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CORDILLERAN ROUNDUP - SNAP SHOT REVIEW  
February 4, 1988

PROPERTY FILE 5

Property/Project

Name : SKYLINE EXPLORATIONS LTD.  
Reg Property  
N.T.S. : 104 B/11E  
Claims : REG 1 - 10, STANLEY 7  
ZEEHAN 4 - 7  
SKY 1 - 3  
Acreage: 15,900

Author: Ted Grove

E.W. GROVE CONSULTANTS LTD

Commodities

Cu - 1+ %  
Pb - 0.1 %  
Zn - 0.36%  
Ag - 1+ opt  
Au - 0.704 opt

Ownership

100% SKYLINE EXPLORATIONS LTD.

History

1956 - prospected by Hudson Bay M. & S. Co. Ltd.  
1963 - partly staked by Cominco  
1980 - staked by Skyline Explorations Ltd.

Exploration

1981-1985 - prospecting, trenching, drilling, geology

Development

1986 - X-cut adit and drifting to develop veins  
1987 - Second X-cut, drifting, stope development  
5,000 ft airstrip, 200(+) ton concentrator,  
new camp, roads, exploration drilling

Production

1988 - Production, continued exploration, start-up at  
200 tpd expandable to 400 tpd  
Shrinkage stoping 16 Vein in progress  
16 Vein grade to date 1.41 opt Au, 4.3 opt Ag  
and 1.2 % Cu.

GeologyRegional

Host rocks mainly syenite which cuts late Triassic  
sedimentary rocks and overlain by early Jurassic  
Unuk River Formation.

Local

Syenite pluton cataclastically deformed and  
fractured. Veins along major fractures comprise 20  
to 80 percent sulfides plus K feldspar and quartz.  
Main veins trend 050°-060° and dip about 70° NE.  
Vein sulfides include pyrite, chalcopyrite, plus  
galena and sphalerite and minor sulfosalts. Native  
gold is the main commercial mineral.

Alteration

Wall rock alteration includes very fine biotite and  
sericite, and extensive massive orthoclase.  
Carbonates are minor.

SKYLINE EXPLORATIONS LTD. Reg Property (Continued)

Current Exploration

Surface and underground core drilling will continue on the main Stonehouse Gold Deposit. Saturation surface exploration will commence on the Crown Grants and claim area common to the Cominco-Delaware SNIP property.

<u>Reserves</u>	Geological, possible, probable and/or proven	1,087,875 tons proven + prob <u>4,000,000 tons geological</u>
	Number of zones	<u>6</u>
	Number of sample points	<u>1,000+</u>
	Average grade	<u>0.7 opt Au, 1+ opt Ag, 1% Cu</u>
	Average thickness	<u>6 ft</u>
	Cut-off grade	<u>0.1 opt Au</u>

<u>Costs</u>	1987 exploration costs	<u>\$1,000,000</u>
	1988 exploration costs	<u>\$1,000,000</u>
	Projected development costs including mine, mill and infrastructure	<u>\$24,000,000</u>
	Projected operating costs	<u>\$200 per ton</u>