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To Lib
Fr. Ron

SUMMARY AND REFERENCES
FOR THE
WINDY CRAGGY MINERAL DEPOSIT
LOCATED IN
N.W. BRITISH COLUMBIA

GMA → AR/GMA
copy for L.U. files
Re: WOC.
→ T.K. FYI.
→ AW/J.F. for property
File

March 1986

GEDDES RESOURCES LIMITED

CORPORATE INFORMATION

Capitalization-----10,000,000 shares
Issued Shares----- 3,092,229 shares

Head

Office: 7 King Street East
Suite 1604
Toronto, Ontario
M5C 1A2

Lawyers: Lang Michener Cranston Farquharson & Wright
P.O. Box 10-First Canadian Place
8th Floor
Toronto, Ontario M5X 1A2

Auditors: Price Waterhouse
4211 Yonge Street
Suite 300
Toronto, Ontario M2P 2A9

Bankers: Canadian Imperial Bank of Commerce
7 King Street East
King and Victoria Branch
Toronto, Ontario M5L 1A2

Transfer

Agent: Guaranty Trust Company of Canada
88 University Avenue, Ste. 600
Toronto, Ontario M5J 1T8

Vancouver Branch Office

Listing: Vancouver Stock Exchange
Symbol: GDD

Reporting

Issuer: Ontario, Alberta and British Columbia

GEDDES RESOURCES LIMITED

Geddes Resources Limited is engaged in exploration of mining properties and the financing of exploitable or saleable commercially recoverable minerals directly and indirectly through its subsidiary companies. Whenever possible, interests in properties are earned by Geddes Resources Limited upon expenditure of investor's funds to obtain Canadian Exploration Expense tax credits. These credits may be used by the investors as a tax credit when completing their income tax returns, and the funds expended earn the investor shares in Geddes Resources Limited. The interests in mineral properties so acquired by Geddes Resources Limited may then be separately financed or vended to interested parties, but in all cases, Geddes Resources Limited attempts to obtain maximum benefits from such transactions, for all of its shareholders.

The major property, in which Geddes has earned an interest, is the Windy Craggy located in the northwest corner of British Columbia. This property contains an immense sulphide deposit that has been identified by surface diamond drilling, geophysical surveys and surface recognizance.

Geddes Resources Limited by an agreement executed with Falconbridge on November 23, 1983, and an amendment executed May 15, 1984, now owns a 100% interest in the Windy Craggy property in British Columbia. Falconbridge retains a 22.5% net proceeds interest which comes into effect after production begins and exploration, development and capital expenses with interest have been recovered.

Copper-gold-cobalt are the principal metals, while silver as a secondary metal. Zinc and lead have been identified at the north end of the deposit but their economic significance is unknown. In the longer period there is no doubt about copper being the principal economic mineral which will justify major sized operations. Initially, however, the gold zone offers a substantial and rapid return, so gold has become the principal target in order to get started on production. Cobalt and other metals will follow as by-products of any operations. Special studies regarding cobalt are on-going as it promises to have significant economic importance.

WINDY CRAGGY

PROPERTY: 12 modified claims and 11 2-post claims covering 18 square miles (approximately)

LOCATION: 59°44'N Latitude 137°44'W Longitude
50 Air miles from Haines Highway
70 Air miles from Haines
120 Air miles from Whitehorse

ELEVATION: Peak - 6,000'
Portal - 4,500'
Tats Lake - 2,000'
Alsek Flats - 1,000'

AIRSTRIP: Tats - 3,000' length suitable for Caribou Freighter (8,000 lbs.) payload

ACCESS:

- (a) from discovery in 1958 until the summer of 1985 access was mainly by helicopter although float equipped planes assisted in serving the base camp. All drilling and other work was serviced entirely by helicopter.
- (b) the 3,000' airstrip built in 1985 has decreased costs, increased accessibility and provides a permanent all weather landing area.
- (c) road access to the Haines-Alaska Highway requires a detailed survey to determine routing and costs. The route via the Alsek flats requires some 35 miles of new road to connect the main highway at a point about 50 miles from Haines, a deep water port in Alaska.

