

TGS → GUS
(New)

Gus Claim Group

Nelson M. D. , B.C.

Summary

The Gus Claim Group occupies 6.35 sq. km. in the Kootenay Arc region approximately 7.5 km NE of the Canada - U.S.A. Nelway border crossing. The west margin of the claims is along the west shore of Rosebud Lake. Access is by the Rosebud Lake gravel road, and thence by a 4x4 logging road, or by the B. C. Hydro trail south of the lake.

The potential of the Gus property is for near-surface and/or deeper high grade gold/silver replacement and vein deposits localized along fault/fracture zones cutting Paleozoic sediments, predominantly silty limestones. The claims contain three old mines, all of which have produced small amounts of very high grade gold/silver ore from shallow workings.

Three potentially important structural trends are evident. First there is the ENE striking SE dipping Black Bluff thrust fault and related imbricate fault/fracture zones. Then there are northerly trending, steep "transverse" faults thought to cut the thrust. And then there are vertically dipping WNW trending fracture zones seen cutting upper plate formations of the thrust in what is called the East Gold Anomaly area.

The mines and geochemically anomalous zones are found along a 1.8 km ENE trend which appears to roughly follow the strike of the Black Bluff thrust fault. The Lone Silver, Davne and Lucky Strike mines are mineralogically characterized by predominantly tetrahedrite/galena/pyrite ore shoots. The Lone Silver ore came from replacement deposits localized along the Black Bluff thrust fault, while the Davne and Lucky Strike mines produced from ore shoots localized along a vertical WNW fracture zone known to extend for at least 1/2 kilometre cutting the upper plate of the thrust. The East Gold Anomaly contains the Davne - Lucky Strike structure, and other recognizable similar WNW fracture zones indicated by gold soils/rock anomalies.

The GSC cites several mines which are in close proximity to the Gus Claim Group as Irish Type carbonate hosted deposits (Remac, Jersey, and others). On the Gus property some similarities can be seen to Carlin type deposits, chiefly decarbonitization and possible fault-controlled dike/sill swarms in proximity to mineralized zones. The remobilized carbonate is most pronounced in dolomitized limestone breccia which hosts upper plate ore at the Lone Silver mine, and less obvious carbonate alteration is seen in the East Gold area. Dike/sill swarms are seen particularly in one drill hole which cut a number of anomalous gold intercepts in the East Gold area.

Horizontal loop EM conducted in 2004 delineated a broad conductive zone which contains along its north margin a very strong conductor up to 50 metres wide. This anomaly is found under deep overburden cover in the "Saddle Area" about 400 metres E of the Lone Silver Mine workings, which produced a small tonnage averaging 3977 gms/T Ag and 15.3 gms/T Au. Here, a major structural intersection is postulated between the Black Bluff thrust and the N trending, steep dipping Styx Creek transverse fault. The anomaly appears to be roughly T shaped with one part following the Styx Creek trend, and the other following the trend of the thrust and stratigraphy.

During 2005 a small core drill was brought in to test this target. The hole was lost in overburden at 36 metres down hole depth (approx. 25 metres vertical depth below surface). As the drill was unsatisfactory, no further drilling was undertaken. Assaying of rock fragments and till from this hole, along with previous soils testing in this area indicates a

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multi-element till anomaly, including gold and silver. Especially interesting is the fact that the till from the bottom of the drill hole assayed high in tungsten, and contained significantly anomalous silver. This remains a compelling drill target, as the coincident EM and till anomaly could well represent a combined structural/stratigraphic target of good size and grade. There are also other interesting targets to be tested. The initial recommended drilling would be by rotary (RC).

M. A. Kaufman, Mining Geologist P. Eng.
April 2, 2006

Schroeter, Tom EMPR:EX

From: Schroeter, Tom EMPR:EX
Sent: Fri, April 7, 2006 7:57 AM
To: XT:EM Kaufman, Morris A EM:IN
Subject: RE: M. A. Kaufman Gus Property Data

Thanks, Mo.

Tom
Tom Schroeter, P.Eng./P.Geo.
Senior Regional Geologist
Geological Survey Branch
Mining and Minerals Division
Ministry of Energy, Mines and Petroleum Resources

Direct Telephone 604 660-2812
Messages & Enquiries 604 660-2708
Facsimile 604 775-0313
email tom.schroeter@gov.bc.ca

-----Original Message-----

From: M. A. Kaufman [mailto:dv111@qwest.net]
Sent: Thu, April 6, 2006 4:32 PM
To: Schroeter, Tom EMPR:EX
Subject: M. A. Kaufman Gus Property Data

