



826353 92F/3  
Canoe Creek,  
Titanic, United

Vancouver, B.C. Tommy  
Canada  
January 21st, 1987

NEWS RELEASE

- 1) The President of I.C.M. Corporation is pleased to announce the formation of a new associated company named Nationwide Gold Mines Corporation (N.G.M. Corporation).
- 2) Nationwide Gold mines Corporation recently acquired the Titanic gold property which is adjacent to the United Tommy Group.
- 3) The ore deposits on the Titanic property occur as lenticular veins in a wide shear-zone which in places is up to 100 feet wide on the main fault (Canoe Creek Fault) which crosses the Titanic and United Tommy Group.
- 4) N.G.M. Corporation will commence exploration work on the Titanic property immediately.
- 5) The Company is planning to be listed on the Vancouver Stock Exchange (V.S.E.) in the near future.

I.C.M. CORPORATION

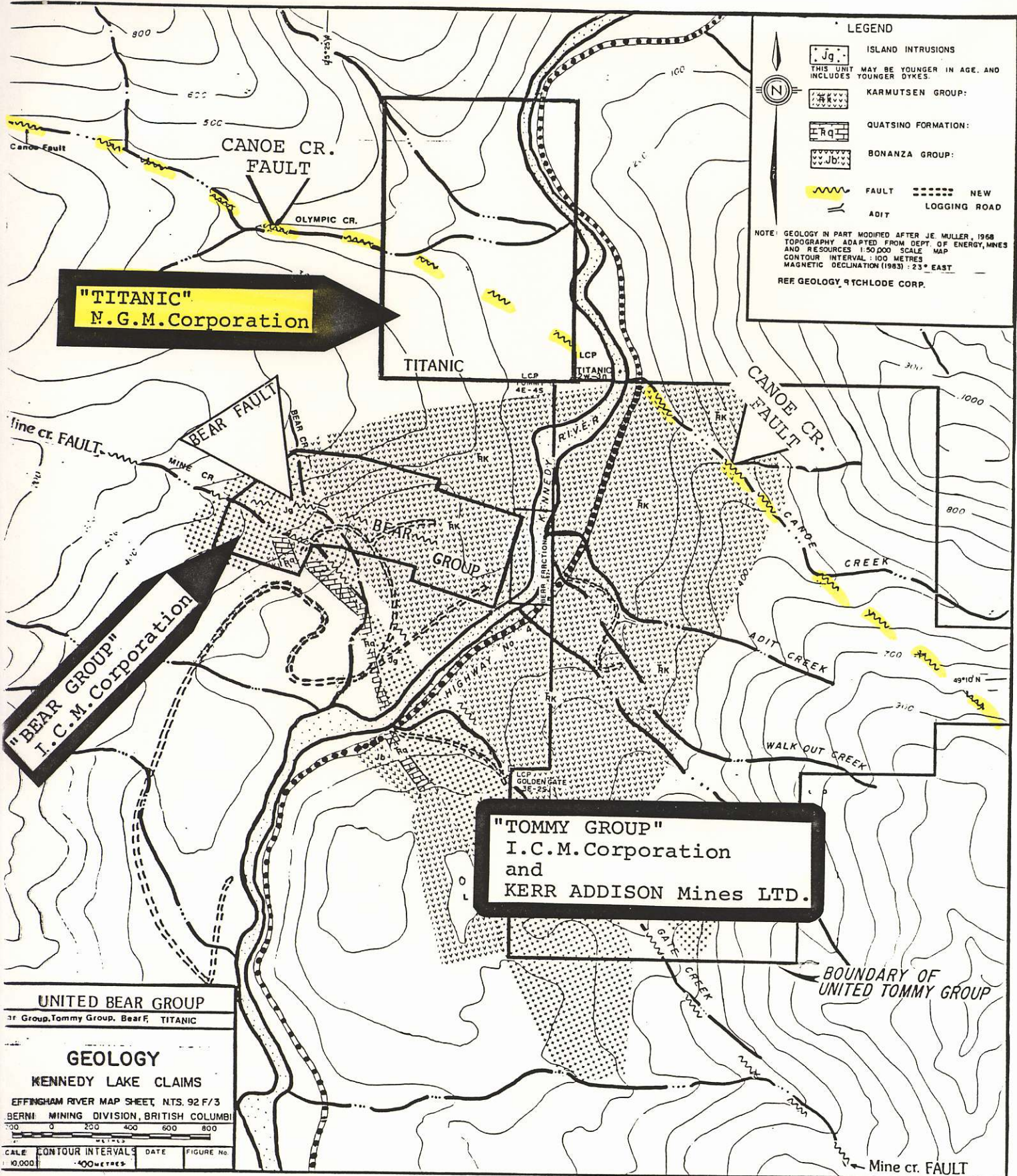
Waldo W. Ejtél  
President

**INTERNATIONAL COAST MINERALS CORP.**

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**LEGEND**

- ISLAND INTRUSIONS  
THIS UNIT INCLUDES MAY BE YOUNGER IN AGE, AND YOUNGER DYKES.
- KARMUTSEN GROUP:
- QUATSINO FORMATION:
- BONANZA GROUP:
- FAULT
- ADIT
- NEW LOGGING ROAD

NOTE: GEOLOGY IN PART MODIFIED AFTER JE. MULLER, 1968 TOPOGRAPHY ADAPTED FROM DEPT. OF ENERGY, MINES AND RESOURCES 1:50,000 SCALE MAP  
CONTOUR INTERVAL: 100 METRES  
MAGNETIC DECLINATION (1983): 23° EAST  
REF. GEOLOGY, 97CHLODE CORP.

