

002510

82F/NW & 82K/SW
082FNW 234 GEN GENCORDILLERAN ROUNDUP - SNAP SHOT REVIEWS
February 4, 1988

PROPERTY FILE

Property/Project

Name : ESPERANZA GOLD PROPERTY
 NTS : 82F/13 & 82K/4
 Claims : 239 claim units
 Acreage: 12,000 acres

Authors: John Brock and Wayne Roberts
 Commodities: Gold & Silver
 Names/Numbers

Agreements Esperanza Explorations holds 100 percent interest in Esperanza Gold Property subject to a 3% N.S.R. due to vendors.

History

High grade gold was first discovered in 1981 in the HEINO-MONEY Zone. Esperanza has defined 12 gold-silver zones associated with two northwest trending belts of porphyry sills and stocks. Four of the gold targets have seen preliminary drill testing and one is being explored from

Exploration (Techniques)	Amount	Type	Cost	underground.
Period 1981-1984	- Targeting plus 6610m drilling		\$2,442,200	
1985-1986	- 780m drilling, 380m drifting, bulk sampling & metallurgical testing		\$1,820,600	
1987	- 3050m drilling; 575m drifting; bulk sampling		\$2,036,000	

Development
 Period

No development so far.

Production
 Period

Tonnage(s) Method Grade

No prior production.

Geology

Regional Esperanza Gold Property underlain by sequence of Milford Group metasediments and Rossland Group metavolcanics cut by two northeast trending belts of porphyry sills and stocks with a strike length of 6-8 km.

Local 12 gold-silver skarn zones discovered within the two belts of porphyry intrusion. Gold occurs in calc-silicate, quartz skarns developed in meta-sedimentary and metavolcanics adjacent to or in close proximity to diorite porphyry sills.

Alteration

Gold-skarn assemblages consist of quartz, plagioclase, tremolite-actinolite, clinozoisite, garnet, biotite and microcline. Skarns contain quartz-calc-silicate segregations, injections and veins that vary from less than 1 centemetre to 3 metres thick. Skarn zones vary from 2 metres to in excess of 60 metres thick.

Current Exploration

Exploration has outlined gold mineralization in the HEINO-MONEY, EAST RIDGE and STREBE deposits and identified additional prospects with excellent exploration potential. Four gold zones and one silver zone have been preliminary drill tested and one of the four zones is being explored from underground. A total of 100 drill holes and 956 metres of underground drifting have now defined sufficient gold reserves on the HEINO-MONEY deposit to initiate production of 100 tons per day with anticipated head grades of 1.0 oz/ton gold. The EAST RIDGE deposit, up to 30 metres thick, has been extended for 600 metres along strike and for 60 metres down dip, and remains open in all directions from 25 holes drilled, 3.0 million tons averaging 0.05 oz/ton gold are indicated. A higher grade central core has not been explored in detail. Eight drill holes in the STREBE deposit have confirmed continuity of gold mineralization to depth with values to 0.33 oz/ton gold over 9 metres. The zone has now been defined 65 metres down dip and for 75 metres along strike and remains open in all directions. 1988 Program includes initiation of production of 100 t.p.d. from HEINO-MONEY deposit and 3000 meters of exploration drilling on EAST RIDGE and STREBE deposits.

		<u>HEINO-MONEY DEPOSIT</u>	
<u>Reserves</u>	Geological, possible, probable and/or proven	Proven -	60,000 T @ 1.0 oz/T gold
		Drill Indicated	120,000 T @ 0.5 oz/T gold
		Geological Inferred	300,000 T @ 0.5 oz/T gold
Number of zones			<u>1</u>
Number of sample points			<u>+ 4500</u>
Average grade			<u>1.0 oz/ton gold (34.2 g/ton Au)</u>
Average thickness			<u>1.5 m</u>
Cut-off grade			<u>.15 oz/ton gold (5.1 g/ton Au)</u>

