

*J. Lehreter*

Porcher Island

886131

103J/2E

1035022

BANWAN GOLD MINES LIMITED  
2560 A SIMPSON ROAD  
RICHMOND, B. C. V6X 2P9

DEPT. OF MINES  
AND PETROLEUM RESOURCES

Rec'd FEB 27 1980

SMITHERS, B. C.

PORCHER PROJECT

PORCHER ISLAND, PRINCE RUPERT AREA, B. C.

SKEENA MINING DIVISION

103J/2E

54° 01 1/2' North Latitude

135° 35 1/2' West Longitude

SUMMARY OF OPERATIONS FOR 1979  
FOR THE  
B. C. MINISTRY OF ENERGY, MINES  
AND PETROLEUM RESOURCES.

BY

C. M. ARMSTRONG, P. ENG.  
CONSULTING ENGINEER  
4085 WEST 29TH AVENUE  
VANCOUVER, B. C. V6S 1V4  
224-7678

FEBRUARY 18, 1980.

Banwan Gold Mines Limited has an agreement with Porcher Island Gold Mines Limited for the exploration and development of the former Surf Point and Edye Pass Mines.

Funds for the 1979/1980 underground exploration program have been provided by E & B Explorations Limited of Calgary, Alberta.

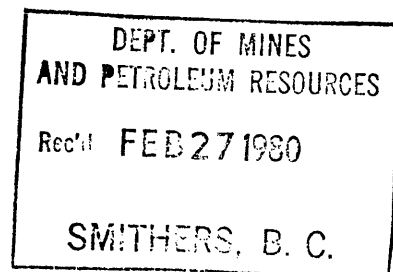
The property, comprising of 6 Crown Grants, 4 located mineral claims and 19 units, is 40 km southwest of Prince Rupert and 740 km northwest of Vancouver. Access is by boat, float plane or helicopter.

During the 1930s, principally, the Surf Point mine yielded 65,000 tons of ore averaging 0.3 oz Au/T in a vertical interval of less than 130 feet above the 365 foot level. The Edye Pass mine yielded 13,000 tons averaging 0.2 oz Au/T above the 50 foot level.

The purpose of the underground program is to test the Surf Point vein systems, between the Surf Point 365 level and the Edye Pass 50 level, and below the Edye Pass 50 level.

Gold occurs as minute (less than 1 micron) blebs in submegascopic (less than 30 microns) blebs of the telluride minerals tetradymite and sylvanite or calaverite. The tellurides, in turn, appear to be confined wholly to pyrite as randomly distributed "grains" or "island". Pyrite assays vary from 3 to more than 50 oz Au/T. The pyrite occurs as disseminations, fine to coarse patches, and semi-massive to massive patches and stringers in steeply dipping vein quartz. The quartz veins vary from less than 0.01 m to 2 m in width, filling irregular fracture systems and shears in quartz diorite. More than one age of mineralized vein quartz is present. The vertical continuity of some, if not all, of the veins exceeds 150 metres, and none have been terminated at depth. The strike continuity of individual ore sheets within the veins appears to vary from a few metres to more than 20 metres: drifting is required to establish the lateral continuity of the veins and ore shoots. The quartz diorite body on the claim group is a composite, subcircular plug approximately 2 1/2 km in diameter. The quartz veins occur in a northerly trending zone more than 1 1/2 km long near the western border of the intrusive.

Between October 1 and December 31, 1979, the work summarized on the following page was completed. It is expected that the underground program as conceived initially, will be completed by the end of March, 1980. Mining Corporation of Canada is the prime contractor on the site.



1. Mobilization of 7 trailers, 15 man exploration camp, underground tunneling and diamond drilling equipment and related surface equipment: three barge loads from Prince Rupert.
2. Site preparation and camp setup.
3. Control triangulation survey, Surf Point to Edye Pass, totalling 3.3 km.
4. Underground survey, Edye Pass site, 0.75 km.
5. Rehabilitation of Edye Adit (1015 Level - 15 m above mean sea level), 750 m.
6. Crosscut tunneling, 2.3 m x 2.5 m, totalling 118 m. Marland Mine Laser employed for line and grade alignment. Drifting totalling 9 m. Slashing totalling 75 m<sup>3</sup>.
7. AQ diamond drilling: 290 m in 3 flat holes.
8. Underground surveying, geological mapping and sampling - 141 m.
9. "Ore" stockpile - 130 T averaging 7.4 Au/T.

February 18, 1980.  
Edye Pass

C. M. Armstrong, P. Eng.  
Consulting Engineer.

