

AN  
EXPLORATION PROPOSAL  
ON THE  
BORNITE PROPERTY  
COLUMBIA GOLD MINES LTD.

April, 1995

## **PROPERTY**

The Bornite 1 and 2 claims totalling 40 claim units are located in the Babine region, approximately 100 kilometres northwest of Ft. St. James, British Columbia. Logging road access currently reaches within 10 kilometres of the Bornite property.

## **HISTORY**

The western portion of the property was originally staked to cover a source area for copper stream sediment anomalies obtained during a reconnaissance program. Strong copper in soil anomalies were subsequently outlined but never followed up and the claims were allowed to lapse. The Bornite claims were staked in 1995 to cover the copper-soil target as well as reported copper mineralization located 3 km to the south east.

## **CAPSULIZED GEOLOGY**

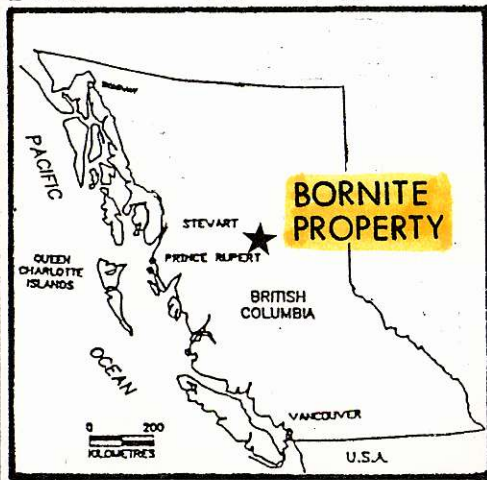
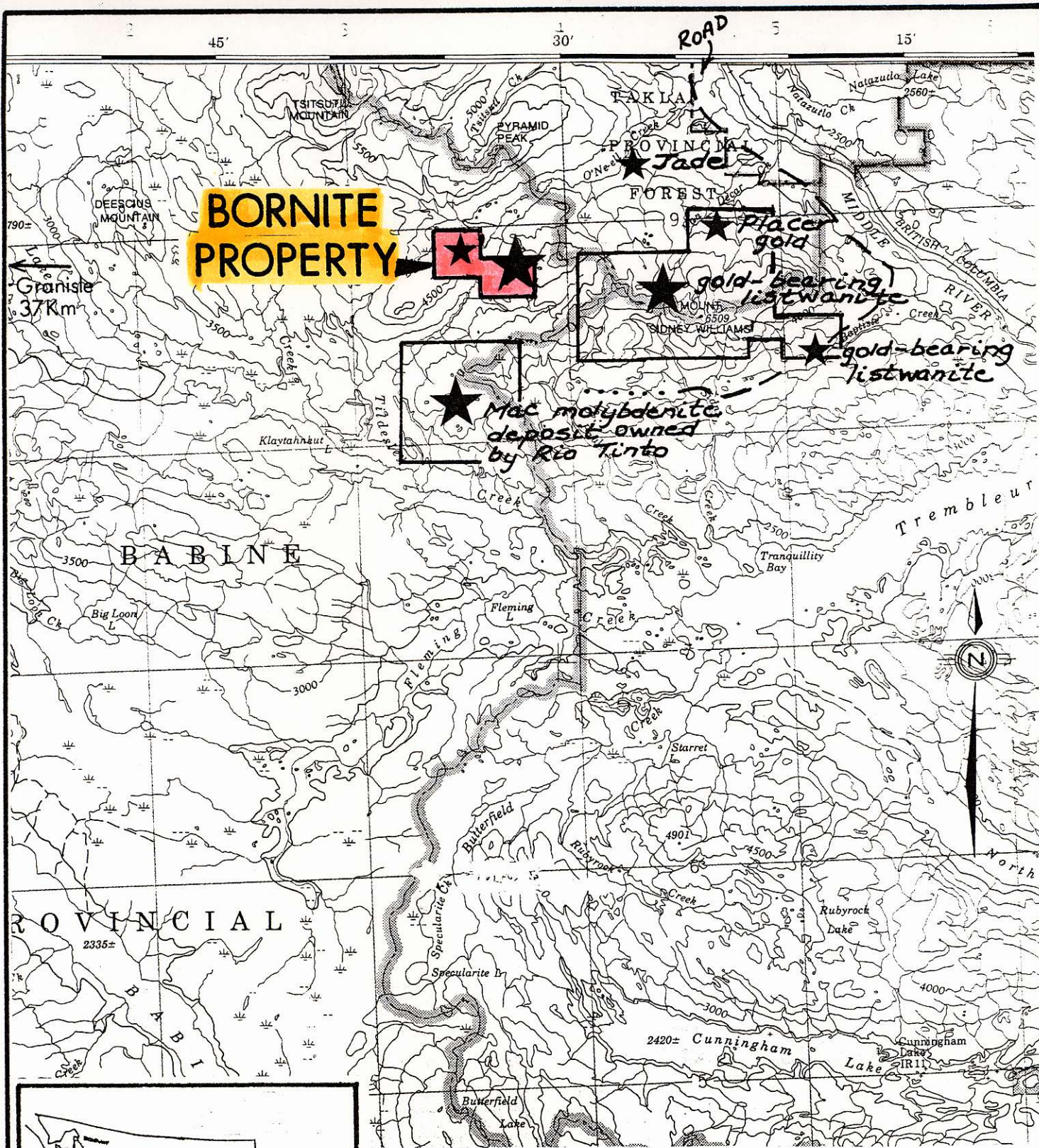
The property is underlain by mesozoic mafic to ultramafic volcanic units intruded by Tertiary quartz porphyry stocks.

