

Lac Minerals
Exploration 1987

BC - HAN 1

HANK PROJECT

The Hank Project is a continuing gold exploration program.

PROPERTY

Location and Access:

The property is located in the north-central part of B.C. in the Liard Mining Division 15 km west of the Stewart-Cassiar Hwy (Hwy 37). (Figure HAN-1)

The nearest town is Iskut, 75 km to the northeast.

The claims are on a tributary of Ball Creek, flowing northeast from Hankin Peak. Access to the property is by helicopter. The Iskut River is just to the west of the highway and a major obstacle for ground access.

Topography:

The Hank claims cover a mountainous area with moderately steep hillsides. The elevations range from 860 m to 1900 m.

The area is covered with sparse conifer forests with Alpine meadows above the 1300 m elevation.

Outcrop is abundant near the mountain tops. The main creek valley has outcrop along it.

The overburden depth appears to be generally less than 3 m.

The main creek is heavily silted. The stones in the

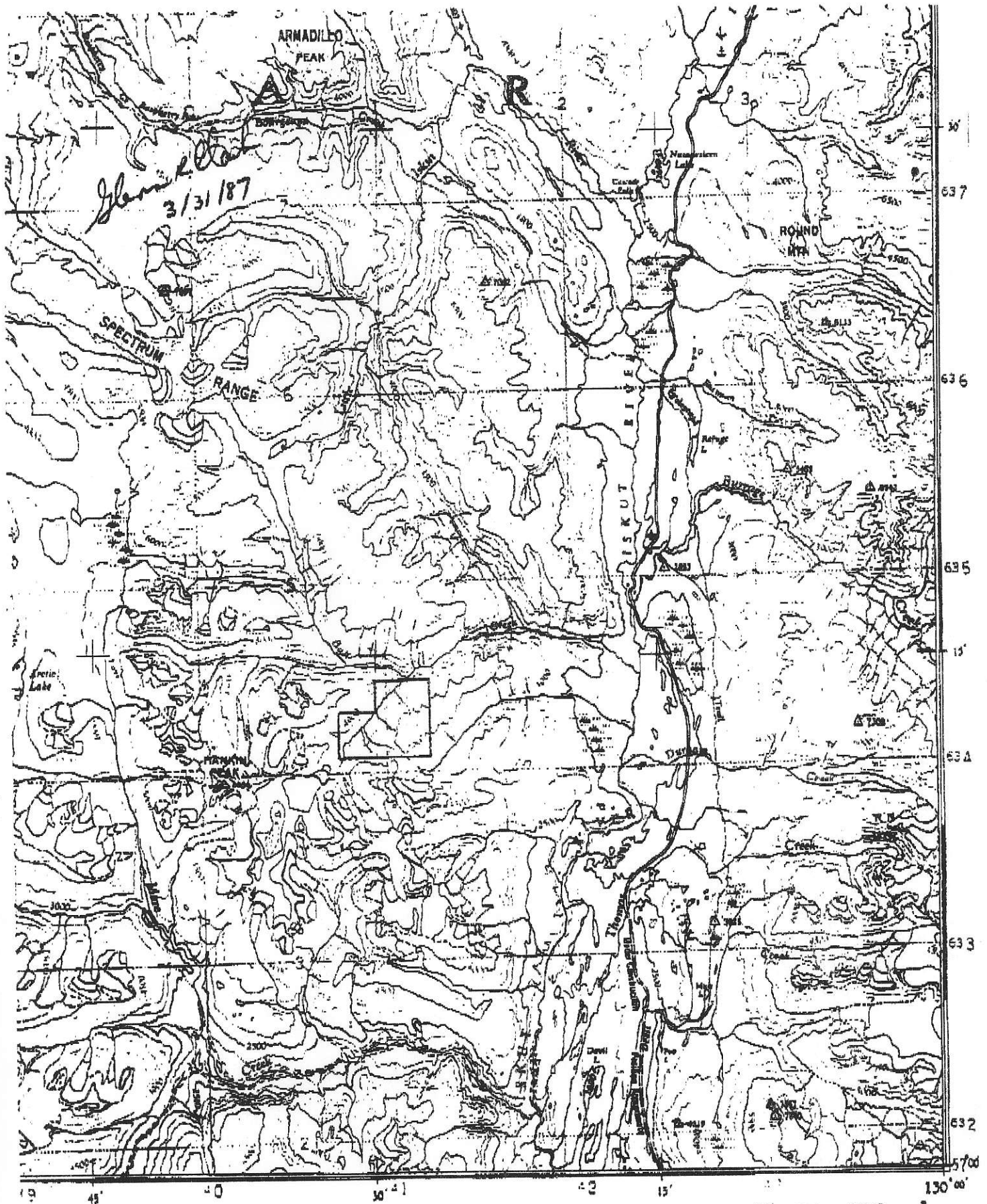


Figure HAN - 1

creek beds are often covered with an orange stain or a soft white (gypsum) scum. The minor creeks have an acid or metallic taste. Ferricrete is widespread over the property.

Claims:

The claims were staked for Lac in 1983 and 1984. The claim block is made up of claims HANR 1 to 4 covering 68 units or 1700 hectares. The claims are in good standing until 1995.

History:

The area has been staked previously but no work has been recorded. It is assumed that this exploration was for porphyry copper or molybdenum.

The initial claims were staked by Lac in February 1983 to cover an alteration zone that had high gold geochemical values. The original interest was due to the similarity of the geological conditions to the "Maude Lake" deposit of Dome Mines.

