

CANADIAN COAL LTD. W. HASTINGS
682-2268

926NE 026

WEST MAN
EAST MAN

NEVIN-SADLER 683-8277
TIM SADDLER BROWN

007990

George Cross

Reliable K

HEAVY.
PISSAM MOUNTAIN
PISSAM & PIRAMOUNT

NO.69(1990)
APRIL 6, 1990

WESTERN CANADIA

~~687 4166 NY~~ 253-2225 (OFFICE)
~~701-2662 (HOME)~~

KALI VENTURE CORP. (KIV-V)

1989 EARN-IN COMPLETED - Ralph Oakes, director, Kali Venture Corp., reports it has been advised by CORONA CORP. and CHARTER MINERALS INC. that Kali has fulfilled its 1989 earn-in commitments of \$225,000 spent on the Easy/Jo claims. Kali can earn a 50% interest by funding exploration over three years, at which point Corona and Charter will each maintain a 25% interest. The claim group is located on the west bank of the Lillooet River valley about 35 km NW of Harrison Lake.

Kali carried out line cutting and soil sampling, road construction and diamond drilling in late 1989. The soil survey confirmed and expanded upon earlier geochemical results and identified a new exploration target in the southern part of the property. The diamond drilling program comprised five angled holes totalling 1,330 feet designed to test two apparently parallel mineralized structures. A grab sample exposed in a trench on the most easterly structure gave an assay of 0.397 oz.gold/ton. This structure was intersected by hole #1 between 60 feet and 61.5 feet in depth, returning 0.15 oz.gold/ton over the 1.5 feet. The hole also intersected a narrow zone between 18 and 19.5 feet grading 0.123 oz.gold/ton. The zone was not identified with certainty in holes 2,4 and 5. Hole #3 was drilled to test a 2,000+ parts per billion gold soil anomaly in an area where a surface grab sample grading 0.596 oz.gold/ton was obtained previously. The hole returned 0.114 oz.gold/ton over 3.0 feet between 24 and 27 feet.

Drilling indicates the mineralized structure(s) exposed on the surface persist downdip in at least two areas. Assay values are lower and there is evidence gold mineralization may be intermittent; however, results are considered encouraging and more trenching and drilling are planned for 1990. (SEE GCNL No.45, 5Mar90, P.3 FOR OTHER KALI INFORMATION)

A KNO
GOLD TARGET

92GNE Genral

CALUNA & SWAN 10
O + JOURNAL SWAN
RESTAURANT - SEARAY BOWLS

160100

VEN ON FRACT SYSTEM THROUGH 320°
COMMON + MARGINAL STANDING.

10-12' width - LOTS OF SCATTERING.
MAY BE EXTENSIONS OF FERR MOUNTAINS.
STRIKES STRIKE

PYRITE - TRACES OF URAN & IRON.

DIPPING EASTWARD 70-75° TO FOLIATION.

- CROSS CUTTING STRUCTURES

IN FELSIC TUFFS → DACTYL ON DACTYL-TUFFS

→ ON CONTACT BETWEEN FELSIC UNIT & ANDRINE
TUFF. LOW WEST SIDE.

- COMPARABLE AIRING

- STRIKES ~ 200m ON SURFACE

the relatively untested south and central parts of the breccia zone and has demonstrated that significant additional reserves exist in these areas. For example, one drill intersection graded 1.15 per cent copper over 50.3 metres. A newly discovered breccia zone containing comparable copper and gold values, with locally high silver-lead-zinc, lies about 330 metres northeast of the AM zone and was extensively trenched and drilled in 1989. Other mineralized breccias occur on the property, most notably the Invermay breccia, but have yet to be explored in detail.