SURVEYS: 1981 40 Line miles Digham Airborne E.M. & Mag
1983 75 Line miles Digham Airborne E.M. & Mag

DRILLING: 1965 3 Holes 364 Meters
1981 10 Holes 2,541 Meters
1982 3 Holes 1,363 Meters
1983 9 Holes 4,141 Meters

EXPENDITURES: Total Costs against the Property:

Falconbridge \$2,255,000
Geddes Resources 2,790,000

Total to June 30/85 \$5,045,000

RESERVES:

"Indicated and Inferred"

J. J. McDougall

100 million tons at 2.4% cu.
including 26,000,000 tons at 3.2% cu.

Crowhurst

Possible to outline by tunnel development
about 100 million tons at 2.8% cu.

Simons

Tonnage within drilled area likely to be
greater than 100 million metric tons

Geddes Resources

Overall mass of the deposit drilled is likely
to be 350 million tons grading about 1.5%
copper with potential of 1 billion tons.

WEATHER:

The area of the deposit is in the retreating ice fields
of northern B. C.. The deposit, at about 5,000'
plus-minus 500', is partially masked by an old ice
remnant in a cirque. The area is in the transition
area from Pacific to inland conditions so fog and cloud
often prevail in summer. The base camp has a temperate
climate with a moderate snow fall of about 6'. The
season for surface work has been June to November but
with the airstrip, year round working conditions exist.

EQUIPMENT:

The base camp at Tats Lake can accommodate about 20
people. It is a tent camp and will be replaced by an
all weather camp as soon as the tunnelling program is
begun. A leased D7 tractor, a rental-purchase D6
caterpillar tractor and a 3/4 Ton 4x4 pickup truck are
on the property.

PROPOSED WORK:

Reports by Crowhurst, Strathcona and Simons estimate
costs of about \$17 million to be expended over 3 years
to fully evaluate the entire deposit. This major
program has been modified and GRL, in conjunction with
D. A. McLeod, President of Northair Mines estimates
that \$6 million will fully evaluate the gold zone in
the overall mass of sulphides. This evaluation will
proceed upon completion of financing arrangements. A
tunnel 2,800' long, on the strike of the deposit, will
intersect the gold zone and permit economical and rapid
assessment of this portion of the deposit.

MINERALOGY:

Initial tests on copper samples suggest that 85-90% is
recoverable by medium grinding and regular flotation
methods. Gold in the richest area is 85% very fine and
free milling. More work is required but initial gold
recovery observations are favourable. Virtually
nothing is known of the mineralogy of the cobalt
content and work is proceeding in this area.

ECONOMICS

The location of the deposit, which is partially masked by a remnant of glacier ice, has been examined in detail during the summer of 1985. The problem of isolation of the property has been removed by the building of the airstrip this year to accommodate wheeled aircraft. This now brings movement of personnel and equipment to very acceptable costs and greatly reduces time and effort to reach operations. A road from the airstrip to the underground portal area will be partially on glacial moraine. This is virtually a ready built road requiring little building or maintenance. Ultimately it is expected that an all weather road will connect the property to the Haines-Alaska Highway providing inexpensive overland access for operations.

The mass of the orebody drilled to date lies above the level of the proposed adit. All ore mined therefore for many years is expected to be extracted by gravity methods from underground. Trucking, conveyors, trams or other methods of handling ore will also be favoured by gravity as material is moved to a mill for treatment located at an even lower level. Tailings are expected to be disposed of in nearby suitable locations. Concentrates will be hauled or pipelined to tidewater, probably at Haines Alaska for ocean shipment. The strategic location of the Windy Craggy deposit favours the potential profitability of the deposit when compared to many of the other large operating copper deposits of the world.