PROGRESS BY LAC.

Geochemical reconnaissance of the area by Lac located high gold values. In 1983, follow-up soil sampling and prospecting confirmed the presence of these high gold values as well as anomalous amounts of arsenic and silver in the soils, rocks and stream sediments.

After the confirmation of the geochemical results a magnetic survey, a VLF-EM survey and an IP Survey were carried out in 1984.

These surveys were followed by the drilling of 4 diamond drill holes.

In 1985, diamond drilling, trenching and sampling continued. A total of 4209 m were diamond drilled in 46 holes.

GEOLOGY

The area has been mapped by J.G. Souther of the Geological Survey of Canada and the results published as Paper 71-44, Telegraph Creek Map-Area, British Columbia.

In the general area of the claims large areas are underlain by deformed mafic to felsic flows, related pyroclastic rocks and subvolcanic intrusions of the Late Tertiary and Quaternary Periods.

Moderately deformed, unmetamorphosed Upper Triassic volcanic and sedimentary rocks as well as lower to middle Jurassic sediments are present in the area.

Property Geology:

Pyroclastic rocks of the Upper Triassic Period are predominant on the property. These pyroclastics are green in colour and andesitic in composition with agglomerates more abundant than tuffs. The pyroclastics contain white plagioclase phenocrysts and well formed black hornblende phenocrysts. These hornblende phenocrysts are diagnostic even if the rock is highly altered as the pseudomorphs show the hexagonal cross section. (Figure HAN-2)

In the southeast part of the property, Lower Jurassic andesitic pyroclastics, sediments and chert are present.

