

PELLY RIVER MINES

Review of Fieldwork 1979
and
Proposed Program and Budget 1980

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By:

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Vice President, Exploration
January, 1980

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CYPRUS ANVIL MINING CORPORATION

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PELLEY RIVER MINES

Review of Fieldwork 1979 and Proposed Program and Budget 1980

INTRODUCTION

Work involving Pelly River Mines holdings was again centered on the DY deposit but, except for legal claim surveys and new orthophoto production, expenditures were solely on Cyprus Anvil DY, rather than Pelly River Mines GALE claims. This situation arose from the unexpected width and complexity of the dyke interference zone on the southeast end of the deposit and potential projections on GALE claims and the difficult overburden drilling in the Blind Creek area. One hole was drilled to 1,000 feet on the TIE claims to test continuity of the Firth mineralization in the graphitic phyllite 5A unit, but with no encouraging results. No work of significance was carried out on the JOE, LO, BILL groups, apart from new topographic and orthophoto surveys.

1979 RESULTS

1. DY Deposit Drilling

Eighteen holes were drilled on the DY deposit in 1979, all on Cyprus Anvil DY claims, but with results indicating added potential on adjacent GALE claims. Holes 79-X-02, 04, and 05 were drilled on section 19+50E from north to south, with the

intention of examining the potential of the southeast end of the deposit and possible stepouts onto GALE 46 claim. However, the dyke interference zone extended further west and was more complex than anticipated and overall ore-grade intercepts in these holes were disappointing.

Apart from fill-in holes on the known, high-grade zones, the remaining holes were used to extend higher sulphide horizons containing barite-associated, high-grade material south of 77-X-05 and northwest of 77-X-11. Overall, the drilling indicated six separate sulphide horizons in which major tonnages of high-grade baritic facies are concentrated in Horizons Nos. 3 and 5 (previously Nos. 2 and 4). Opportunities for expanded high-grade zones with potential extensions onto Pelly River Mines claims exist in Horizons Nos. 3, 4, 5 and 6 to the southeast onto GALE 25, and northwesterly in Horizon No. 3 under GALE 13. Some 15 - 20 million tons of material, averaging 12% Pb-Zn, is currently outlined in three major zones within Horizons Nos. 3 and 5. Further work will concentrate on outlining the overall extent of the deposit and defining all high-grade zones before underground exploration and development is instigated, probably in 1981.

2. TIE Claims Drilling

A single hole was located south of the Firth deposit on the upthrow side of the Doal Lake fault. The dual purpose of the hole was to test E.M./Mag. responses over presumed 5A graphitic phyllite and potential sulphide extensions from the Firth deposit. The hole did intersect units 5B, 5A and 3G with the 5A graphitic horizon containing minor iron sulphides only. Marginal phases of the Anvil batholith were intersected at the relatively shallow depth of 860 feet. It would therefore appear that the Firth deposit is an up-faulted, synformal outlier of the Grum deposit without significant sulphide extensions. A summary log of the TIE 79-01 hole is attached.

3. Legal Surveys

Legal survey of 15 claims and fractions was commissioned, to cover the DY deposit and possible extensions. This included Pelly River Mines GALE 13, GALE 46 and QUE FR. 33. These claims can now be taken to lease status at any time by implementing the acceptance and registration of the legal survey. The timing on taking the surveyed claims to lease status will be reviewed in the light of amendments to lease status which are pending.

4. Topographic Surveys and New Orthophoto Maps

In the light of recent UDM co-ordinate corrections and the need for accurate detailed contour maps of the Vangorda Plateau area, encompassing the Grum, Vangorda, DY and Swim deposits and potential routes to the existing mill complex at the Anvil Mine, a new set of photography and orthophoto maps was commissioned. This required an extensive network of surveyed triangulation control points and tie-ins to existing borehole collar surveys, claim surveys, etc. New photography was flown at scales of 1:8,000 and 1:20,000 for the production of 1:5,000, 5-metre contour and 1:2,000, 2½-metre contour topographic maps. The more detailed scale is confined to deposit areas including the DY. Costs of the surveys and maps were distributed proportionately to the land area covered in respect of Cyprus Anvil and Pelly River Mines claims. The commissioned maps should be available in early 1980. Complete and corrected survey data, tying all major survey points in the Anvil district, is in hand.