Grades of material to be mined have not yet been selected as the current studies are designed to determine these. However, the mass of the deposit is great, and zoning is a characteristic, thus selective mining at the most economic rate and grade is possible. This is a factor that favours the Windy Craggy, whereas many mines (most major mines in fact) do not have the chance to vary their grades to obtain optimum profitability at any level of metal prices. The gold rich zone today offers the greatest initial profit potential. Planned operations will also open up the high grade copper area. This will make it possible to evaluate and the merits here in order to be ready when metal prices shift to favour these parts of the deposit.

FEASIBILITY STUDIES

The \$6 million work program proposed for 1985-6 is intended to test the gold-rich area of the deposit. Upon completion of the 2,800' tunnel (adit) to the gold area, studies of the zone will commence by specific cross cutting, diamond drilling from the workings and bulk sampling. Monitoring of weather, run-off and environmentally sensitive aspects will be conducted as an on-going event. It is expected that this work will provide all the technical data necessary to support the financing necessary for first production. The \$6 million program will be completed in less than 2 years and the final feasibility study can follow immediately. Copper and cobalt will not be overlooked in this work but the gold is so overwhelming in current economic importance that it has virtually assumed the dominant position. Eventually the other zones will be appraised for their economic potential and it is expected that when copper regains favour with investors then expansion of operation to 25,000 or even 35,000 tons per day can be justified. On this basis, copper output would be in excess of 125,000 tons per year. This is major size by copper mining standards where capacity of 100,000 tons per year is viewed by the industry as a large facility.

STUDIES COMPLETED

GEOLOGY

- | | |
|---|------------------|
| 1. The Falconbridge Report | November 1, 1982 |
| 2. The Falconbridge Report with maps | December 1983 |
| 3. Geology North Slope
Dihedral Explorations | October 25, 1983 |
| 4. Dihedral Sample and Assay Results | 1983 |
| 5. The Heenan Report | December 1983 |

MINERALOGY

- | | |
|--|-------------------|
| 6. Mineralogy Report by Falconbridge #1282 | November 11, 1983 |
| 7. The Minmet Mineralogical Study of two
gold samples Report #2 | December 12, 1983 |

GEOPHYSICS

- | | |
|-----------------------------------|--------------------|
| 8. The Digham Survey Report #180A | September 21, 1983 |
|-----------------------------------|--------------------|

