

VILLALTA NOTES

PROPERTY FILE

Location: - Nanaimo River headwaters

- 92F/1W, 2E

- east side of steep sided valley draining a Nanaimo R. tributary.

- elevation: 850 m

- myriad of logging roads to mine site

- wide open area (logged off)

Geology: - min'zn at unconformity betw Paleozoic Sicker and Buttle Lake Groups
volcanics, sediments and limestones and Cretaceous Nanaimo Gp sediments

- fossilized soil horizon (regolith)

- deposit type: manto - supergene altered - descending mineral-rich solns, leached
from near surface rocks, reprecipitate below, enriching sulphide zones

- hypogene altered - ascending mineral rich solns

- texture: brecciated

- min'zn = massy to powdery hematite (Fe_2O_3) at least 110 x 30 x 14 m

- secondary minerals: siderite (FeCO_3)

calcite (CaCO_3)

quartz (SiO_2)

serpentine ($(\text{Mg}, \text{Fe}) \text{Si}_2\text{O}_5(\text{OH})_4$) (alt'n of ^{olivine} mg. rich silicate)

goethite ($\alpha\text{FeO}(\text{OH})$)

- skarning of limest. to the south and west. Relationship to hematite
min'zn unknown.

- skarn minerals: garnet in minor wollastonite, calcite, pyroxene, tremolite
qtz, chlorite, sphene, K-feldspar, irregular Pyrite disseminations

- hematite veinlets crosscut skarns

- Au, Ag values in skarns low overall.

Reserves :- by Marino Specogna in 1986

- in good standing

- 36.1 kt (P1, P2) @ 3.4 g/t Au, 16.1 g/t Ag

[39.71 kt (P1, P2) @ 0.1 oz/ton Au, 0.47 oz/ton Ag]

- plotted on Map 65

- Au grades vary from 3.4 g/t to 8.57 g/t Au
(0.1 oz/ton to 0.25 oz/ton Au)

- (P3 reserves up to 10.7 kt)

Mining notes :- open pit (80 x 40 x 10m)

- can be mined out in one summer

- heap leach pad (cyanide)

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History: - discovery 1976 by Efrim Spasogno.

- work done includes drilling (), geophys, geochem

- 1986: Rpt prepared by Marina Spasogno for Mine Dev. Steering Committee →

- " 20,000 tonne heap leach pad requires grade of 0.15 g/t Au with a recovery of 65% to break even with profit of \$112,400.

Further tonnage will generate operating profit of \$452,000.

- management change over to New Carakim

N.B.: do not speculate or give OPINIONS

- answer questions of fact only

- be critical