5. Claims

Approximately 850 claim years were filed as assessment on Pelly River Mines ground in 1979, using work both on Pelly River Mines claims and adjacent

ground, in order to maintain the maximum assessment credit. Copies of updated claim records, with revised expiry dates, for all Pelly River Mines claims and fractions are attached to this report.

PROPOSED WORK PROGRAM 1980

On the basis of 1979 results on DY and as part of the continuing evaluation of the Faro block potential, drill programs on Pelly River Mines GALE and JOE claims are planned for 1980. On the DY area GALE claims, one hole of three planned to test the northwest extension of Horizon No. 3 falls on GALE 13 and is projected to 2,500 feet. Two holes to test extension potential to the southwest of Horizons Nos. 5 and 6 fall on GALE 25 and total 6,600 feet. Rotary drilling west of Blind Creek to define the 5B/3G contact may extend onto the northeast margin of the GALE claims.

One of five holes planned to test along strike southeast of the Faro deposit falls on Pelly River Mines JOE claims for a projected depth of 1,800 feet.

There are no immediate plans for further drilling of the TIE claims area, which will be considered as part of the overall evaluation of the Grum underground reserves in due course. Legal formalities to take the

surveyed 15-claim DY-GALE block to mining lease will
be considered in 1980.

Respectfully submitted,
CYPRUS ANVIL MINING CORPORATION

J. G. Simpson
Vice President, Exploration

JGS/ck

Appendix i

SUMMARY LOG

DDH 79-TIE-01

<u>Metres</u>			
0.0	5.9		Overburden.
5.9	199.0	5B/D	Interbanded calcareous and non-calcareous muscovite-chlorite-biotite phyllite and chloritic phyllite.
199.0	204.8	5A0	Variably calcareous, graphitic phyllite.
204.8	219.7	3G9	Carbonaceous, non-calcareous, muscovite-chlorite-biotite phyllite, undifferentiated.
219.7	233.4	3F0	Marble and silicated marble.
233.4	241.4	3G0	Non-calcareous, muscovite-chlorite-biotite phyllite, undifferentiated.
241.4	244.1	3F0	Marble and silicated marble.
244.1	262.0	3G0	Non-calcareous, muscovite-chlorite-biotite phyllite, undifferentiated.
262.0	288.9	0C1	Biotite quartz monzonite - Anvil Batholith.

END OF HOLE

I N V O I C E

PELLEY RIVER MINES EXPENDITURES

1979

Salaries and Wages	\$ 2,142.38
Consulting Fees	18.15
Surveys	14,970.60
Drilling	21,603.55
Roads and Airstrips	70.46
Assays and Geochemical Analyses	85.88
Field Equipment and Supplies	968.20
Camp Maintenance	1,085.59
Fuel	53.24
Rotary Wing	2,031.99
Miscellaneous Transportation	217.43
Property Maintenance	4,846.88
Legal	888.20
Audit	700.00
Rental Credit (Surface Leases)	(165.00)
	<hr/>
	\$49,517.55
	<hr/>
Rose Creek Vangorda Mines - 28.57%	\$14,147.16

Appendix iii

PELLY RIVER MINES
1980 BUDGET ESTIMATE

<u>Code</u>	<u>Description</u>	<u>Estimated Cost</u>
01	Salaries and Wages	\$ 30,000.00
03	Consultants (Computer Costs)	7,600.00
07	Surveys (Topographic and DDH)	17,000.00
08	Drilling - DDH 10,900' x \$23 - Rotary 800' x \$15	262,700.00
10	Roads and Access (site preparation)	2,000.00
11	Assays and Analyses	5,000.00
12	Field Equipment and Supplies (core shack, etc.)	11,000.00
13	Camp Maintenance	14,000.00
14	Fuel (diesel-gas-propane)	700.00
17	Miscellaneous Transportation (vehicles, air fares, shipping)	8,000.00
33	Property Maintenance (legal costs to lease and assessment fees)	7,000.00
44	Administration and Overhead (Accounting, Audit, Legal, Office, Salaries and Supplies, etc.)	35,000.00
		<hr/>
		\$400,000.00
		<hr/> <hr/>
	Rose Creek Vangorda Mines - 28.6%	\$114,500.00
	Cyprus Anvil Mining Corporation - 71.4%	\$285,500.00

