Assessment Report on Prospecting

Kitch 2 and 3 Claims
Goat River Area

Nelson Mining Division
British Columbia

NTS Map 82 F/1
Latitude 49°10'
Longitude 116°20'

Owner:
Abitibi Mining Corp
1000-675 W. Hastings Street
Vancouver, B.C., V6B 1N2

Operator:
Abitibi Mining Corp
Cranbrook Field Office
3380 Wilks Road
P.O. Box 215, Main Station
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Report By:
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October 27, 1997

GEOLOGICAL SURVEY BRANCH
ASSessment REPORT

WP7 File: kit2-3.wpd

Cranbrook Field Office

25,205
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INTRODUCTION

1.10 Location and Access

The Kitch 2 and 3 mineral claims are located approximately 10 km east of Creston, B.C. See the index map (figure 1) for the location of the claim block. The claims are located along Goat River in the Nelson Mining Division on reference map NTS 82/F1 and centered near 49°10' latitude and 116°20' longitude. The property is easily accessed from Highway 3 from Creston to McConnell/Kitchener intersection.

1.20 History

No mineral history of the claims is known. B.C. Geological Survey Branch Open File 1995-14 (1:50,000 scale) map covers the area.

1.30 Physiography

The property is situated east of the Iron Range within the Moyie Range. Topography is moderate to steep with glacially rounded ridges. Within the property elevations range from 700 to 1700 metres.

Vegetation cover varies from immature to mature forests of larch, pine, spruce and fir. Considerable clear-cut logging has occurred on the claim group in the recent past and the logged areas are in various stages of regeneration.

1.40 Regional Geology

The area of the Kitch 2,3 claim block is underlain by Precambrian Purcell Supergroup rocks of the Aldridge Formation (figure 2). These are fine-grained clastics that include impure quartzites, siltstones and argillites. The rocks have been metamorphosed to lower greenschist facies and have been intruded by a series of mafic sills and dykes.

1.50 Property

The Kitch 2,3 claim block consisting of 32 claim units and two claims (figure 3) is a contiguous block of claims owned by Abitibi Mining Corp, 1000-675 W. Hastings Street, Vancouver, B.C. with the following subdivision:

<table>
<thead>
<tr>
<th>Claim Name</th>
<th>Tenure No.</th>
<th>No Units</th>
<th>Current Expiry Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kitch 2</td>
<td>348979</td>
<td>20</td>
<td>30-Jul-98</td>
</tr>
<tr>
<td>Kitch 3</td>
<td>349527</td>
<td>12</td>
<td>4-Aug-98</td>
</tr>
</tbody>
</table>
Figure 1.--Location Map.
Figure 3.--Regional geology map of the Purcell Supergroup, Southeastern British Columbia.
1.60 Scope of Present Program

The 1997 program consists of five (5) days each of prospecting by Craig Kennedy, Tom Kennedy and Mike Kennedy between May 30, 1997 and July 22, 1997. The prospectors identified significant outcrops that might contain mineralization and alteration.

2.00 Prospecting Report

The Kitch claims cover lower Aldridge (Ramparts formation) up through to upper middle Aldridge rocks. The most prominent feature of the claim group is the hinge of the Goat River anticline. The hinge traverses along the inside of the western claim boundary. The eastern boundary follows the east limb of the anticline which is highlighted by a magnetic anomaly. South of Highway #3, this anomaly is terminated by a strong northeast magnetic anomaly.

Geological features of importance which exist on and adjoin the Kitch property are the following:

1) Fragmental packages
2) Granophyres
3) Alteration
4) Structure
5) Diatremes
6) Mineralization
7) Time marker beds

2.01 Fragmental packages

Fragmentals have been noted outcropping over the length of the property. Most outcrops seen have limited exposure and are made up of argillite clasts ragged in nature within a green grey quartz rich sand matrix. The exception is a large group of fragmentals on the eastern aspect of Russell Creek. These unique fragmental packages have clasts of various sizes which have been altered to actinolite, biotite, sericite and chlorite, while other clasts are pyrrhotite and quartz pyrite. The matrix is a dirty grey quartz rich sand. The sand has varying amounts of iron with some zones of fragmental being very rusty. Two of the argillite clast fragmentals have large amounts of iron pyrite. All fragmental packages noted seem to have a close relationship with local structures. Some also show a kinship with gabbro intrusives. A similar package to that of Russell Creek exists north of the Goat River, northwest of Kitchener in the 6 Mi. Creek area.