**"TITANIC"**  
N.G.M. Corporation

**"BEAR GROUP"**  
I.C.M. Corporation

**"TOMMY GROUP"**  
I.C.M. Corporation  
and  
KERR ADDISON Mines LTD.

**UNITED BEAR GROUP**  
of Group, Tommy Group, Bear F, TITANIC

**GEOLOGY**  
KENNEDY LAKE CLAIMS

EFFINGHAM RIVER MAP SHEET, NTS. 92 F/3  
BERNIE MINING DIVISION, BRITISH COLUMBIA

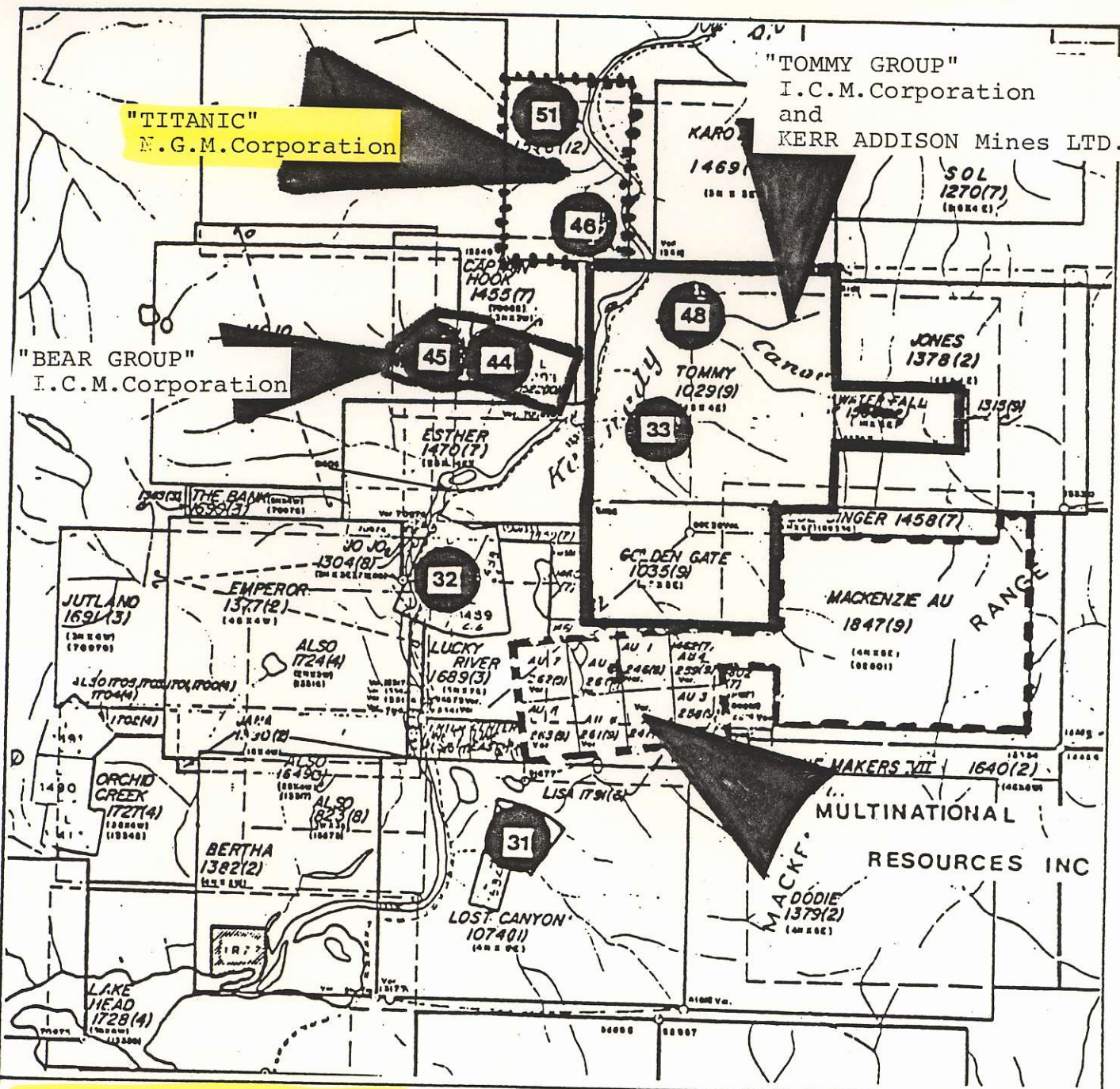
0 200 400 600 800 METRES

SCALE	CONTOUR INTERVALS	DATE	FIGURE No.
1:10,000	100 METRES		

BOUNDARY OF UNITED TOMMY GROUP

Mine cr. FAULT





MODIFIED BY WALDO W. EJTEL

FIGURE 4

INTERNATIONAL PHOENIX ENERGY CORPORATION

LOCATION OF HISTORIC MINERAL SHOWINGS  
RELATIVE TO THE UNITED TOMMY GROUP

(See text for claim names) [page 3 and 4]

Scale: 1: 50,000 or  
1.25" = 1 mile.

After Mineral Inventory  
Map - 92 F (M)

(To accompany a report by A. D. Drummond, P.Eng.)



<u>Name</u>	<u>Record No.</u>	<u>Units</u>	<u>L.C.P. tag No.</u>	<u>Expiry Date</u>
TOMMY	1029(9)	16	60975	Sept. 19, 1984
GOLDEN GATE	1035(9)	6	61165	Sept. 19, 1984
WATER FALL	1560(12)	2	83767	Sept. 19, 1984

(Registered owner is Mr. Waldomar Ejtel of Vancouver, B.C.)

On January 12, 1984, Mr. Murray Pezim, Chairman of the Board and Director of International Phoenix Energy Corporation announced that the company has acquired the subject claims, subject to regulatory approval. Terms of the acquisition are beyond the scope of this report.