Appendix iv

COMPANY PELLY RIVER MINES CLAIM BILL PROPERTY OWNERSHIP Cyprus Anvil 62.8%
R.C.V. 28.6%
C.M.C. 8.6% M.D. Whitehorse N.T.S. 105-K-6

Claim No.	Grant No.	No. of Claims	Staked by	Recording Date	Transfer Information		Due Date	Assessment Work and Remarks
					To	Date		
16	85598	1	M. Ladue	Nov. 16/63	Pelly River Mines	Oct. 19, 1965	July 1, 1987	Assess. Work Filed
17-18	85599-85600	2	G. Sterriah	Nov. 15/63	"	"	July 1, 1987	Date: Feb. 1976
20	85602	1	G. Sterriah	Nov. 15/63	"	"	March 1, 1988	Type: DDH 75-13
22	85604	1	G. Sterriah	Nov. 15/63	"	"	March 1, 1988	(July 11-Aug. 28/75)
24	85606	1	G. Sterriah	Nov. 15/63	"	"	March 1, 1988	* * * * *
26	85608	1	A. Dickson	Nov. 15/63	"	"	March 1, 1988	Assess. Work Filed
28	85610	1	A. Dickson	Nov. 15/63	"	"	March 1, 1988	Date: Nov. 26/76
30	85612	1	A. Dickson	Nov. 15/63	"	"	March 1, 1988	Type: DDH 76-DS-2
32	85614	1	A. Dickson	Nov. 15/63	"	"	March 1, 1988	(June 30-July 22/76)
33-38	85615-85620	6	G. Bob	Nov. 15/63	"	"	March 1, 1988	* * * * *
See <u>QUE FRACTIONS</u>								Assess. Work Filed Date: Sept. 6/79 Amt. \$975.00 Type: DDH 79-F-03 CERTIFICATES OF WORK NOT RECEIVED

COMPANY PELLY RIVER MINES CLAIM GALE PROPERTY OWNERSHIP Cyprus Anvil 62.8% R.C.V. 28.6% C.M.C. 8.6% M.D. ... Whitehorse N.T.S. 105-K-3 & 6

Claim No.	Grant No.	No. of Claims	Staked by	Recording Date	Transfer Information		Due Date	Assessment Work and Remarks
					To	Date		
1	Y67319	1	C. Van Dusen	Oct. 23, 1972	Pelly River Mines	April 27, 1973	March 1, 1989	Assess. Work Filed
2	Y67320	1	C. Van Dusen	Oct. 23, 1972	"	"	March 1, 1989	Date: Jan. 6, 1978
3	Y67321	1	C. Van Dusen	Oct. 23, 1972	"	"	March 1, 1989	Amt. \$26,400
4	Y67322	1	C. Van Dusen	Oct. 23, 1972	"	"	March 1, 1989	Type: DDH 77-11
5	Y67323	1	C. Van Dusen	Oct. 23, 1972	"	"	March 1, 1989	*****
6	Y67324	1	C. Van Dusen	Oct. 23, 1972	"	"	March 1, 1989	Assess. Work Filed
7	Y67325	1	C. Van Dusen	Oct. 23, 1972	"	"	March 1, 1989	Date: Aug. 1/79
8	Y67326	1	C. Van Dusen	Oct. 23, 1972	"	"	March 1, 1989	Amt. \$17,800
9-12	Y67327-Y67330	4	R. Van Dusen	Oct. 23, 1972	"	"	March 1, 1989	Type: DDH 79-X-02
13-20	Y67331-Y67338	8	K. Francis	Oct. 23, 1972	"	"	March 1, 1989	CERTIFICATES OF WORK NOT RECEIVED
21-24	Y67339-Y67342	4	R. Van Dusen	Oct. 23, 1972	"	"	March 1, 1989	
25-31	Y67343-Y67349	7	J. Francis	Oct. 23, 1972	"	"	March 1, 1989	
32	Y67350	1	J. Francis	Oct. 23, 1972	"	"	March 1, 1989	
33	Y67351	1	A. Hart	Oct. 23, 1972	"	"	March 1, 1989	
34-35	Y67352-Y67353	2	A. Hart	Oct. 23, 1972	"	"	March 1, 1989	
36-39	Y67354-Y67357	4	A. Hart	Oct. 23, 1972	"	"	March 1, 1989	
40-46	Y67358-Y67364	7	J. Hart	Oct. 23, 1972	"	"	March 1, 1989	
47	Y67365	1	A. Hart	Oct. 23, 1972	"	"	March 1, 1989	
48	Y67366	1	J. Hart	Oct. 23, 1972	"	"	March 1, 1989	
49-52	Y67367-Y67370	4	M. Banachowicz	Oct. 23, 1972	"	"	March 1, 1989	
53-56	Y67371-Y67374	4	M. Banachowicz	Oct. 23, 1972	"	"	March 1, 1989	
57F-64	Y67375-Y67382	8	W. Banachowicz	Oct. 23, 1972	"	"	March 1, 1989	
65F-66F	Y67383-Y67384	2	G. Maltby	Oct. 23, 1972	"	"	March 1, 1989	
See QUE FRACTIONS								