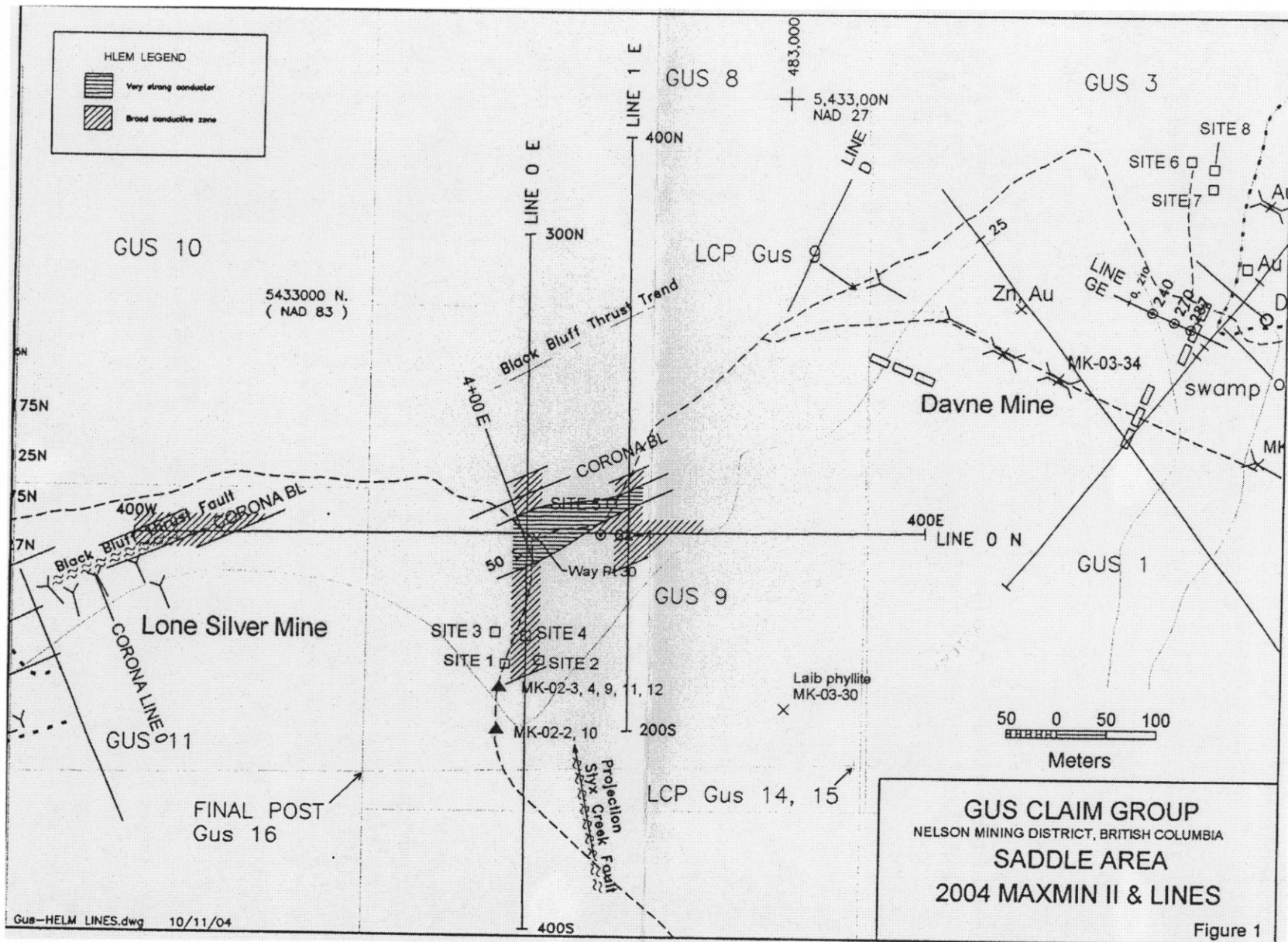
Attached you will find a summary report describing my Gus Property located south of Salmo. I have been working on this myself for over ten years, and have developed some interesting targets. As I have not shopped this around much, the property is not well known. I believe that there is potential here for some kind of bastardized type of deposit, say a cross between the Irish base metal type, and the Carlin precious metal type. There is one extensive conductive zone under overburden cover which, if it is not just a mess of graphite and pyrite, could represent a very significant structurally and stratigraphically controlled silver/gold deposit. Just 400 metres to the west of it is the Lone Silver mine which produced a small tonnage of 15.3 gms/T Au and 3,977 gms/T Ag.

Anyway, because of my position on the actuarial chart, it's probably time that I try to get an exploration company involved. So if anyone comes in looking for a precious metals drill target, feel free to tell them about this.

I am attaching a two page summary report and, in a separate transmission, a rough map of the anomaly. If you would like a more detailed 5 page report, let me know, and I'll send it .

Best.

"Mo" Kaufman



Schroeter, Tom EMPR:EX

From: Schroeter, Tom EMPR:EX
Sent: Fri, April 7, 2006 7:56 AM
To: XT:EM Kaufman, Morris A EM:IN
Subject: RE: M. A. Kaufman Gus Property Map

Got it.

Tom

Tom Schroeter, P.Eng./P.Geo.
Senior Regional Geologist
Geological Survey Branch
Mining and Minerals Division
Ministry of Energy, Mines and Petroleum Resources

Direct Telephone 604 660-2812
Messages & Enquiries 604 660-2708
Facsimile 604 775-0313
email tom.schroeter@gov.bc.ca

-----Original Message-----

From: M. A. Kaufman [mailto:dv111@qwest.net]
Sent: Thu, April 6, 2006 4:43 PM
To: Schroeter, Tom EMPR:EX
Subject: M. A. Kaufman Gus Property Map

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