METALLURGY

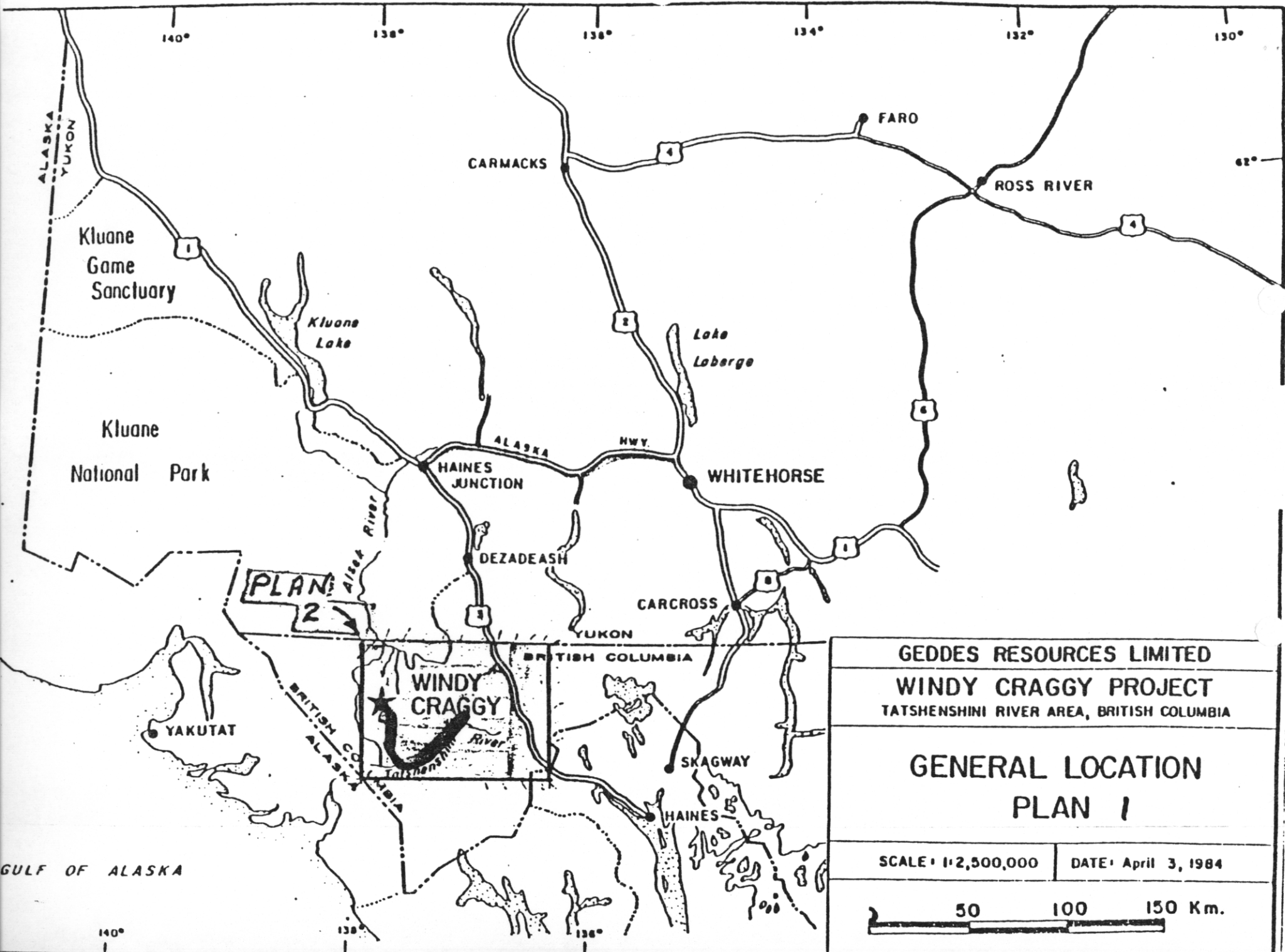
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| 9. Flotation Study by Sherritt-Gordon Mines | May 1982 |
| 10. Correspondence Hemstock (Hatch &
Associates) to P. Heenan | 1984 |
| 11. Lakefield Study - Recovery of Copper
and Cobalt Progress Report
#1 Project #LR2797 | May 2, 1984 |

UNDERGROUND DEVELOPMENT STUDIES

- | | |
|--|-------------------|
| 12. The Strathcona Report of Windy Craggy
Underground Exploration Program | March 1984 |
| 13. The Crowhurst Report on Underground
Exploration Program | February 14, 1984 |

ECONOMICS

- | | |
|---|---------------|
| Report by H. A. Simons (International) Preliminary Economic
Analysis of Windy Craggy Copper-Gold Deposit
P6603D | February 1984 |
| Copper Cut-Off Grade Study by
H. A. Simons P6603C | January 1984 |



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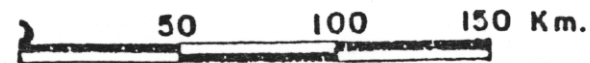
WINDY CRAGGY PROJECT

