

Mike WARREN
(Toot)

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VENUS

MINES LTD. (N.P.L.)

PROGRESS REPORT TO SEPTEMBER 30, 1967

TELEPHONE 681-7483

MACDONALD CONSULTANTS LTD.
SUITE 12 - 428 HOWE STREET, VANCOUVER 1, B.C.

VENUS MINES LTD. (NPL),
440 - 890 West Pender Street,
VANCOUVER 1, B.C.

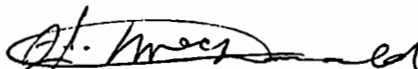
Attention: Mr. J.M. O'Brien, President.

Dear Mr. O'Brien:

re: Progress Report to Sept. 30, 1967.

Attached is a progress report on your Company's properties to September 30, 1967. The results to date have been very encouraging and further exploratory work is warranted as outlined. A detailed report covering all aspects of the operation is under preparation and will be completed by October 15, 1967.

Respectfully submitted,
MacDONALD CONSULTANTS LTD.


A.J. MacDonald, P.Eng.

VENUS MINES LTD. (N. P. L.)

440 - 890 West Pender St.,

Vancouver 1, B.C.

Progress Report on Carcross Y.T. Property to Sept.30, 1967.

A. DRIFTING (See attached map).

No. 1 - 2 A N. Drift advanced a total of 1160 feet to September 30 and intersected the following mineralized zones of ore tenure. All values have been diluted to a minimum mining width of 4.0ft.

Zone 1

0.32 oz.Au, 7.20 oz.Ag, 2.8% Pb, 0.9% Zn,
average width 4.0ft. length 72.5 ft.,
Gross metal value - \$35.10 per ton.

Zone 2 (recalculated with resampling)

0.21 oz. Au, 3.28 oz. Ag, 0.66% Pb, 0.61% Zn,
average width 4.6 ft., length 56.5 ft.
Gross metal value - \$17.27 per ton.

Zone 3

0.369 oz. Au, 23.06 oz. Ag, 6.4% Pb, 2.6% Zn,
average width 4.5 ft. length 77 ft.
Gross metal value - \$79.59 per ton.

Zone 4

0.728 oz Au, 1.84 oz. Ag, 0.28% Pb, 0.21% Zn,
average width 4.0 ft., length 58 ft.
Gross metal value - \$31.66 per ton.

Zone 5

0.30 oz. Au, 3.62 oz. Ag, 0.79% Pb,
average width 4.6 ft., length 17 ft.
Gross metal value - \$19.51 per ton.

Zone 6

0.326 oz. Au, 9.56 oz. Ag, 2.61% Pb, 1.42% Zn.
average width 4.0 ft., length 21 ft.
Gross metal value - \$40.39 per ton.

Zone 7

0.249 oz. Au, 7.78 oz. Ag, 1.42% Pb, 1.0% Zn,
average width 4.2 ft., length 65 ft.
Gross metal value \$29.86 per ton.

Zone 8

0.329 oz. Au, 10.36 oz. Ag, 2.12% Pb, 1.92% Zn,
average width 5.4 ft., length 105 ft.
Gross metal value - \$41.94 per ton.

Zone 9

0.59 oz Au, 2.04 oz. Ag, 0.36% Pb,
average width 5.2 ft., length 25 ft.
Gross metal value \$27.28 per ton.

The No. 2 - 1A W. Drift advanced a total of 490 feet and while its average width (6 ft.) is greater than the north drift, the metal values tend to be below ore tenure. Three zones in this heading are shown on the attached map as follows:

Zone 12

0.185 oz. Au, 22.0 oz. Ag, 0.05% Pb,
average width 5.4 ft., length 15 ft.
Gross metal value - \$45.53 per ton.

Zone 13

0.35 oz. Au, 2.28 oz Ag, 0.6% Pb, 0.32% Zn,
average width 5.0 ft., length 27 ft.
Gross metal value \$19.16 per ton.

Zone 14 (assays for first 70' only)

0.30 oz Au, 8.0 oz. Ag, 2.2% Pb, 1.3% Zn,
average width 4.0 ft., length 70 ft.
Gross metal values - +\$32.00 per ton.

Three raises were driven to determine the up-dip continuity of the mineralization and in one of them located at station 2725 the vein was faulted off five feet above the drift. 28 feet of raise was driven here through three parallel faults and the vein diverged into a series of parallel stringers.