Glenn R. Clark
3/21/87

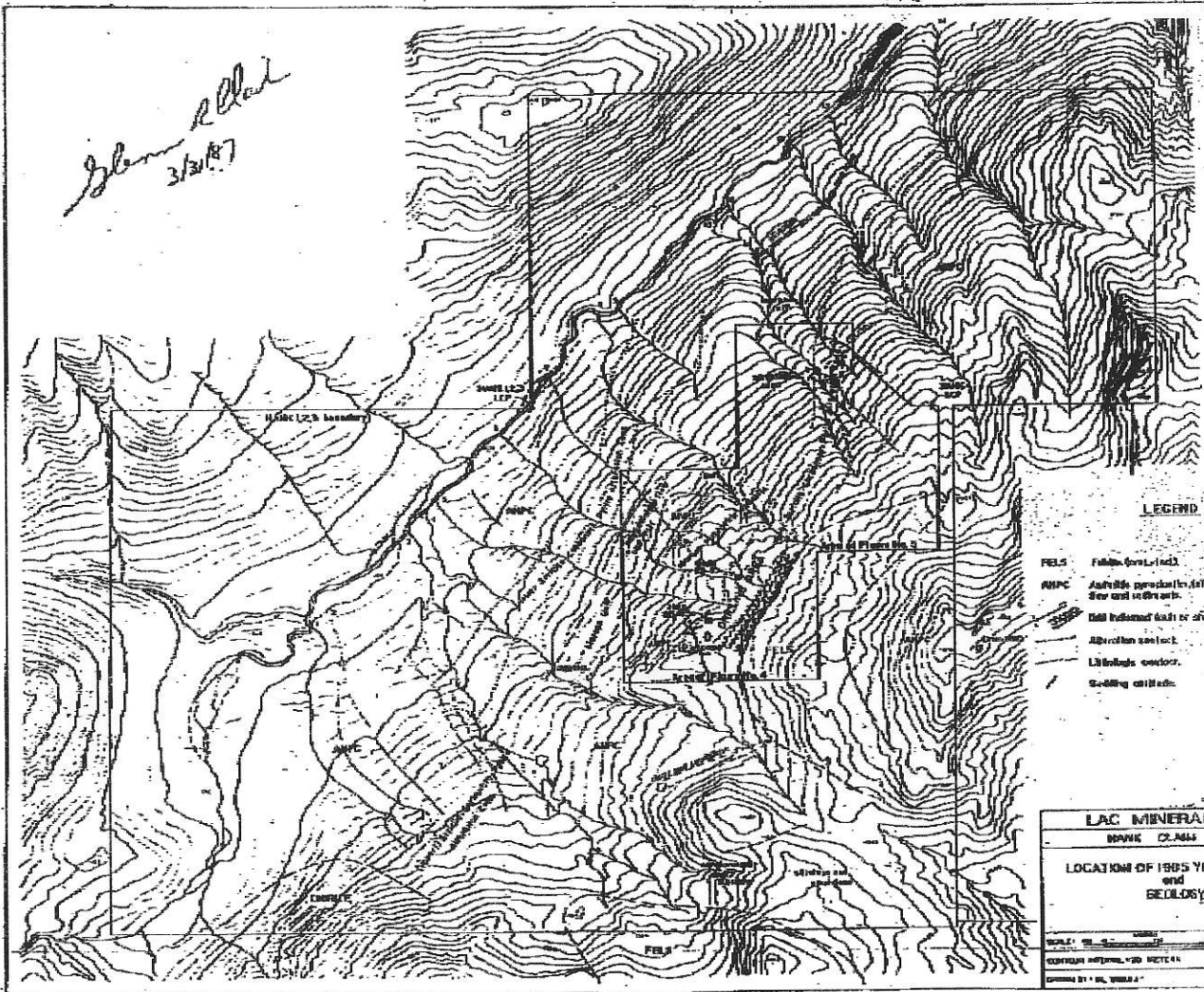


FIGURE 8A

A band of Cretaceous or Tertiary felsite is found in the eastern part of the claims.

The regional strike is northeast with dips varying from moderate to steep to the southeast.

Alteration:

There are two zones of sericite-carbonate-pyrite alteration known as the Upper and Lower Zones that parallel the regional strike. The zone contacts are gradational over five metres or less.

The altered zones' outcrops are strongly gossanous. The pyrite concentration is from 2½-5% mainly disseminated with concentrations along fractures. Sericite and carbonate are characteristic of the zones. A weak silicification (about 5% quartz) is common in the altered rocks. Quartz veins are small and rare on the property.

Carbonate veins are found mainly in the altered zones but not in great abundance. The Upper Zone has more carbonate veins especially in the area known as the "Hot Spot".

The contacts of the altered zone and unaltered rocks appear on surface to dip vertically or steeply to the southeast.

Mineralisation:

The sericite-carbonate-pyrite alteration contains 2½ to 5% pyrite. In the unaltered rocks the pyrite is generally less than 1% however in the felsite the pyrite content ranges up to 5% with the average still less than 1%.