COMPANY PELLEY RIVER MINES CLAIM LO PROPERTY OWNERSHIP CAMC 62/8% R.C.V. 28.6% CMC 8.6%
 M.D. Whitehorse N.T.S. 105-K-6

Claim No.	Grant No.	No. of Claims	Staked by	Recording Date	Transfer Information		Due Date	Assessment Work and Remarks
					To	Date		
4-7	94121-94124	4	G. Peel	Nov. 18, 1965	Pelley River Mines	Jan. 17, 1966	March 1, 1988	Assess. Work Filed Date: Feb. 1976
8	94129	1	E. Schacht	Nov. 18, 1965	"	"	March 1, 1988	Type: DDH 75-15
9	94130	1	E. Schacht	Nov. 18, 1965	"	"	March 1, 1988	DDH 75-17
10-15	94131-94136	6	E. Schacht	Nov. 18, 1965	"	"	March 1, 1988	*****
16-19	94137-94140	4	W. R. Ford	Nov. 18, 1965	"	Sept. 27, 1966	March 1, 1988	Assess. Work Filed Date: Nov. 26, 1976 Type: DDH 76-DS-2 June 30-July 22/76 ***** Assess. Work Filed Date: Sept. 6/79 Amt. \$1,300.00 Type: DDH 79-F-03 CERTIFICATES OF WORK NOT RECEIVED