#### HISTORY OF THE AREA AND PROPERTY

Dolmage (1920) reported that gold has been noted in the Kennedy (Elk) River area as early as 1898. Dawley (1904) mentioned that the "Ironsides" (Mineral Inventory No. 51, see Figure 4), was staked in 1902-1903. Forbes (1915) visited the following claims along the Kennedy River in 1913 and reported that the "Leora" (Mineral Inventory No. 31), had developed underground workings on a 6" to 12" wide quartz vein striking N72°E and dipping 55°NE in sheared volcanic country-rock. The property was staked in 1902 and 1903 (Stevenson (1936)). Mineralization was pyrite and arsenopyrite in quartz and calcite. A sample assayed 1.4 oz/t Au. The "Rose Marie" (Mineral Inventory No. 32, see Figure 4), was also visited by Forbes who reported a 15" to 18" quartz vein with pyrite and arsenopyrite striking N34°E(mag.) and dipping 64 to 68° NW in porphyritic volcanic rocks. An adit was driven 438 feet from which a sample assayed 1.5 oz/t Au. A four stamp mill was installed on the property. "Bear Group" (Mineral Inventory No.44) had a 246 foot long adit driven by 1913 on a 3 to 4 foot wide quartz. Calcite-pyrite-arsenopyrite vein striking N60°E(mag.) and dipping 45 to 50° NW. The property was staked in 1902. An average sample reportedly assayed 0.10 oz/t Au. The "Olympic" (Mineral Inventory No. 46) claim

(To accompany a report by A. D. Drummond, P.Eng.)

had no development work done in 1913, but had exposed a N73°E/NW vein with some pyrite and chalcopyrite. An assay of 0.03 oz/t Au is given (p. K279) but the width is not stated.

By 1923, Brewer (1924) reported that the "Grant Group" (Mineral Inventory No. 48, see Figure 4), contained exposures of a system of persistent quartz veins in sheared Vancouver Group volcanic rocks. Some veins were striking east-west while others were trending N20°E. Apparently some 20 years prior (circa 1903) gold-bearing float was noted and an arrastra constructed, but the operation proved unsuccessful. In 1923, Brewer took a sample from a 4 foot wide quartz vein exposed by the former workings and reported 1.3 oz/t Au, 0.70 oz/t Ag, 1.6% Cu (p. A246). Another sample on the vein (presumably the same vein) indicated 0.34 Oz/t Au and 1.2 oz/t Ag over 18 inches. There was no work in progress in 1923.

Brewer (1924) also reported on the "Blue Bird Group" (Mineral Inventory No. 51) which is described as quartz veining in a shear zone up to 40 feet wide. Mineralization consisted of pyrite chalcopyrite and some arsenopyrite. Two assays were given (a) 0.06 oz/t Au and 1.0 oz/t Ag and (b) 0.30 oz/t Au and 0.1 oz/t Ag, but widths were not reported.

The "Tommy K" Group (Mineral Inventory No. 33) was staked in 1933-1934 according to Stevenson (1936) and were owned by Kennedy Lake Gold Mines Ltd. Mr. Tom O. MacKay was then secretary for that company. Stevenson (1936) is quoted below (p. F48).

Narrow, tight fractures in andesite breccia have been filled by quartz accompanied by small amounts of calcite, pyrite, chalcopyrite, and pyrrhotite. The breccia has been cut by altered quartz-dabase dykes and a few less altered aplite dykes.

The surface workings consist of open-cuts and trenches on several different veins. At a place 1,400 feet up the creek from the camp and 480 feet above it in elevation, an open-cut has been blasted in the south wall of the canyon on the so-called Hidden Treasure vein. This vein has been exposed for 15 feet in the floor of the cut and for approximately 100 feet up the rock bluff.

(To accompany a report by A. D. Drummond, P.Eng.)



On the top of the first bench, 1,000 feet above the river, some prospecting-work has been done by open-cuts; the ledge in places showing a width of 2 feet.