## **EXPLORATION TARGET**

The property lies along the eastern boundary of the Granisle copper-gold porphyry district known for deposits containing high associated gold-silver values. Prior exploration defined an area measuring 1.0 by 1.7 km containing parallel northerly trending copper soil anomalies. Individual anomalies contoured at 50 ppm copper with peak values to 1,900 ppm Cu vary from 100 to over 500 metres in width and remain open beyond a 1,700 metre length. No gold analyses were undertaken and there is no reference to prospecting programs as follow-up to outline the mineralization. Across the Tildesley Creek valley, bornite and chalcopyrite mineralization was discovered with fragments of "fist sized" bornite in talus that has never been followed up. It is interesting to note the copper mineralization in the eastern portion of the property is associated with a circular aeromagnetic anomaly approximately 2 kilometres in diameter.

Open-ended widespread copper soil anomalies along with known copper mineralization several kilometres away suggest existence of a large mineralizing system. Gold and silver analyses have reportedly never been done. Exploration to date indicates potential for bulk tonnage reserves on the Bornite claims.





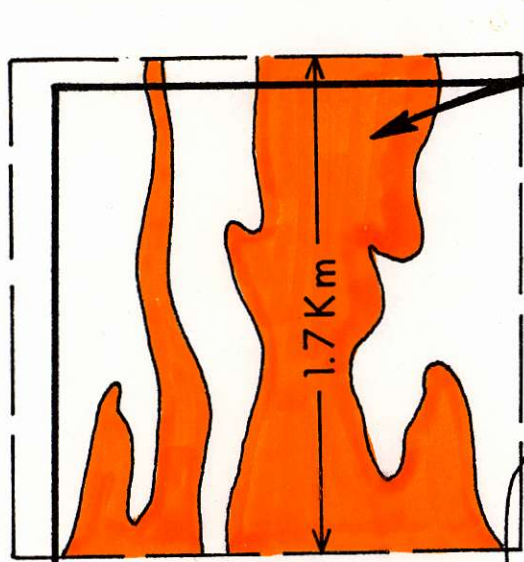
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**BORNITE PROPERTY  
LOCATION MAP**

SCALE 1:250,000

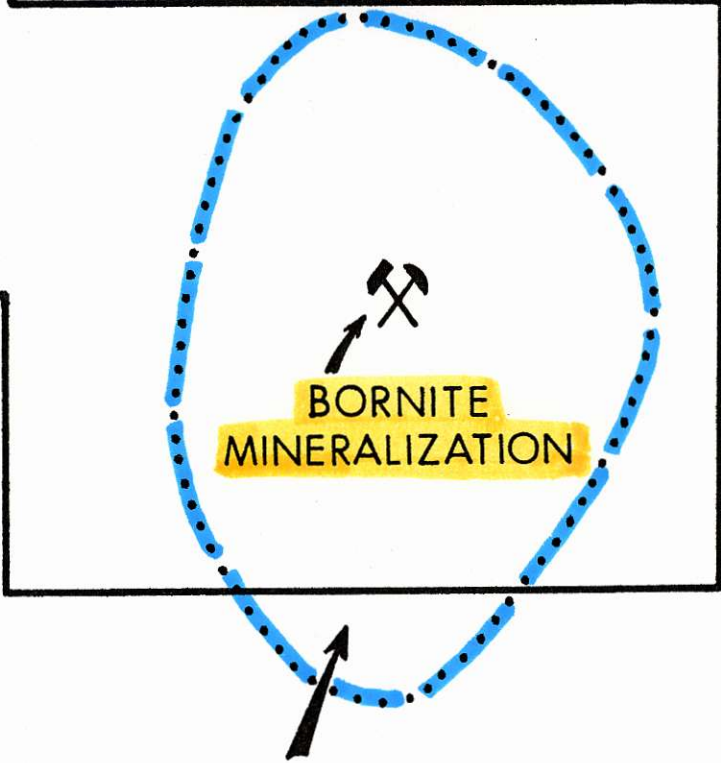
FIG.