In the Britannia - Indian River roof pendant of Early Cretaceous Gambier Group volcanic rocks southeast of Squamish, Minnova Inc. continued systematic exploration by drilling on two separate optioned properties. At the divide between the headwaters of the Stawamus and Indian rivers, on a property optioned from International Maggie Mines Ltd. (100), Minnova drilled 2345 metres in seven holes in an ongoing search for volcanogenic massive sulphides in the "Slumach rhyolite". The Slumach rhyolite is an altered rhyolite fragmental unit with widespread low-grade zinc mineralization that stratigraphically overlies the Slumach polymetallic sulphide vein previously explored underground by International Maggie. In the Furry Creek valley (99), Minnova drilled 2372 metres in ten holes as part of an ongoing search for mineralization associated with the southeasterly extension of the Britannia mineralized "shear zone". This property is part of the former Anaconda holdings optioned by Minnova from Fleck Resources Ltd.

On a property called Easy and Jo (101), located on the Lillooet River opposite Skookumchuk and owned jointly by Hillside Energy Corporation and Corona Corporation, Kali Venture Corporation financed the drilling of a locally gold-bearing zone of strong shearing which is conformable with bedding in felsic tuffs of the Fire Lake volcanics. A similar gold-bearing, silicified and pyritized shear zone in carbonaceous argillites was drilled by Castle Minerals Inc. at the Wren property (105) on Rutherford Creek south of Pemberton.

A new project in 1989 was the underground drilling program carried out by McNellen Resources Inc. at Mount Foley (103), 24 kilometres east of Chilliwack. A total of 1519 metres of drilling was completed in 29 holes to test mineralization in the Lucky Four showing which consists of massive copper-molybdenum-gold-silver sulphides in garnetite skarn at the contact between a granodiorite intrusion and an argillite-greywacke assemblage, probably of the Chilliwack Group.

On Ladner Creek (104) near Hope, Anglo Swiss Mining Corporation (formerly Carolin Mines Ltd.) completed six surface drill holes on the McMaster zone and twelve underground drill holes on the Idaho zone. The company is optimistic about the potential for increased reserves and a substantially improved milling process which will enable

it to justify re-opening the Ladner Creek gold mine. Existing proven and probable reserves are reported to be 816 500 tonnes grading about 4.1 grams per tonne gold.

QUEEN CHARLOTTE ISLANDS

Exploration remained low key on the Queen Charlotte Islands through 1989 but received a minor spurt of interest late in the year as a result of the activity of Teck Explorations Ltd. on the Cimadoro property (106) optioned from Doromin Resources Ltd. The property is located at the north end of Moresby Island, about 35 kilometres west of Sandspit. The mineralization of interest consists of two massive sulphide lenses, with variable amounts of precious and base metals, apparently stratabound within a chert-argillite package immediately below the base of the Late Triassic Karmutsen Formation. Teck drilled six holes totalling about 1000 metres to test the assumed mineralized horizon, potentially a new stratigraphic target for the Queen Charlottes.

At the Cinola gold property (107) on Graham Island, Barrack Mine Management Inc. took over as operator from City Resources (Canada) Ltd. and is still waiting for completion of a feasibility study. Meanwhile environmental reviews are ongoing and public meetings are proposed for early 1990. The only physical work carried out in 1989 consisted of three drill holes totalling 320 metres to recover HQ core from the orebody for metallurgical testing.

INDUSTRIAL MINERALS

At the Lang Bay kaolin project (98) south of Powell River, the joint venture of Fargo Resources Ltd. and Brenda Mines Ltd. completed a diamond-drilling project which had begun in late 1988 to further delineate the primary (residual) kaolin reserves. The most recent published reserve is 6 million tonnes. Upon completion of prefeasibility studies in May, Brenda Mines announced that it was withdrawing from the project and no further exploration has been done since that date.

No other industrial minerals properties are currently being explored in the district, but there has been a significant increase in interest in dimension stone quarrying in 1989. Small amounts of granite tile have been produced from a quarry on Fox Island and quarry development is proposed at Sechelt, near Squamish, and at the former producing quarry on Knight Inlet. A new marble quarry at Bonanza Lake on Vancouver Island has also been proposed for development.

PLACER ACTIVITY

Platinate Minerals and Industries Ltd. (affiliated with Metals Research, S.A.) which owns and has been sys-