The principal development-work consists of a tunnel driven on the ledge at an elevation of 695 feet above Kennedy lake. This tunnel has been driven for 438 feet N. 34° E. (mag.), the ledge varying in width from 15 to 18 inches of kindly-looking mineralized ribbon quartz. A sample taken from the face of this tunnel assayed 1.50 oz. gold to the ton. I was able to pan some free gold from the oxidized ore on the dump.

The sample mentioned above was a fair average sample taken in the face of the tunnel at the time of my visit. It showed no visible free gold, consisting apparently of quartz carrying pyrite, the latter not exceeding 1 per cent. of the ore. The return obtained is, however, above the average value of the ore in the mine.

The ore is amenable to ordinary "free-milling" and cyanide treatment, and could be worked on the spot, more than sufficient water-power being available for all purposes. The mine is not large enough to stand expensive company management, but there is no reason why it should not have a successful future if worked economically as a small enterprise.

The *Bear* group of mineral claims is situated at an elevation of 500 feet above Kennedy lake, and half a mile west from Elk river and three miles and a half from its mouth. The group, which consists of three claims, *Black Bear*, *Cinnamon Bear*, and *Grizzly Bear*, is owned by W. Wilson, Jno. Irving, and Spidal.

The principal development-work has been done on the *Cinnamon Bear* claim, a tunnel being driven 246 feet on a strong quartz ledge 3 to 4 feet wide; strike S. 60° W. (mag.) dipping 45 to 50 degrees to the north-west. The gangue is quartz, feldspar, and calcite, and the mineralization pyrite and arsenopyrite. The best ore is said to be 1 foot wide on the foot-wall. The diorite foot-wall and porphyry hanging-wall can be traced on the surface for 400 feet. The hanging-wall is soft, decomposed vein-matter, in which the tunnel has been driven. The tunnel is in an unsafe condition, the soft material in the hanging-wall having "winded" and several falls taken place. An average sample of the ore assayed 0.10 oz. gold.

The *Ruth* mineral claim is situated about 1,800 feet south-east from the *Bear* group at an elevation above Kennedy lake of 600 feet, and shows a quartz vein 18 inches to 2 feet in width, exposed for about 100 feet on the surface; a small diabase dyke accompanies the ledge on the foot-wall; the hanging-wall is porphyry. Limestone occurs from 6 to 10 feet to the eastward of the ledge; no development-work has been done. Strike N. 30° E. (mag.); dip 75 degrees to the south-east. The gangue is quartz and the mineralization pyrite and chalcopryrite. An average sample assayed: Gold, trace; silver, 2.8 oz.; copper, 1.9 per cent.

The *Olympic* and *Titanic* mineral claims are situated half a mile west from Elk river and four miles from Kennedy lake, at an elevation of from 350 to 450 feet. A quartz ledge shows up in these claims, having a strike N. 73° E. and dipping to the north-west. No development-work has been done; the outcrop shows a little pyrite and chalcopryrite. The claims are intersected by a creek running in a deep canyon, and, owing to high water, it was not possible to visit the other outcroppings of this ledge. From an exposure farther up the creek a sample over a width of 20 feet is said to have yielded \$20 in gold. A sample taken on the *Olympic* claim assayed 0.03 oz. a ton in gold.

All the claims visited were situated at comparatively low elevations within easy reach of Elk river, and, as far as could be ascertained, very little prospecting has been done, and no claims located higher up the mountains, which rise on both sides of Elk river to a height of 3,000 to 4,000 feet.



Anthony Watson. Kenyon constructed an arrastra, the ruins of which can be seen to-day, about 300 feet vertically above the main Kennedy River trail and about 1,500 feet easterly from the main trail, and started work on a quartz vein 4 feet wide, with strike of N. 20° E. (mag.) and dip vertical. After operating the arrastra for some months on the *James Grant* it was found that the proportion of the ore which was free-milling was too small to give satisfactory returns from treatment in the arrastra.