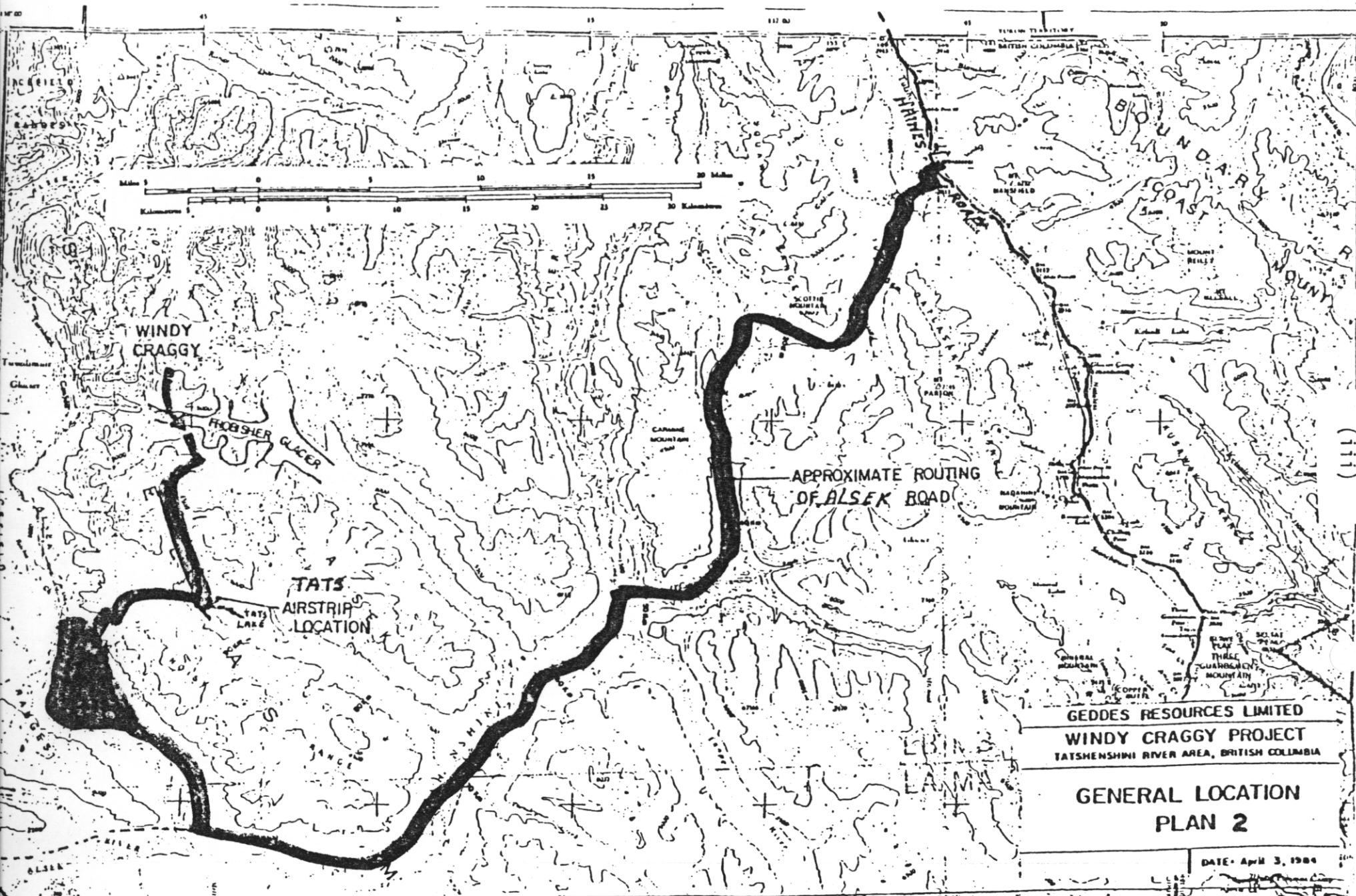
TATSHENSHINI RIVER AREA, BRITISH COLUMBIA

