MT. HASKIN SUMMARY

(incl Sept.13 1990 visit)

for

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MT. HASKIN SUMMARY

Summary:

The Mt. Haskin area offers excellent potential for the discovery of new, skarn-type, base and precious metal ore deposits. This combined with a very advantageous mining infra-structure makes this area a prime exploration target.

Historical exploration in the area can be characterized as "sporadic and incomplete". All of the recorded exploration activities appear to have been carried out either by individuals or by short-lived junior companies.

There is little evidence to suggest that juniors or majors are giving this area any interest at all. All important claims are held by individuals or by estates.

History:

Insufficient research has been completed to determine the exact nature of all of the exploration activities that have taken place on Mt. Haskin in recent years. In the early 1970's, two adits were driven on a massive sulphide "manto" on the JOEM-DAKO claims (Della-B zone), located some 2.5 km SE of Mt. Haskin. This structure was deemed to contain 407,000 tons @ 1.82 oz/t Ag, 0.53% Cu, 2.77% Zn and 0.24% Bi (more than one million tons of like grades inferred). The Della-A zone, 1.0 km NW of Mt. Haskin is thought to contain 300,000 t @ 5.0% Zn, 3.0% Pb and 1.0 oz/t Ag.

Trenching and diamond-drilling activities have been completed on the Nufort and Dalziel properties (Snow zone & Dalziel zone @ 426,000 t; 5.54% Zn, 1.94% Pb, 1.36 oz/t Ag, 0.2% Cu and 250,000 t; 9.41% Zn+Pb and 1.45 oz/t Ag resp). John Hope's claims cover the Della-A and Snow zones.

Geology and Mineralization:

Geology comprises Paleozoic limestones overlain by hornfelsed, cherty sediments. A Cretaceous granitic plug intrudes this assemblage.

Mineralization of interest at Mt. Haskin has similarities to both "skarn" and "shear-replacement" metallization. The ore-bearing horizon is a narrow belt, stretching intermittently for dozens of kilometres across the mountain. The thickness, where exposed, ranges from nil to more than 10 m (averaging 2 to 5 m).

It consists of lenses, bands and mantos of massive to semi-massive pyrrhotite occurring at the contact between the limestones and cherts. The mineralized zone may have developed along a thrust fault. Whatever the nature of the mineralization, a huge ore-forming system must have developed at Mt. Haskin to explain the large lateral extent of the sulphide ores.

The sulphide ores contain variable amounts of sphalerite, chalcopyrite, pyrite, quartz, chlorite and pyroxene (hence "skarn" terminology). Locally, the sulphides are interlaminated (1 to 2 cm scale) with limonitic sericite "schist" (hence "shear-replacement" terminology). Sulphide

lenses have sharp contacts with the unmineralized and unaltered wallrocks (cherty sediments may represent silica hornfelsing).

Old records show the Della-B zone to be a Zn-Cu-Ag+/-Bi target but no actual grade figures are given. Four samples were taken by the writer on Sept.13, 1990. All four are representative groups of "grabs" collected over a 1.0 m^2 area; #66014 and 015 from the dump at the lower adit at Della-B, #66016 and 017 from a trench on the Nufort claims. All are massive ores.

sample	Au	Ag	Cu	Zn	Bi
66014	20	8.0	2450	4700	285
66015	<5	3.0	3200	1.36	10
66016	10	4.90	582	8.69	292
66017	10	1.94	635	4.97	190

Au in ppb, others in ppm except bold; in % for Zn, opt for Ag

These numbers suggest that there is a real possibility for the presence of economic concentrations of zinc-copper-silver ores along the Mt.Haskin sulphide belt.

Infrastructure:

Mt.Haskin is accessible by four-wheel drive vehicle; dozer trails pervade the property. All parts of the property are within sight of the Cassiar highway. Adits have already been driven on one promising target, thereby providing low-cost access to an otherwise hidden ore body containing "*possible reserves*" (re:postulated ore reserves as determined in 1971-73).

There may be additional advantages with the presence of a "moth-balled", 300-Tpd, flotation, gold mill located within 20 km of the property area. This is the little-used Taurus mill which is on the Cassiar townsite road.

The Mt.Haskin area is in an extremely favourable infrastructural location, with good road access, forgiving topography, accessibility to underground workings and proximity to established mining infrastructure (Cassiar, Taurus and Erickson mines).

Conclusions and Recommendations:

In view of the location, reserve potential and size of the various sulphide showings at Mt.Haskin, it can be concluded that the area has very high potential for economic concentrations of zinc-copper-silver ores. Numerous "Della-B" type deposits may exist anywhere along the strike and dip of this enormous sulphide-bearing structure. The region is worthy of further exploration.

It is recommended that an effort be made to acquire majority interest in the Dalziel (Crown Grants) and Della (DAKO) groups of claims. This, combined with John Hope's holdings, would put the controlling firm in a very commanding position in the area.

It is further recommended to push ahead with a program of in-depth research in order to acquire all of the available information regarding past exploration activities and results on the properties of interest. A field program of trenching and channel sampling, at regular

intervals along the whole length of the structure, is also proposed. This would enable the delineation of zones of higher-grade mineralization (if any) and may also outline "zoning" patterns which may eventually lead the way to defining drill targets.

Total costs for research and preliminary field programs are estimated at under $200,000.00. All of the necessary research can be completed from Calgary. Property acquisition costs cannot be estimated at this time.

It should also be noted that another area, near Mt.Haskins, could bear some looking into. This region is underlain entirely by carbonate sediments, yet is host to a number of placer gold deposits (of undetermined economic value). Let us remember that many of today's large "replacement" gold deposits are located within carbonate assemblages (eg:Carlin deposits).

Respectfully Submitted,

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dated October 30 1990
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