COMPANY PELLY RIVER MINES CLAIM QUE FRACTIONS

PROPERTY OWNERSHIP

Cyprus Anvil 63%
R.C.V.M. 28%
C.M.C. 9%

M.D. Whitehorse N.T.S. 105-K-6

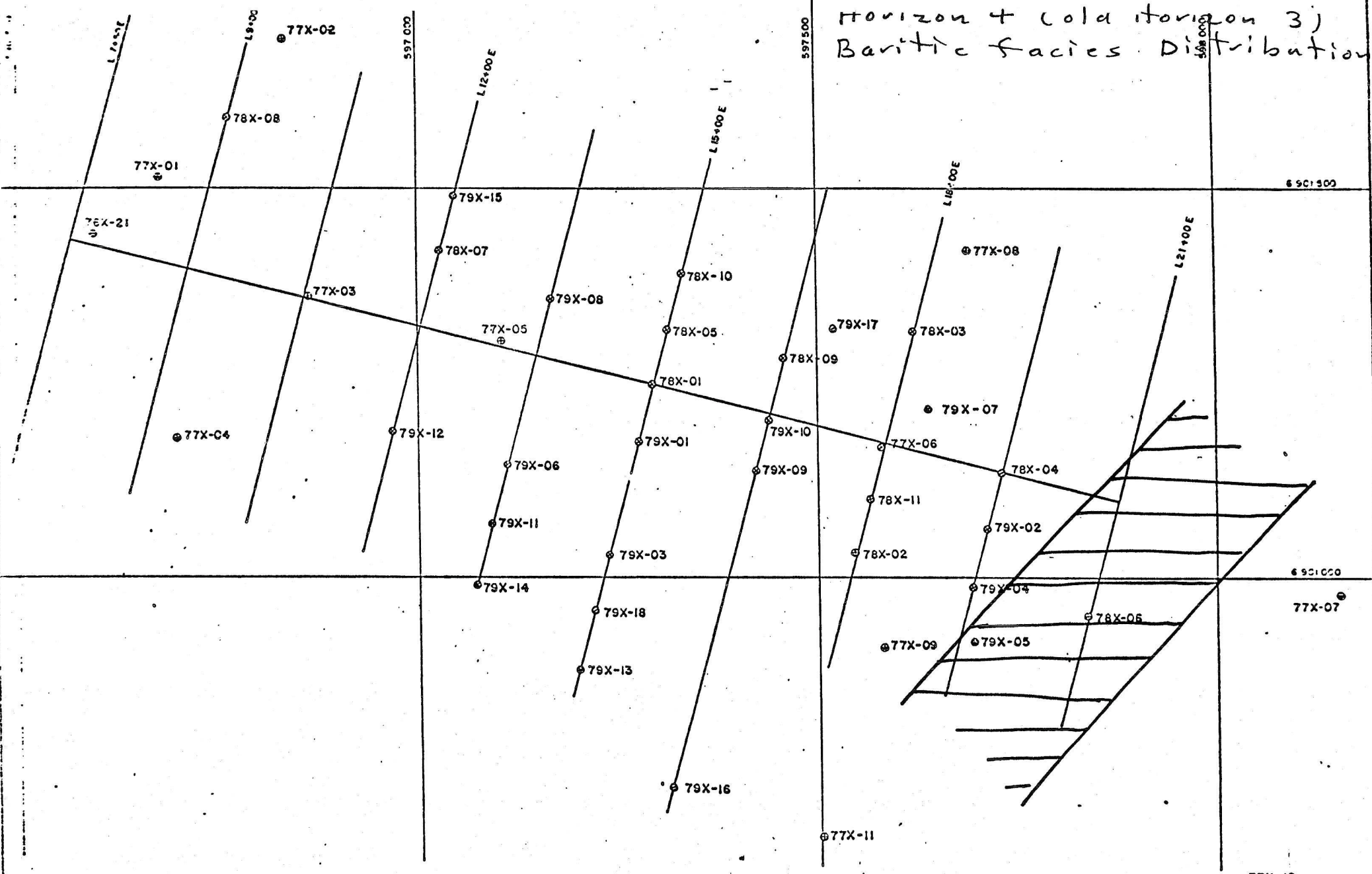
Claim No.	Grant No.	No. of Claims	Staked by	Recording Date	Transfer Information		Due Date	Assessment Work and Remarks
					To	Date		
<u>Related to BILL CLAIMS</u>								
6-7	Y10566-Y10567	2	J. T. Devere	Sept. 15, 1966	Pelly River Mines	Nov. 17, 1966	July 1, 1987	Assess. Work Filed Date: June 21, 1979 Amt. \$50.00 Type: DDH 79-TIE-01 *****
8-9	Y10568-Y10569	2	J. T. Devere	Sept. 15, 1966	"	"	March 1, 1988	
<u>Related to LO CLAIMS</u>								
10-13	Y10570-Y10573	4	J. T. Devere	Sept. 15, 1966	"	"	March 1, 1988	Assess. Work Filed Date: June 21, 1979 Amt. \$3,450.00 Type: DDH 79-X-02 *****
14	Y10574	1	Peter Gillis	Sept. 15, 1966	"	"	March 1, 1988	
<u>Related to JOE CLAIMS</u>								
16	Y10575	1	Peter Gillis	Sept. 15, 1966	"	"	July 1, 1982	Assess. Work Filed Date: Sept. 6, 1979 Amt. \$312.50 Type: DDH 79-F-03 CERTIFICATES OF WORK NOT RECEIVED
18	Y10577	1	Peter Gillis	Sept. 15, 1966	"	"	July 1, 1984	
<u>Related to TIE CLAIMS</u>								
17	Y10576	1	Peter Gillis	Sept. 15, 1966	"	"	March 1, 1986	
<u>Related to GALE CLAIMS</u>								
21-26	Y10659-Y10664	6	J. Kirkland	Sept. 27, 1966	"	"	March 1, 1989	Nov. 1/79 - Payment in lieu of assess. work forwarded to Common Data QUE 17 to March 1st.
27-28	Y10665-Y10666	2	R. Mieritz	Sept. 27, 1966	"	"	March 1, 1989	
29-30	Y10667-Y10668	2	R. Mieritz	Sept. 27, 1966	"	"	March 1, 1989	
31	Y10669	1	R. Mieritz	Sept. 27, 1966	"	June 30, 1977	March 1, 1989	CERTIFICATE OF WORK NOT RECEIVED
33	Y10671	1	R. Mieritz	Sept. 27, 1966	"	Nov. 17, 1966	March 1, 1989	
34	Y10672	1	R. Mieritz	Sept. 27, 1966	"	"	March 1, 1989	
35-36	Y10673-Y10674	2	P. Byers	Sept. 27, 1966	"	"	March 1, 1989	
38-39	Y10676-Y10677	2	P. Byers	Sept. 27, 1966	"	"	March 1, 1989	
41-42	Y10679-Y10680	2	P. Byers	Sept. 27, 1966	"	"	March 1, 1989	
80	Y10687	1	J. Heinze	Sept. 27, 1966	"	"	March 1, 1989	
81	Y10688	1	J. Heinze	Sept. 27, 1966	"	"	March 1, 1989	
82-85	Y10689-Y10692	4	P. Eineigel	Sept. 27, 1966	"	"	March 1, 1989	
86-87	Y10846-Y10847	2	M.O. Hampton	Oct. 24, 1966	"	June 30, 1977	March 1, 1989	
90-91	YA8246-YA8247	2	S. Buziak	Oct. 1, 1976	"	June 30, 1977	March 1, 1989	