Sphalerite, galena, chalcopyrite and pyrite occur in

quartz, barite, and mainly carbonate gangue veins throughout the property. Cinnabar and tetrahedrite have also been located.

Gold is present associated with veining (carbonate), fractures, alteration and pyrite.

Gold was located in a trench in the "Hot Spot" area. The trench located a series of semi-parallel carbonate veins striking 70° and dipping 70° to the northwest. This trench had gold values that averaged 0.074 oz Au/ton over 26 m. (Figure HAN-3)

Four holes were drilled in this "Hot Spot" area. Hole 84-1 drilled to the southeast failed to intersect the zone located in the trench. Holes 84-2 and 84-3 were drilled to the northwest and indicated the Alteration Zone dipped 15° to the southeast. This apparent shallow dip is only a local feature.

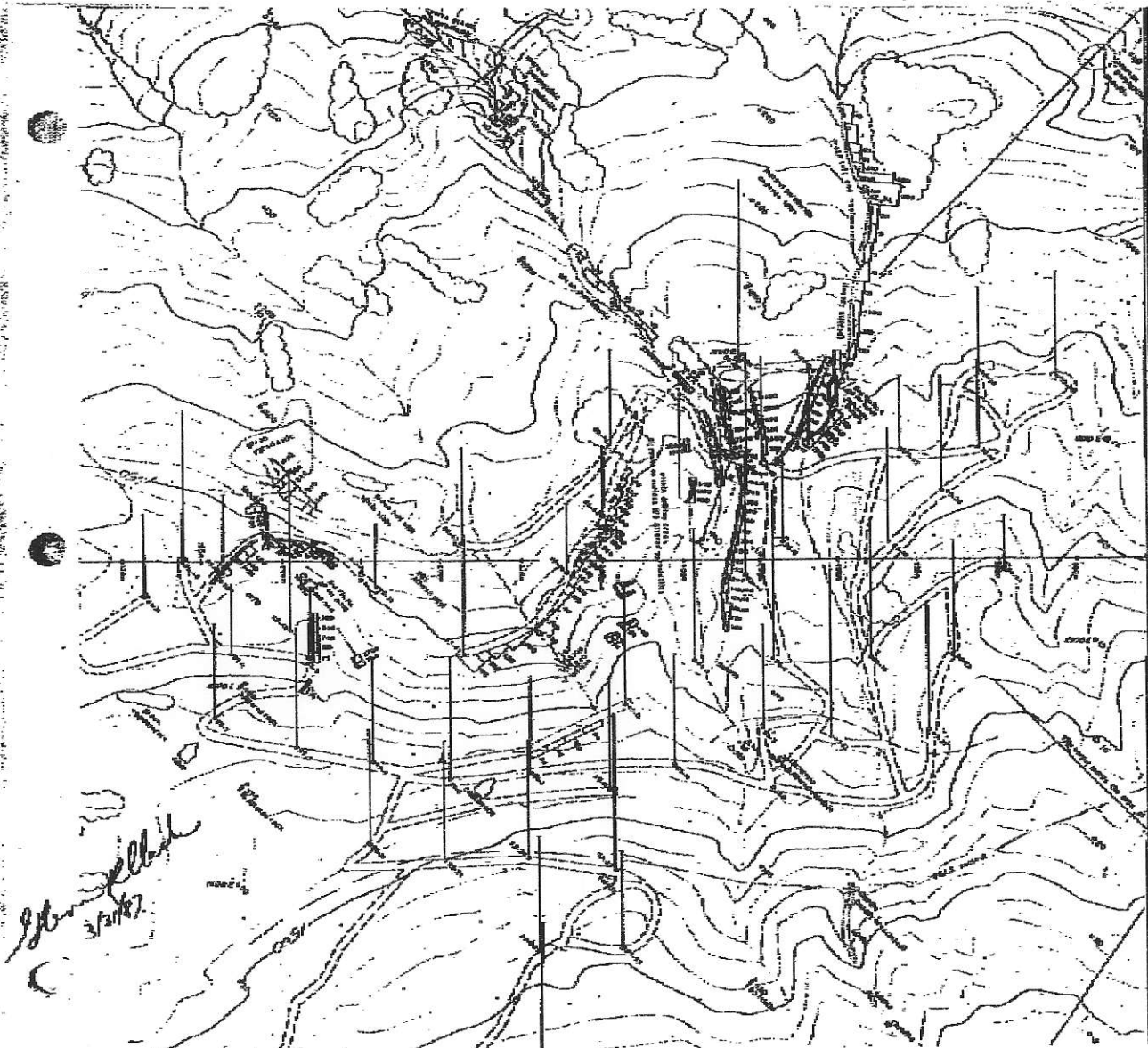
Hole 84-2 intersected values as high as 7.9 g Au/t (0.23 oz Au/ton) over 2.5 m and hole 84-4 intersected values as high as 19.9 g Au/t (0.58 oz Au/ton) and 41.1 g Ag/t (1.2 oz Ag/ton) over 1.8 m.