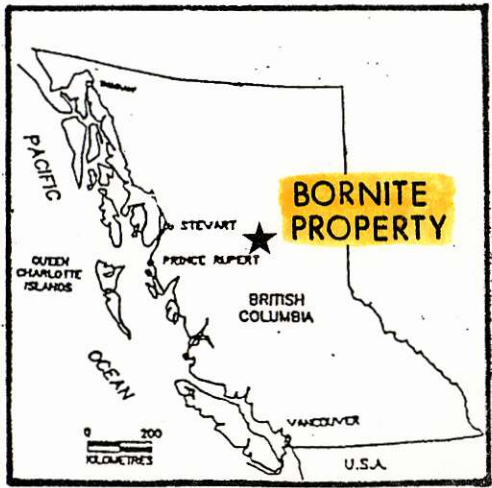
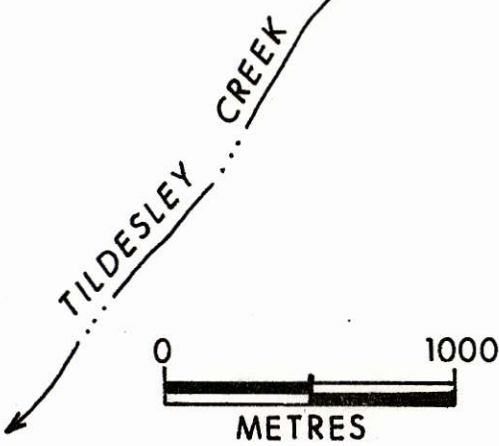
COPPER SOIL ANOMALIES  
(50-1900 ppm Cu)

CLAIM BOUNDARY



BORNITE  
MINERALIZATION

CIRCULAR AEROMAGNETIC  
FEATURE  
(2 Km IN DIAMETER)



COLUMBIA GOLD MINES LTD.		
<b>BORNITE PROPERTY EXPLORATION TARGET</b>		
SCALE		FIG.

**DISTRICT ACTIVITY**

Approximately 6 kilometres south of the Bornite property, Rio is evaluating the porphyry Mac molybdenite deposit. The Mount Sidney-Williams property, located 6 kilometres to the east, contains several gold zones which have seen preliminary drill testing. The porphyry copper-gold Granisle mine site is located 37 kilometres to the west.

**PROPOSED PROGRAM**

A program of additional claim acquisition followed by soil sampling, prospecting and rock sampling is warranted to define drill targets. Initial exploration would include contour soil sampling with copper and gold analyses to define size of the mineralizing system.

A follow-up program of 1,000 metres of helicopter supported diamond drilling is contingent on prioritizing geochemical-geological targets. A large porphyry system is expected to be outlined.

**PROPOSED BUDGET**

<u>Exploration Function</u>	<u>Proposed Expenditure</u>
Additional staking	\$ 5,000
Soil sampling (1,000 soils @ \$30 all-up)	30,000
Prospecting, rock sampling	<u>15,000</u>
SUB -TOTAL	\$ 50,000
1,000 metres of diamond drilling @ \$200/metre all-up	<u>200,000</u>
TOTAL	<u>\$250,000</u>

**BORNITE PROJECT**  
**PROPOSED OPTION TERMS**

The following basic terms will form the Agreement:

- 1) Cash down payment: \$ 2,500.
- 2) Option payments:

	<u>CASH</u>	<u>SHARES</u>
July 15, 1995	\$ 15,000	50,000
December 31, 1995	15,000	50,000
December 31, 1996	20,000	50,000
December 31, 1997	20,000	50,000
December 31, 1998	20,000	
December 31, 1999	<u>20,000</u>	<u>          </u>
	\$ 110,000	200,000

- 3) Exploration expenditures:

	<u>MINIMUM</u>	<u>IN THE AGGREGATE</u>
Prior to December 31, 1995	\$250,000	250,000
1996	250,000	500,000
1997	250,000	750,000
1998	250,000	1,000,000
1999	<u>500,000</u>	<u>1,500,000</u>
	\$1,500,000	4,000,00

- 4)
  - a) The participant will earn a 100% interest in the Property upon incurring exploration expenditures of \$1.5 million and making payments totalling \$110,000 and 200,000 shares.
  - b) Upon the participant having earned its interest, Columbia would have the option to back into a 50% interest by incurring the next exploration expenditure of \$1.5 million
- 5) An underlying vendor and Columbia will retain a 3.0% net smelter return interest 'capped' at \$3.0 million.