Costs

Recent exploration costs,
i.e. this period (1981-1987) \$ 6,298,800

Projected exploration costs of program
to development \$ 800,000

Projected development costs given
positive economics \$ 2,800,000

Projected operating costs given
positive economics \$ 180/ton

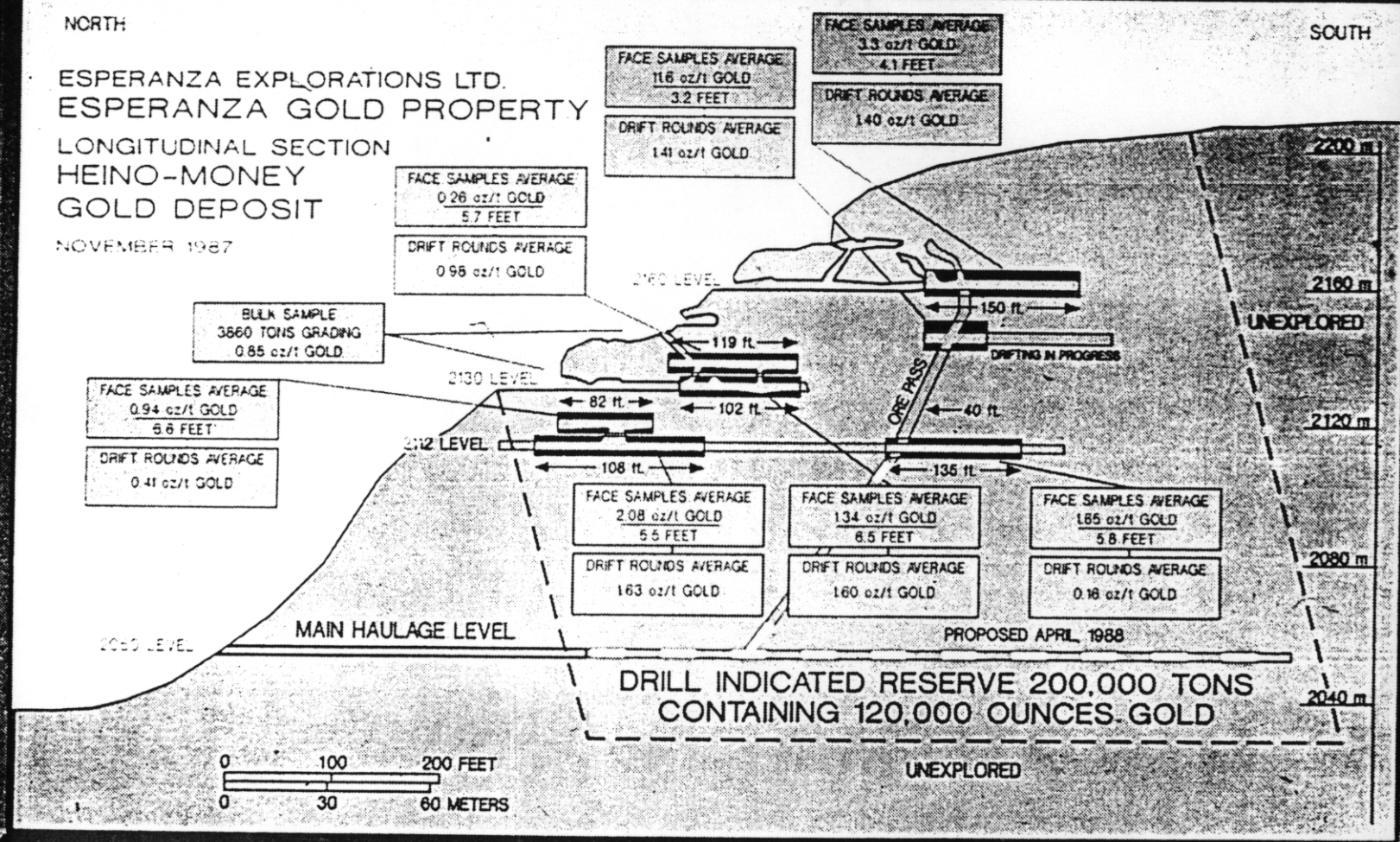
82F/NW + 82K/SW

NORTH

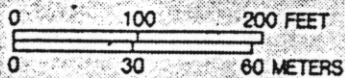
SOUTH

ESPERANZA EXPLORATIONS LTD. ESPERANZA GOLD PROPERTY LONGITUDINAL SECTION HEINO-MONEY GOLD DEPOSIT

NOVEMBER 1987



DRILL INDICATED RESERVE 200,000 TONS
CONTAINING 120,000 OUNCES GOLD



CORDILLERAN ROUNDUP - SNAP SHOT REVIEWS
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