Further drilling in 1985, holes 85-1 to 85-46 indicated two areas of gold mineralization within the north alteration zone that may be suitable for mining by open pit.

Two near surface gold zones have been identified by this drilling.

The southern zone, centred around station 200 on the reference line, appears to be higher grade than the northern zone centred just northwest of station 440 on the reference line.

Drilling is insufficient to give an accurate estimate of grade or tonnes that could be mined from these pits. In both cases the widely spaced drilling has indicated that approximately



LEGEND

- 100 ft
- 200 ft
- 300 ft
- 400 ft
- 500 ft
- 600 ft
- 700 ft
- 800 ft
- 900 ft
- 1000 ft
- 1100 ft
- 1200 ft
- 1300 ft
- 1400 ft
- 1500 ft
- 1600 ft
- 1700 ft
- 1800 ft
- 1900 ft
- 2000 ft
- 2100 ft
- 2200 ft
- 2300 ft
- 2400 ft
- 2500 ft
- 2600 ft
- 2700 ft
- 2800 ft
- 2900 ft
- 3000 ft
- 3100 ft
- 3200 ft
- 3300 ft
- 3400 ft
- 3500 ft
- 3600 ft
- 3700 ft
- 3800 ft
- 3900 ft
- 4000 ft
- 4100 ft
- 4200 ft
- 4300 ft
- 4400 ft
- 4500 ft
- 4600 ft
- 4700 ft
- 4800 ft
- 4900 ft
- 5000 ft
- 5100 ft
- 5200 ft
- 5300 ft
- 5400 ft
- 5500 ft
- 5600 ft
- 5700 ft
- 5800 ft
- 5900 ft
- 6000 ft
- 6100 ft
- 6200 ft
- 6300 ft
- 6400 ft
- 6500 ft
- 6600 ft
- 6700 ft
- 6800 ft
- 6900 ft
- 7000 ft
- 7100 ft
- 7200 ft
- 7300 ft
- 7400 ft
- 7500 ft
- 7600 ft
- 7700 ft
- 7800 ft
- 7900 ft
- 8000 ft
- 8100 ft
- 8200 ft
- 8300 ft
- 8400 ft
- 8500 ft
- 8600 ft
- 8700 ft
- 8800 ft
- 8900 ft
- 9000 ft
- 9100 ft
- 9200 ft
- 9300 ft
- 9400 ft
- 9500 ft
- 9600 ft
- 9700 ft
- 9800 ft
- 9900 ft
- 10000 ft

GEOLOGIC LEGEND

- PREC** Precambrian - Trough
- PRG** Precambrian - Gneiss, quartzite, mica schist, amphibolite, and other rocks of the Precambrian. These rocks are highly metamorphic and contain abundant staurolite. The rocks are highly resistant to erosion and form the high ridges. (Detailed description of Precambrian rocks follows in the original document.)
- AMPC** Amphibolite - Dark green to black, massive, fine to medium grained, highly resistant to erosion and forms the high ridges. (Detailed description of Amphibolite follows in the original document.)

