Ministry of Energy, Mines and Petroleum Resources

.MEMORANDUM

LOG NO:

ACTION:

004599

April 17, 1991.

FILE NO:

To: V.A. Preto/T.G. Schroeter

From: R. E. Meyers

SOUTH-CENTRAL DISTRICT MONTHLY REPORT MARCH 1991

DISTRICT HIGHLIGHTS

- * ELK Fairfield Minerals Ltd. reported that Placer Dome Inc. paid \$250K to earn 50% interest in the property. Subsequently, Fairfield has bought back Placer Dome's interest and now holds 100% interest in the property. The company plans a \$1.2 million, 7600 metre drilling program on the Elk for 1991. Fairfield has recently reported a preliminary geological reserve on the Siwash North zone of 234,000 tons grading 0.63 oz/t Au, 0.64 oz/t Ag with a o.3 oz/t Au cut-off. In 1990the company also drilled 10 holes on the adjacent Dill property, a copper-gold target. Copper values here range from about 0.17% to 0.26% Cu, with minor gold values.
- * J & L Equinox Resources Ltd. and Cheni Gold Mines Ltd. are continuing with underground exploration on the newly discovered Yellowjacket zinc zone, which is about 40 metres above and parallel to the Main Zone. The zone is a Zn-Pb-Ag rich, Au-poor zone, but is also arsenic-free and has the potential to improve the base-metal reserve of the deposit. The zone has been intersected over 350 metres strike length and 100 metres down dip. If sufficient tonnage can be proven on the Yellowjacket zone, the companies are considering the possibility of mining that zone first and phasing in the gold-arsenic rich Main Zone which has proven and probable reserves of 808,000 tonnes of 2.5% Pb, 5.2% Zn, 7.2 g/t Au and 68 g/t Ag. Cheni recently increased the Phase 1 budget to \$4.5 Million from \$3.5 M as a result of the discovery.
- * Goldstream Goldnev Resources Inc. and Bethlehem Resources Corp. have discovered significant new copper-zinc mineralization several hundred metres down plunge of the main massive sulphides orebody. Metal values range from 1.1-6.3%Cu and 1.3-5.3% Zn over widths averaging about 10 metres. The operators expect to put the main deposit of about 1.86 million tonnes @ 4.81% Cu and 3.06% Zn into production by late 1991.
- * Jordan River First Standard Mining Ltd. is attempting to raise \$1 million to fund exploration on the Jordan River Pb-Zn-Ag-Ba stratiform sulphide deposit in the Shuswap/Monashee complex, northeast of Revelstoke.

* Samatosum Minnova Inc. has intersected new gold-rich mineralization just below the main ore zone. The zone was discovered during recent underground drilling to establish detail on reserves in preparation for the underground phase of the mining operation. Thickness of the new zone ranges from 2.1-11 metres, but averages between 2-4 metres, with grades approximately 0.43% Cu, 2% Pb, 3.23% Zn, 67 g/t Ag and 7.29 g/t Au. Mineralization is semi-massive, pyritic and highly silicified. The zone has been intersected over about 50 metres strike length. NOTE: Correction-February monthly reported 1990 Samatosum production to include 9 million ounces gold. Corrected figure is 9 thousand ounces (Thanks to Tom Schroeter for pointing out the error).

KAMLOOPS OFFICE ACTIVITIES

* Staffing:

G. Evans contract: March 1-28; After much effort in attempting to procure Graeme Evans as Todd's replacement, he elected not to accept the auxiliary position (April 1->) in favour of a contract-offer with Teck Explorations Ltd.

This was followed by a short panic search of available candidates and to our good fortune, **Ron Arksey** indicated interest in the Kamloops job. His auxiliary position in Victoria was "rolled over" to the new fiscal and assigned to Kamloops, effective April 1st/91. Welcome Ron!

* KEG Conference:

Most of March was spent in preparation for the Conference, Symposium and Field Trip; my main function was Co-cordinator of the event, as well as to produce the Symposium speakers program and abstracts (Regional Geology & Tectonics of South-Central B.C.) and all aspects of the Field Trip (Transect Revelstoke to Hope), including the guidebook.

March 11-15 was spent in Victoria collecting and reviewing data (mainly from the Short Course) for a Talk on Mineral Deposits and Metallogeny in S-C B.C. for the KEG Symposium.

- * Petrology for Prospectors Course: Todd spent a good deal of his time with miscellaneous prep work for this course. We also set up mine visits for the course to Samatosum and Ajax.
- * Advanced Prospecting Course: March 18th was spent with interviews and rock tests for 3 candidates.
- * Received permission to attend the Banff Industrial Minerals Forum in May (subsequently rescinded in April).

MEETINGS

- * Attended GSB Managers meeting on March 12th, while in Victoria.
- * Several KEG planning meetings to finalize conference preparations.
- * DG Teleconference call, March 20th.