COMPANY PELLEY RIVER MINES CLAIM WHI FRACTIONS PROPERTY OWNERSHIP C.A.M.C. 63% R.C.M.C. 28% C.M.C. 9% M.D. Whitehorse 105-K-6 N.T.S.

Claim No.	Grant No.	No. of Claims	Staked by	Recording Date	Transfer Information		Due Date	Assessment Work and Remarks
					To	Date		
21-24	Y1278-Y1281	4	E. Waddington	March 7, 1966	Pelley River Mines	Nov. 17, 1966	March 1, 1986	Assess. Work Filed Date: Dec. 1/77 Amt. \$9.500 Type: DDH 77-10 & 11 (Kerr Addison) * * * * * Nov. 7/79 - Payment in lieu of assess. work forwarded to Common Date all claims to March 1st. CERTIFICATE OF WORK NOT RECEIVED
25	Y1282	1	E. Waddington	March 7, 1966	"	"	March 1, 1986	
26	Y1283	1	E. Waddington	March 7, 1966	"	"	March 1, 1986	
27-32	Y1286-Y1291	6	D. Tully	March 7, 1966	"	"	March 1, 1986	
33-34	Y1284-Y1285	2	E. Waddington	March 7, 1966	"	"	March 1, 1986	
118-121	Y4370-Y4373	4	D. Carlick	April 6, 1966	"	"	March 1, 1986	
122	Y4374	1	D. Carlick	April 6, 1966	"	"	March 1, 1986	
123-125	Y4375-Y4377	3	D. Carlick	April 6, 1966	"	"	March 1, 1986	
126-127	Y4378-Y4379	2	L. Tommy	April 6, 1966	"	"	March 1, 1986	

Related to TIE CLAIMS

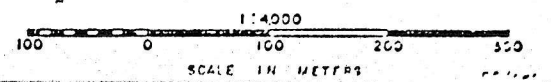
Horizon + (old horizon 3)
Baritic facies Distribution