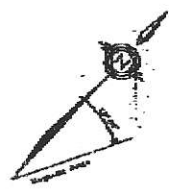


FIGURE HAM - 3

LAC MINERALS LTD.	
MINING CLAIMS GROUP	
DHELAG AREA	
Showing Troughs and other features and updated Geology and Air Contours.	
SCALE 1:5000	PLATE 10401
CORRECTION INTERVAL - 5 metres	
DRAWN BY - RTUBUK	DATE - Dec. 1966

one-quarter of a million tonnes may be available.

In the case of the south pit a grade of 4.5 g Au/t (0.13 oz Au/ton) is indicated. This grade is heavily weighted by a high assay (35.3 g Au/t) in hole 83-32.

In the case of the north zone a grade of 2.3 g Au/t (0.07 oz Au/ton) is indicated.

It should be noted that the highest gold values have not been located in the veins but along the selvages and in the intervening rock. The high gold values are not restricted to highly altered rock.

GEOCHEMISTRY

Geochemical analysis have been applied to stream sediments, soils, rock chips and drill core.

All samples were analyzed for gold and arsenic with some samples analyzed for copper, lead, zinc, silver, antimony and mercury.

The geochemical results indicated two main zones of anomalous values. These anomalies coincide with the two sericite-carbonate-pyrite alteration zones. The general strike is north-east and the strike length is at least 3 km. Superimposed on these zones is a very high (300 ppb or higher), downhill trending soil anomaly starting at the "Hot Spot" in the upper anomalous zone.

GEOPHYSICS

Magnetometer, VLF-EM and IP surveys have been carried out over the areas of interest.

The magnetometer and VLF-EM did not affect the interpretation of the geology on the zones.

The IP indicated a very high apparent chargeability (up to 37.9 milli-seconds) on line 2000N which reflects the Lower Alteration Zone. A much weaker chargeability anomaly (up to 13.9 milli-seconds) is found on lines 2000N and 2250N associated with the Upper Alteration zone over the "Hot Spot". (Figure HAN-4)

This IP anomaly over the "Hot Spot" would probably be disregarded except for the anomalous gold content of the soils and the gold in the trenches.

PROPOSED PROGRAM

In 1987, Lac plans to continue exploring this property utilizing geophysics (IP), trenching and geological mapping in the early part of the summer with a later program of diamond drilling. The total length of the drill holes planned at this stage is 300 m.

The proposed program is estimated to cost a total of \$223,000.