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To: V.A. Preto From: R.E. Meyers and R. Arksey

SOUTH-CENTRAL DISTRICT MONTHLY REPORT

July 1991

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DISTRICT HIGHLIGHTS

- * The Goldstream Mine was Officially Re-opened on July 9th, 1991.
- * J & L Equinox Resources Ltd. and Cheni Gold Mines Ltd. report increased reserves on the J&L deposit as a result of recent underground and surface drilling. Tonnage increases are reported as follows:

 Main Zone:
 (probable) (possible)
 previous current 808,000 1,700,000 tonnes 607,000 3,070,000 tonnes 910,000 @ 7.4% Zn, 2.6% Pb, 55 g/t Ag

Overall probable and possible reserves in the Main Zone are estimated to be 4.77 million tonnes grading 4.3%-Zn, 2.7% Pb, 7.2 g/t Au, 72 g/t Ag and about 4.5% As.

- * Placer Dome Inc. plans to relocate its western Canada regional exploration office to Kamloops over the course of the next 6 to 8 months. As many as 25 company personnel may be involved in the move.
- * Most activity in July was concentrated in the Adams Plateau area:
- * Minnova Inc. and Rea Gold Corp. report significant results from drilling located approximately 2 km northwest of the Samatosum Mine. Milky-white quartz-carbonate veins within the "Samatosum Sedimentary Unit" hosts the mineralization. This unit lies between previously known mineralized horizons and has returned values up to 6.89 g/t Au over 2.1 meters. Minnova announced their decision to place underground reserves into production; u/g reserves are 80,300 tonnes @ 1,022 g/t Ag, 1.2% Cu, 2.9% Zn, 1.7% Pb and 1.7 g/t Au. Open pit plus underground reserves now stand at approximately 230,000 tonnes and will be depleted by October 1992.



- * Falconbridge Ltd. continued drilling on the Birk Creek property, located 15 km northwest of the Samatosum Mine. The target is the 2.0 km northwest striking "Central Trend" which is characterized by Zn-Pb-Cu-Ag massive sulphide mineralization. Grades reported have been up to 1.13% Cu, 2.0% Pb, 6.6% Zn and 81.6 g/t Ag over 2.2 feet.
- * Deep drilling (>800m) by Homestake Mineral Development Company on the **Twin and Kamad claims** has intersected the Rea horizon zone stratigraphy, but grades have been classified as sub-economic. No further work is planned and the company will likely drop its interest in the ground.

* Elsewhere in the Siwash area International Tower Resources has announced plans to explore their Siwash property; Laramide Resources are continuing work on the **Hit and Miss** claims, optioned from Inco Gold; Cominco Ltd. has completed a small drilling program on the **Axe** property.

KAMLOOPS FIELD/OFFICE ACTIVITIES

- * July 02 LandUse Final updates and revisions of a Ministry of Forests Mineral Resource map sent to editor. This map will be included in poster-form in displays held during Open House meetings, throughout the south-central region.
- * July 04, 16 and 23 Complete final (We hope) Map 65 revisions for the South-Central district up to Dec. 31, 1991 and sent to B. Grant.
- * July 09 Aid in the preparation and coordination of a mining history and geologic synopsis of the Isobel Lake area, north of Kamloops. This project was undertaken by an independent consultant and shall eventually lead to a published guide to be used by school-aged children.
- * July 15 Provide information and insight into the past and present mining activity in the Adams Lake watershed for Luc Deshesne. This will form the basis for his M.Sc. thesis (Simon Fraser) on resource management in the Adams Lake area.
- * July 19 Aid in the collection and assessment of mineral potential data of the Deadman's Creek area. This is the basis of a Native sponsored study of the land claims and uses of ground claimed by the Skeetasaan Indian Band, near Savona.
- * July 23 John Allen visit.
- * July 24 Field visit with Gerry Ray, Ian Webster and Ken Daughtry to look at a conglomerate west of Okanagan Lake in presumed Nicola sediments. This unit may be equivalent to the Copperfield conglomerate at Hedley.
- *July 25 Field examination of the Dimac tungsten property, north of Clearwater with Gerry Ray and Ian Webster.
- * July 26-28 Attended the Fort St. James conference and fieldtrip; also was able to attend a brief tour (led by Ian Paterson) of the Snowbird prospect, which is currently held by Cominco Ltd. Congratulations to JoAnne, Ted and crews for putting an excellent conference and field trip.
- * Provide exploration trends for the South-Central district for Tom Schroeter's quarterly report on the health of the Mining Industry.
- * KEG NEWS Rob Pease of Placer Dome and Alistair Kennedy of Connors Drilling have both (coincidentally) been posted to La Serena, Chile. Both individuals have made significant contributions to KEG activities during their time in Kamloops.