One of the other raises located in the west drift, 27 - 109 Raise, was driven for geological information and was started on a wide section of the vein that was below ore grade in the drift. This raise intersected 68 feet of vein grading 0.497 oz. Au and 6.07 oz. Ag. over an average width of 6.0 ft. and is still ore grade at the face. It is scheduled to be extended in the near future.

The third raise, 27 - 117 Raise, was started in the north drift at station 2743 + 35'. The first 27 feet of this raise grades 0.38 oz. Au, 7.69 oz. Ag, 2.11% Pb. and 1.56% Zn over an average width of 4.5 feet. The raise is still in progress and at last report was over 100 feet up and still in ore grade mineralization. Assays will be reported when received.

GROUND CONDITIONS

The hanging wall and the foot wall of the vein zone are both strong competent andesite and require little or no support. Some timbering has been required in local areas where faulting occurred but, in general, there is no support required even in the areas opened fairly wide at drift intersections. There is, as a result, a reasonable expectation that the calculated grades on the sections diluted to 4 feet can be improved by careful mining during stoping operations.

METALLURGY

The sample rejects from all of the ore sections have been obtained from the assay office and are being grouped according to their respective ore section. These samples will constitute a small bulk sample and will be forwarded to a recognized testing laboratory for preliminary metallurgical tests. The results of these tests will be forwarded when received.

ORE RESERVES

Based on the continuity of the ore grade mineralization in the drifts and the fact that two raises are up 74 feet and over 100 feet respectively with both faces still in ore, it is reasonably assured that probable ore reserves can be calculated to 75 feet above and below the present drift horizon. This gives a calculated weighted average figure of probable reserves of 49,800 tons averaging \$39.61 per ton in gross metal values. It would be possible to calculate inferred tonnages well in excess of this figure as there are some 450 feet of backs above the drift elevation and 3000 feet of vein traced on

surface ahead of the north drift face. However, it is considered best to be conservative until further exploration is carried out.

The next steps are to continue the north heading, extend the present raises, drive two more raises from this elevation and, most important, to drive a lower adit. (See next section). If the lower adit proves to have the same frequency of ore sections as the present adit then the probable, and as raises are driven, proven ore will be well in excess of 150,000 tons over the present sections only. It is worthy of note that the grades on this horizon are better than those obtained in the old workings near surface and that the silver-lead ratios have been higher than they were near surface.

Future Program

1. Extend the north heading 500 feet	\$40,000
2. Extend the present raises to end of ore	5,000
3. Drive two additional raises on the 2750 level	10,000
4. Prepare a new adit site	6,000
5. Drive a lower crosscut 900 ft.	72,000
6. Drive 1000 ft. of drift in the lower adit	80,000
Contingencies	17,000
Engineering, Geological	<u>15,000</u>
 TOTAL COST	 <u><u>\$245,000</u></u>