COMMENTS

The drilling in 1985 only examined a small portion of the

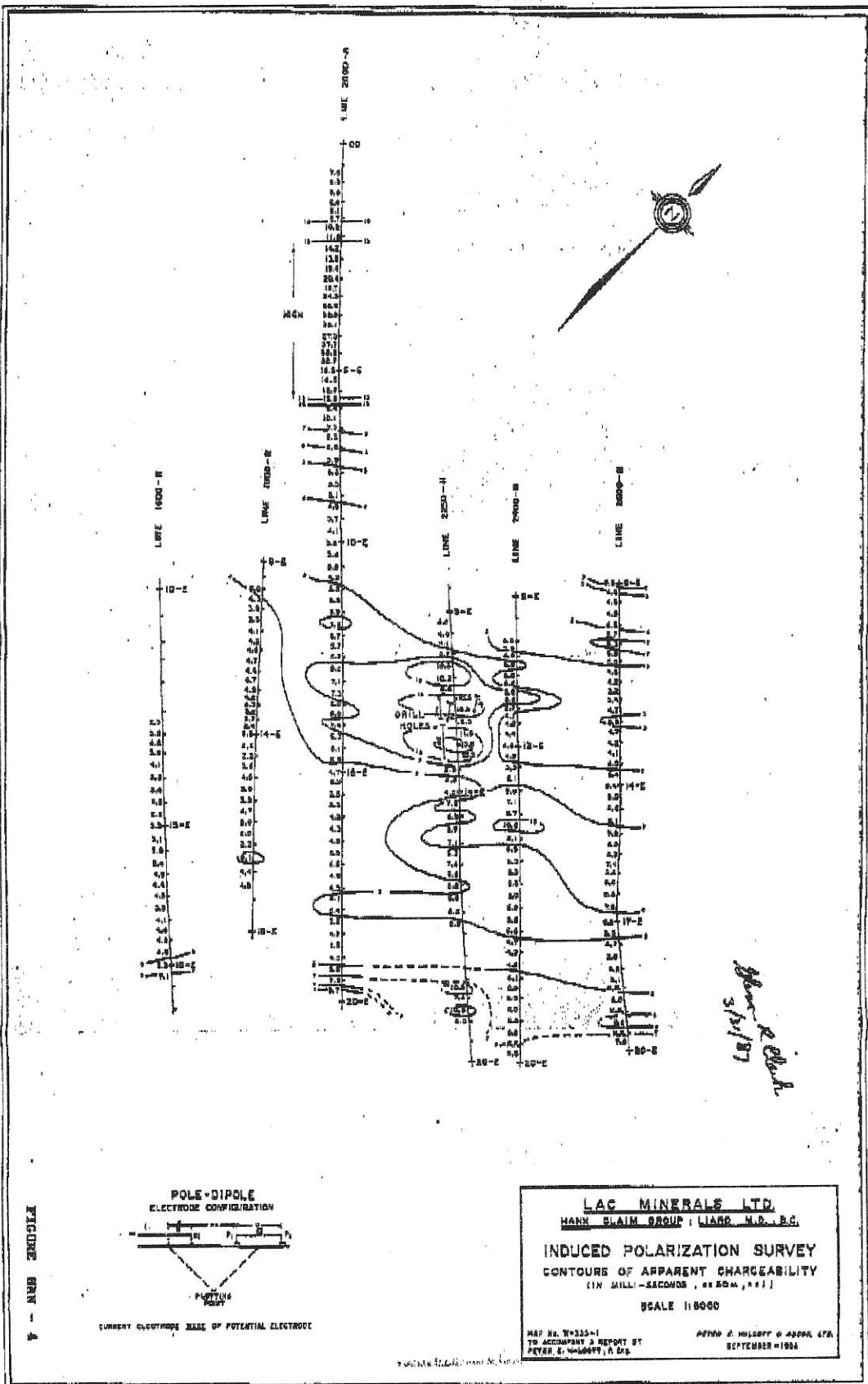


FIGURE BRN - 4

BC - BRN 11

known strike length of the favourable horizon. The remainder of the favourable horizon should be examined.

The known near surface zones have not been completely outlined by the drilling done so far and there is a possibility of the zones continuing on strike and at depth.

Of particular interest is the depth extension of the south zone.

The geological model that has been developed for this occurrence suggests that the lower 30 m of the altered agglomerate is the host of the main mineralization and that holes that were not drilled deep enough to reach that portion of the agglomerate may have not reached the favourable horizon. (Figure HAN-5).

