alteration and pyrite mineralization.

#### Hazelton Map Area

(12) A two-man crew spent a week silt sampling in the vicinity of claim groups recently staked by Canadian Superior Exploration Ltd. and Quintana Minerals Corp. The area is generally flat with swampy drainage and very rare outcrop. Silt sample results are not yet available. Attention has been focussed on the area to reinvestigate magnetic and IP anomalies with relatively weak geochem anomalies generally displaced to the south. McIntyre Porcupine drilled here previously and results indicate the magnetic highs are due mainly to basic volcanics whereas the IP indicated zones of relatively massive pyrite and pyrrhotite mineralization. No adequate explanation of the geochem anomalies is known to us at present.

(13) Our two-man prospecting team landed here and was promptly overrun by opposition staking crews before they had their tent up. Thirty-four DEV claims were staked by LUC to get elbow room. The topographic and aeromagnetic maps indicate a structure similar to a known

feldspar porphyry intrusion to the north which is identical in appearance to mineralized porphyries to the east. Mapping and geochemical results have not yet been compiled but nothing of immediate significance is indicated so far.

(14) Silt sampling and prospecting have been done around a feldspar porphyry intrusive. Fairly extensive rock outcrop indicates this to be the favourable rock type in the Babine area. Because of high spring runoff, silt sampling around the periphery of the intrusive was hampered but some positive geochemical results for copper were obtained near the south extremity of the intrusive. Eight (8) claims have just been staked pending further investigation.

(15) A soil sample grid is being completed here on what is staked as the TOR group, covering a small aeromagnetic anomaly associated with a minor topographic high. Outcrops are of several types of extrusive flows but fragments of feldspar porphyry with minor sulphide mineralization along fractures have been found and work is being continued. Field tests for copper with rubenic acid are the best so far encountered this season in the Babine Lake area but, until more comparison with lab results is available, this cannot be considered more than an encouraging indication.

#### Manson River Area

##### COL Group

The claims covering major gaps in the Granby staking are to be surveyed later in the summer. More detailed geological mapping will be done of copper occurrences near the central part of the claim group.

LIN Group

Staking commenced here May 23, based on 1971 geological mapping and aeromagnetic information. Snow remained over the area well into June and work has been difficult.

Soil sampling has been conducted over some 40 claims of the group which may eventually total about 100 claims. Camp was moved June 30 and staking is being continued southeastward to the RODE group.

A significant molybdenum geochemical anomaly has been partially outlined with some minor copper indications. Minor molybdenum and copper mineralization has been found northeast of the anomaly, in low rock outcrop areas.

The general geological picture is similar to BURN with alaskite granite intruding monzonite immediately east of a large diorite body.

RODE Group

Snow remained over parts of the RODE group until about June 10. No work has been conducted here as yet due to developments on the LIN group.

A soil sampling program is due to start about July 6.

In general, both areas of operation, Babine Lake and Kwanika Creek, are fairly active with crews representing Canadian Superior, Quintana, Falconbridge, Noranda, Amax, Amoco, Kerr Addison, Ducanex, etc.

SPECIFIC PROJECT BURN

Snow remained heavy on BURN group until well into June and runoff cut the Germansen Lake-Kwanika Creek road in many places. It is still not passable from Twenty Mile Creek west.

Camp was finally set up on BURN June 16 and snow conditions have been no problem since that time. Two 9 x 12 and two 14 x 16 tent frames are on the property.

Linacutting (14 miles), in preparation for an IP and magnetometer survey, is well underway and it will be possible to start the IP survey as soon as a crew is available.

The diamond drilling contract has been awarded to Shepherd Enterprises Ltd. and on site examination of the transportation problems is expected July 5. Some cooperation from the Department of Mines road maintenance crews will be necessary between Germansen Lake and our tractor road across Kwanika Creek.



W.R. Bacon,  
Manager, LUC Syndicate

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GENERAL PROGRAM

<u>Account</u>	<u>Period</u> <u>Apr. 1 - June 30</u>	<u>Year to Date</u>
Accounts Receivable	\$639.02 Cr.	\$974.53
Machinery & Equipment	1,321.43	1,321.43
Purchases - Food	2,286.73	2,286.73
Purchases - Maps, Photos, Publications, etc.	72.17	528.82
Assessment Recording	171.00	171.00
Claim Recording	460.00	1,660.00
Geochemical	1,882.45	1,986.45
Casual Labour	170.00	441.00
Holiday Pay	16.26 Cr.	16.26 Cr.
Workmen's Compensation	152.12	152.12
Unemployment Insurance	140.94	150.78
C.P.P. Expense	203.00	225.05
Tools & Supplies	1,439.07	1,467.07
Blueprinting, Drafting & Supplies	59.81	68.70
Rent	175.00	175.00
Aircraft Rental	7,308.15	6,986.70
Truck Rental	300.00	300.00
Repairs - Equipment	281.11	434.62
Vehicle Operating Costs	965.88	1,243.41
Travel Expense	1,460.84	1,854.71
Salaries	14,702.18	18,452.18
Office Expense	1,500.00	3,000.00
Telephone, Postage, Express, Cartage, etc.	126.95	176.31
Insurance	250.00	1,125.50
Management Fee	4,500.00	9,000.00
Licenses & Fees	70.00	70.00
Interest & Bank Charges	3.10	3.10
Misc. Expenses	<u>253.73</u>	<u>299.10</u>
<b>TOTAL EXPENDITURES</b>	<b>39,600.38</b>	<b>54,538.05</b>
<b>PLUS BANK BALANCE June 30th, 1972</b>		<b>47,502.07</b>
<b>LESS BANK BALANCE Dec. 31st, 1971</b>		<b><u>12,040.12</u></b>
<b>TOTAL CONTRIBUTIONS 1972</b>		<b>\$90,000.00</b>



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SPECIFIC PROJECT BURN

<u>Account</u>	<u>Period</u> <u>Apr. 1 - June 30</u>	<u>Year to Date</u>
Machinery & Equipment	\$399.00	\$399.00
Purchases - Food	126.66	126.66
Assessment Recording	-	1,202.00
Sub-Contracting	231.47	491.67
Casual Labour	66.64	66.64
Holiday Pay	16.26	16.26
Workmen's Compensation	29.60	29.60
Unemployment Insurance	5.62	5.62
Canada Pension Expense	8.14	8.14
Tools & Supplies	626.08	776.08
Blueprinting, Drafting & Supplies	14.92	14.92
Equipment Rental	26.25	26.25
Aircraft Rental	2,030.00	2,030.00
Travel Expense	124.94	138.69
Salaries	740.00	740.00
Telephone, Postage, Express, Cartage, etc.	<u>4.60</u>	<u>18.99</u>
 TOTAL EXPENDITURES	 4,450.18	 6,090.52
 PLUS BANK BALANCE June 30th, 1972		 <u>1,409.48</u>
 ROAD ALLOWANCE from Province of B.C.		 \$7,500.00