2.02 Granophyres

Large outcrops of granophyre can be found in association with gabbros (?) and the unique fragmentals within the Russell Creek, 6 Mi. Creek area. Some of the granophyre outcrops are clean white quartz rich bodies with abundant biotite while others are quite mafic and dirty, resembling altered gabbros or lamprophyre.
2.03 Alteration

The major alteration noted was in conjunction with the Russell, 6 Mi. Creek fragmentals and granophyres or faults and shears.

Of most interest is the widespread tourmaline needle alteration associated with the Russell Creek granophyre. Some zones of this alteration reach 40 cm in width, containing masses of black felted needles up to .5 cm in length. Disseminated needles were noted in fragmentals and sediments both in Russell and 6 Mi. Creeks. Some narrow black felted needle beds in close association with quartz veins were also seen in the granophyre in 6 Mi. Creek. In all areas where tourmaline needles were seen, brown and black float of aphentic tourmaline was also encountered.

Albite alteration of potential importance was noted in a number of areas. Most albite noted was either with obvious structure or in conjunction with the granophyre packages in Russell and 6 Mi. Creek. Albite exists in a number of forms from fine concoidal breaking white pink albite, to coarse granular carbonate rich beds along shears. Both forms of albite can be seen associated with gabbro sills. This alteration seems to occur only where structure cuts or is proximal to the sills.

Chlorite alteration is widespread, but most pervasive when coupled with structure. The best chlorite occurs with albite sericite alteration zones.

Sericite alteration is similar to chlorite in relationship.

2.04 Structure

The most prevalent structures encountered trend either northwest (300 to 340 ) or northeast (30 to 60 ). Other frequent trends are nearly due east, west (80 - 100 ). The Kitch showing has a very strong 80 fabric. This trend could be perpendicular to the hinge of the nearly north-south Goat River anticline. Structure usually is noted due to shearing, folding and quartz veining. Albite, chlorite alteration also provides strong evidence.

2.05 Diatremes

Adjacent to the Kitch property north of the Goat River is the existence of a large number of diatreme intrusives. The diatremes are light green yellow in color and almost always have orange carbonate rich rinds. The diatremes seen are usually quite small and limited in extent. The largest one seen exists along the east boundary. This diatreme is in a strong northwest trending structure associated with good albite alteration.

The diatremes either have a large portion of fragments or a fine matrix. Where you see fragments you usually find big books of brown black mica. All diatremes noted have bright green minerals present with varying amounts of disseminated sulphides, pyrite, pyrrohrite, chalcopyrite, rare sphalerite and galena.
2.06 Mineralization

In association with the Russell Creek fragmentals, some potentially important mineralization was noted. In float, fragmental was seen which had galena and actinolite concretions. Float was also noted with disseminations of arseno-pyrite in fragments. A combination outcrop of gabbro (?) and fragmental southwest of Kitchener had rare but visible sphalerite, abundant pyrrotite and chalco-pyrite. North of the Goat River on Kitch #2, black argillite float with sphalerite, galena was seen on several occasions. This area requires further prospecting.

2.07 Time marker beds

A lot of effort was put into trying to find marker horizons throughout the area prospected. Markers were found north of the Goat River, with samples brought back for matching. In the Russell Creek area, no markers were noted.

3.00 Conclusions and Recommendations

Prospecting has indicated a significant area for more detailed exploration, this being the Russell Creek area and corresponding hanging wall. Granophyre, fragmentals alteration and mineralization is similar in character and setting to that of parts of the Sullivan corridor. Other fragmental outcrops noted should have follow-up work also. These may be high level indicators of Sullivan type alteration.
4.00 STATEMENT OF COSTS

Prospecting (Craig Kennedy, Tom Kennedy and Mike Kennedy)
5-days @ $700/day including 4 x 4 truck) .......................... $3500

Report Writing (Craig Kennedy)
2-days @ $250/day .......................................................... 500

Drafting (Apex Design) autocad map and report supplies .......... 124.65

Total Cost .......................................................................... $4124.65

5.00 STATEMENT OF QUALIFICATIONS

As the author of this report, I Craig Kennedy, certify that:

1. I am an independent prospector with offices at 2290 DeWolfe Avenue, Kimberley, B.C.

2. I have been actively prospecting the East and West Kootenay districts of B.C. for the past 11 years and have made my living by prospecting for the past 9 years.

3. I have been employed as a professional prospector by both major and junior mineral companies.

4. I own and actively maintain numerous mineral claim properties in B.C. and have optioned many of these properties to various exploration companies over the past 9 years.

Signed Craig Kennedy
October 27, 1997