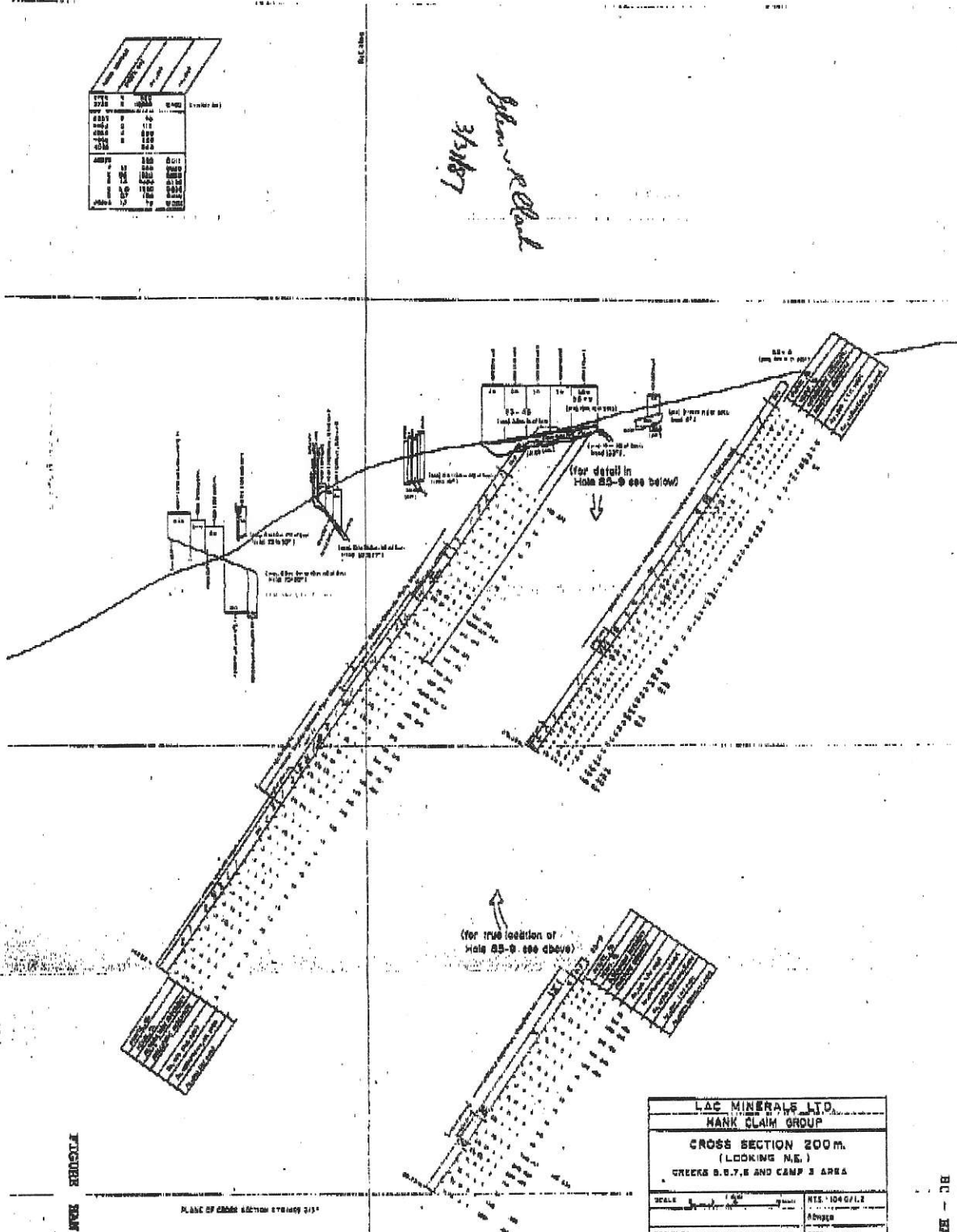
The lower, relatively unaltered porphyritic andesite contains lesser gold values.

The lower alteration zone which has not been tested by drilling may contain similar gold bearing zones.

The higher chargeability may indicate the presence of more sulphides in the lower alteration zone.

Sample No.	Depth (m)	Grain Size	Weight (g)	Moisture (%)	Loss on Ignition (%)	Other Data
278	0-10	...	...	...	...	...
279	10-20	...	...	...	...	...
280	20-30	...	...	...	...	...
281	30-40	...	...	...	...	...
282	40-50	...	...	...	...	...
283	50-60	...	...	...	...	...
284	60-70	...	...	...	...	...
285	70-80	...	...	...	...	...
286	80-90	...	...	...	...	...
287	90-100	...	...	...	...	...

Plan - Clark
3/3/87



LAC MINERALS LTD.	
HANK CLAIM GROUP	
CROSS SECTION 200m.	
(LOOKING N.E.)	
CREEKS B.B.T.E AND CAMP 3 AREA	
SCALE 1:1000	N.T.S. 1046712
DESIGN BY A. TUNIC, CALGARY, ALBERTA	DRAWN BY J. H. 1988 1702

FIGURE DRAW - 5

BC - 2887 13