The workings from which the ore was taken and milled in the arrastra were a deep open-cut and shallow shaft on the vein known as the cross-lead. A sample taken from an open-cut where this quartz vein is 4 feet wide, and from the face of the cut about 8 feet deep, assayed: Gold, 1.30 oz.; silver, 0.70 oz. to the ton; copper, 1.6 per cent.

There is a considerable flow of water in the creek, the bed of which is a series of precipitous falls and sampling the vein is quite a difficult proposition, so much so that I was only able to obtain two samples, one of which, across 18 inches, assayed: Gold, 0.34 oz.; silver, 1.2 oz. to the ton; copper, trace. The second sample, taken from the same fissure 2 feet wide and about 150 feet farther up the creek and nearly 100 feet higher elevation, assayed: Gold, 0.30 oz.; silver, 0.2 oz. to the ton; copper, trace.

This group contains the *Blue Bird* and *Blue Jay*, the former being owned by Miss Winifred Dixon and the latter by William Spittal, both of Tofino. The group is located about 5 miles up Kennedy river from the mouth and on the west side.

*Ore-deposits.*—The ore-deposits on the *Blue Bird* group occur as lenticular veins in a wide shear-zone which in places is upwards of 40 feet wide. The main vein in the shear-zone where exposed on the *Blue Bird* can be traced on to the adjoining *Blue Jay*, occurring between schistose walls dipping vertically, conformable with the shearing-planes in the zone.

The vein is principally quartz and the mineralization consists of chalcopyrite and iron pyrite, with some arsenopyrite. A sample taken from an open-cut in a steep bank of an unnamed creek assayed: Gold, 0.06 oz.; silver, 1 oz. to the ton; copper, 0.7 per cent. Another sample, taken from apparently the same schistose shear-zone and possibly from the same quartz vein as the first-mentioned sample was taken, but from a point about 1,200 feet farther up the creek, assayed: Gold, 0.30 oz.; silver, 0.1 oz. to the ton; copper, trace.

William Spittal, who has done all the work on the claims, has also built a cabin on a bench near the river:

While samples can be taken from the quartz veins in the vicinity of the Kennedy river carrying fair values, it is a serious question whether under the present conditions ore that carries values averaging less than \$10 a ton "run of mine" can be mined and treated successfully.

North-westerly from the Kennedy River section there is practically nothing known by white men of the interior of the island for a distance of approximately 100 miles, or to the vicinity of the streams and lakes that flow into Quatsino sound; the average width of this unexplored area is approximately 20 miles. This region may be described as very mountainous, some of the peaks as viewed from either coast having elevations 6,000 feet and over.

Quite a large area of this unexplored section is included within the boundaries of the Clayoquot Mining Division, and the western fringe has been prospected to some extent at and near the headwaters of the Clayoquot river, which empties into the Clayoquot arm of Kennedy lake; Tofino creek, which empties into the head of Tofino inlet; Tranquil creek, which empties into Tranquil arm of Tofino inlet; Bedwell river, which empties into Bedwell sound; Sidney inlet; Hesquoit lake; Gold river, which empties into Muchalat arm of Nootka sound; Tahsis river, which empties into the head of Tahsis canal; Zeballos river, which empties into the head of Zeballos arm, Nootka sound; Tahsish river, which empties into Tahsish arm of Kyuquot sound; and Kokshittle river, which empties into the head of Kokshittle arm of Kyuquot sound. The prospecting in these sections has not been very thorough, except at Sidney inlet, where the Tidewater Copper Company, Limited, has been operating the *Indian Chief* mine, and the head of Tahsis canal, where William Poole has been prospecting and developing the *Star of the West* group of mineral claims.

There has been no detailed geological survey of the area just referred to, but the west coast line north-westerly from the Alberni canal was examined during 1917, 1918, 1919, and 1920 by Victor Dolmage, of the Geological Survey, but his examinations only included the vicinity of