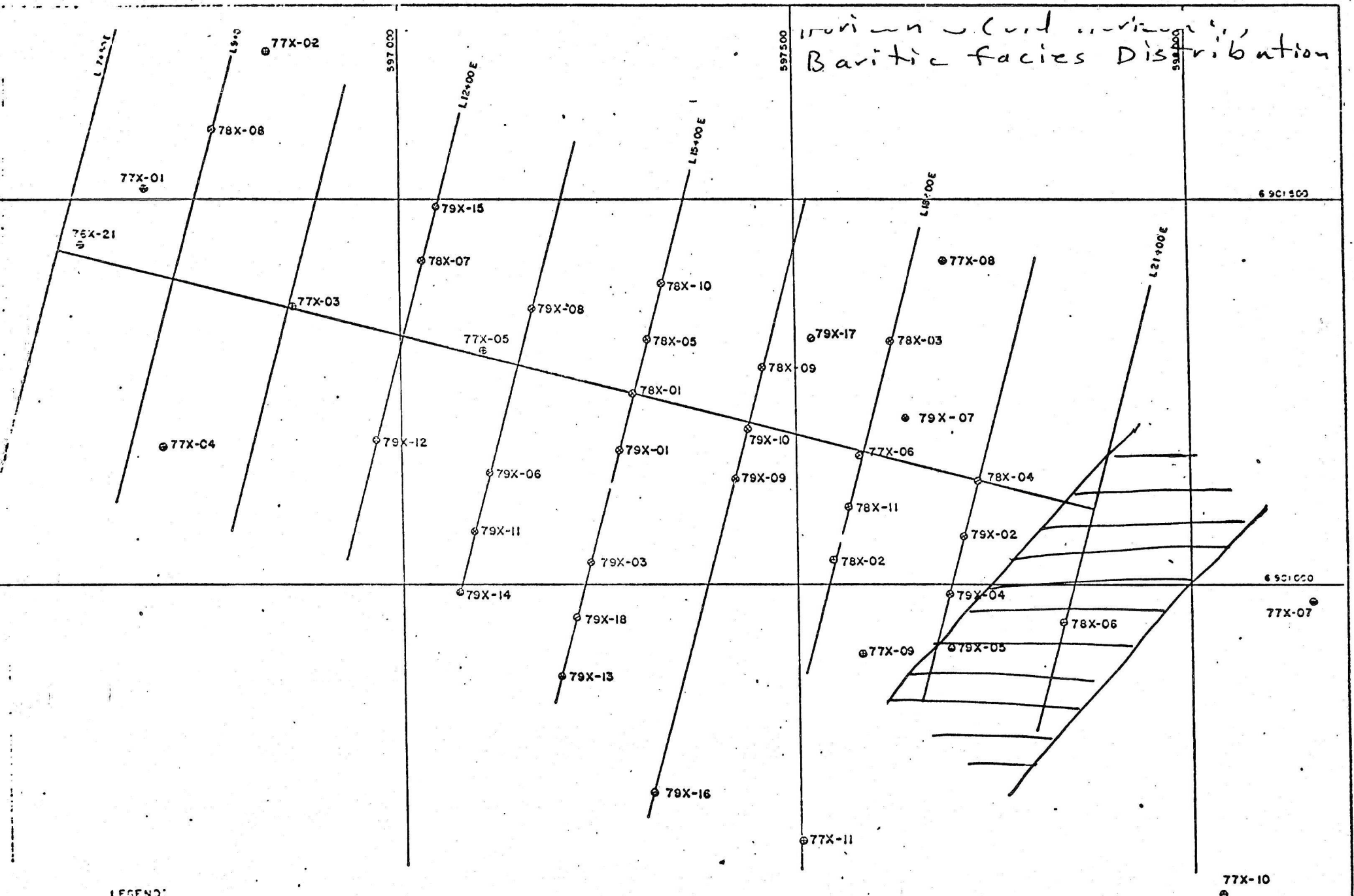
LEGEND:

- DRILL HOLE SURVEYED
- UNSURVEYED

CYPRUS ANVIL MINING CORPORATION
BY DRILL GRID



Baritic facies Distribution



LEGEND:

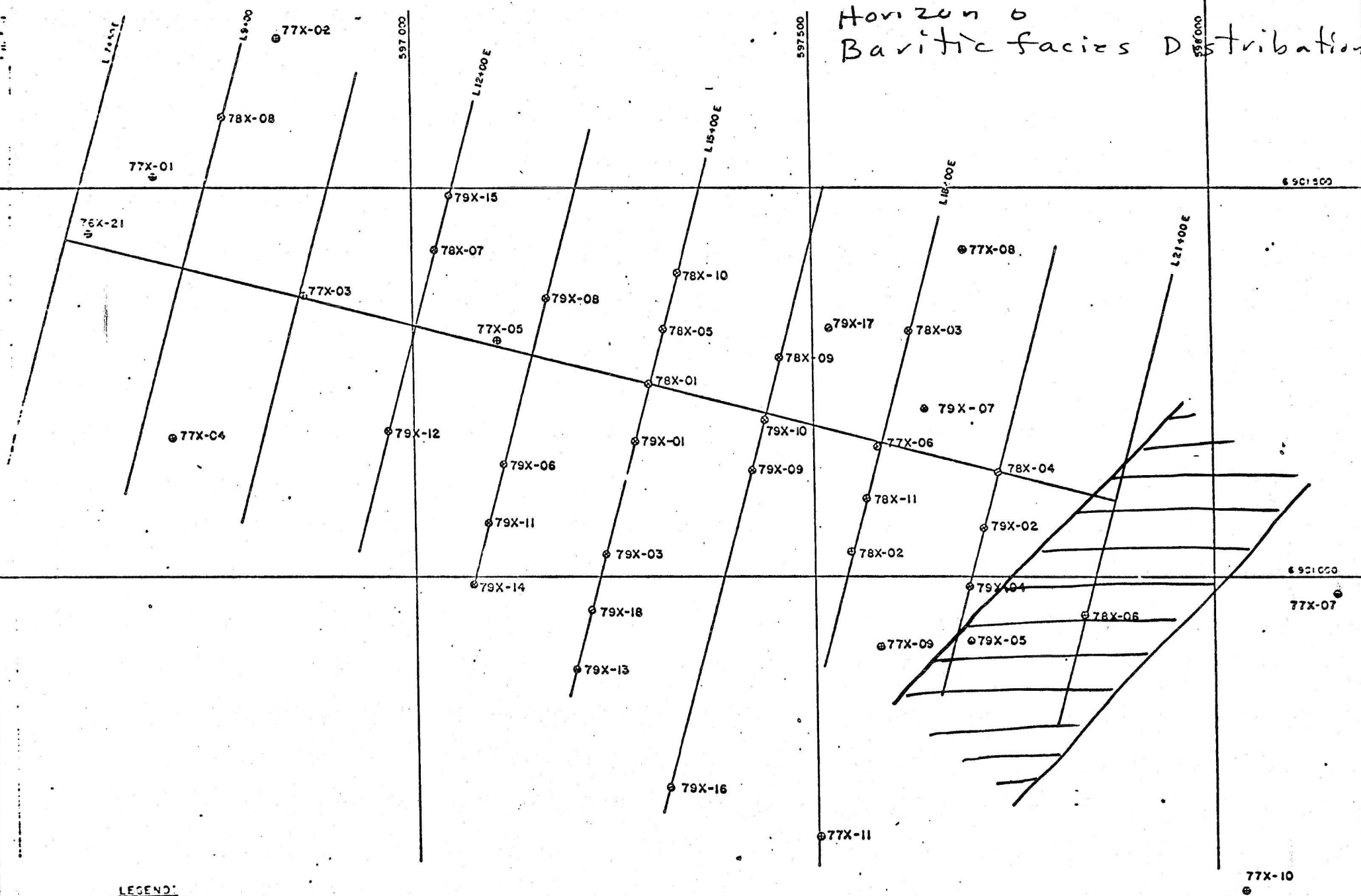
- DRILL HOLE SURVEYED
- UNSURVEYED

CYPRUS ANVIL MINING CORPORATION
 BY DRILL GRID

1:4000

100 0 100 200 300
 SCALE IN METERS

Horizon 6 Baritic facies Distribution



LEGEND:

- DRILL HOLE SURVEYED
- UNSURVEYED

CYPRUS ANVIL MINING CORPORATION
BY DRILL GRID