GENERAL LOCATION
PLAN 1

SCALE: 1:2,500,000

DATE: April 3, 1984



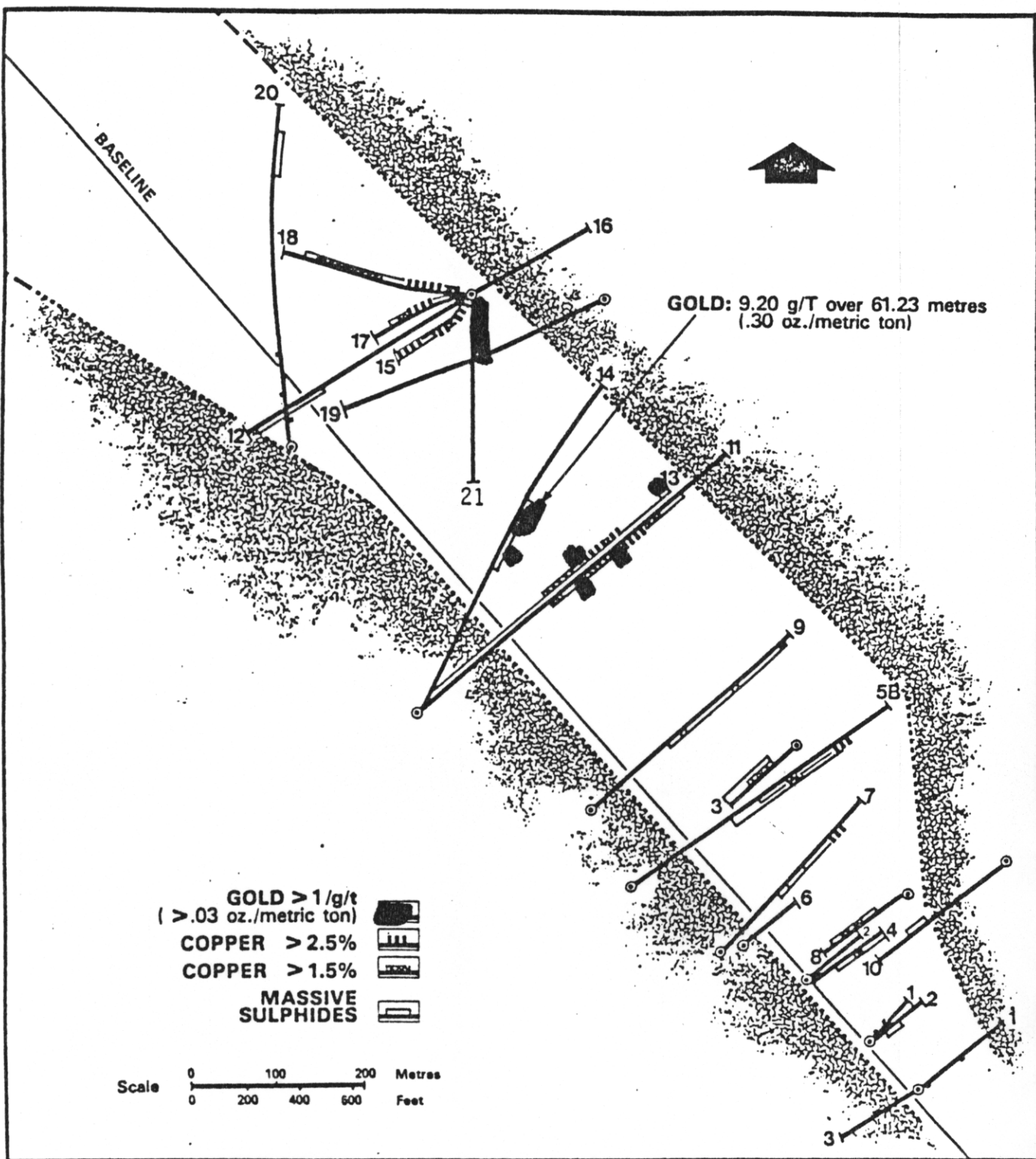


GEDDES RESOURCES LIMITED
WINDY CRAGGY PROJECT
TATSHENSHI RIVER AREA, BRITISH COLUMBIA

**GENERAL LOCATION
PLAN 2**

DATE: April 3, 1984

Diamond Drilling along the Massive Sulphide Zone



WINDY CRAGGY PROJECT

COMPILATION PLAN