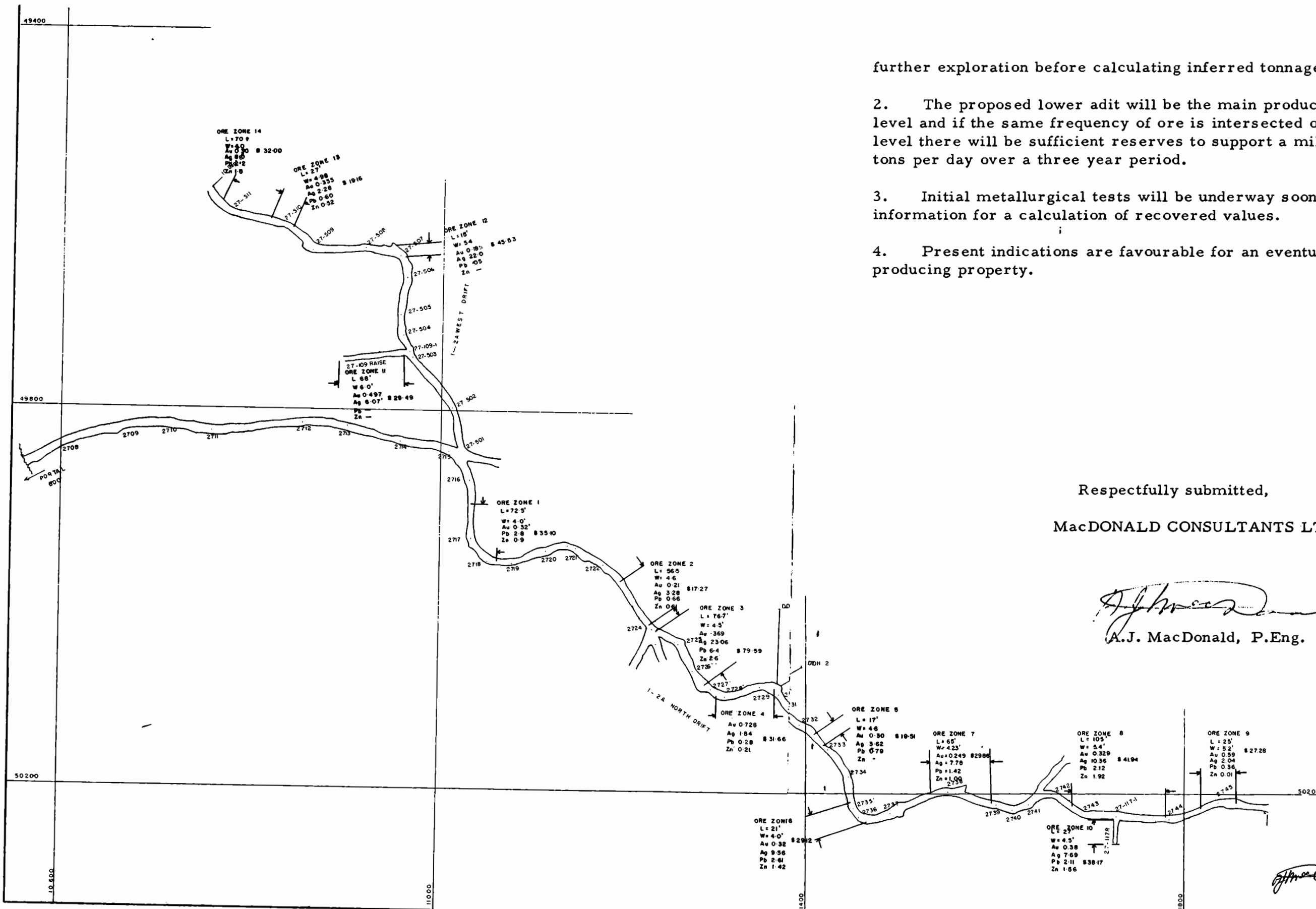
Note: The new adit will be designed as the main haulage level and is placed so that two intermediate levels can be driven between it and the 2750 level.

Other Items

1. The assessment work in the form of geological mapping and geophysics was completed on the Windy 5 - 8 claims. This work is presently being compiled.
2. The road to the camp was improved and a new section was constructed in one area.
3. The new adit location has been transit surveyed and the elevations checked by an independent level survey. The adit location has been staked out.

SUMMARY

1. The frequency of ore grade sections in the drift and the continuity of the ore up-dip in the raises enables a calculation of probable ore reserves of 49,800 tons with a gross metal value of \$39.61 per ton. Inferred tonnages, if calculated would be considerably higher but it is considered best to carry out



further exploration before calculating inferred tonnages.

2. The proposed lower adit will be the main production and haulage level and if the same frequency of ore is intersected on it as on the 2750 level there will be sufficient reserves to support a mill of at least 200 tons per day over a three year period.
3. Initial metallurgical tests will be underway soon and will give information for a calculation of recovered values.
4. Present indications are favourable for an eventual profitable producing property.

Respectfully submitted,
MacDONALD CONSULTANTS LTD.

A.J. MacDonald
A.J. MacDonald, P.Eng.

ALL VALUES CALCULATED TO MINIMUM 4.0'
MINING WIDTH
Au 38.00 per Oz
Ag 1.75 per Oz
Pb .14 per lb
Zn .14 per lb

VENUS MINES LIMITED	
MacDONALD CONSULTANTS LIMITED	
11 - 425 HOWE ST.	VANCOUVER 1, B.C.
2700 LEVEL	
SCALE 1" = 50'	ORE ZONES
DRAWN	
DATE SEPT 1967	
NUMBER 206-39-1	