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Gnat Pass
104 G/16

MEMO TO: Wayne J. Roberts

April 17, 1991

FROM: John S. Brock

I am told that the Gnat Pass porphyry copper-gold deposit may be available for acquisition. This property is in the Telegraph Creek area. Reserves of 25 million tons at 0.5% copper were reported in the 60's.

The property is currently held by Integrated Resources. John Hope at Aurum - 683-9656 currently has the reports. His telephone number is 428-9319.

Deer Lake

Integrated Res.

Harman Hojice



John S. Brock

Hope Pres. - 403 - 428 - 9319
AL JENKINS - U.P.

JSB:ldv

Description:

The Gnat Lake deposit is hosted by Upper Triassic Stuhini Group volcanics adjacent to the Upper Triassic to Middle Jurassic Hotailuh granodiorite batholith. Small satellite plugs also occur within the volcanics. Most of the work has concentrated in two areas, the Creek Zone which was the original discovery area and the Stikine Hill Zone (or Hill Zone) 1000 m to the east.

The Creek Showing occurs in highly brecciated andesite and diorite. The fracturing, which generally trends northwest, appears to increase in intensity toward the Gnat River, which may indicate the presence of a major northwest-trending shear zone in the valley bottom. Carbonate alteration of the volcanics is extensive and carbonate filled fractures up to 5 cm in width are common. Chalcopyrite and magnetite occur as fracture fillings, commonly associated with chloritic alteration. Accessory molybdenite and specular hematite are locally present. Concentrations of copper mineralization are uncommon and the best exposed showing assayed 2.94% Cu over less than 1.0 m.

The Hill Showing occurs in a rhyolitic phase of the volcanics poorly exposed on a ridge east of the valley. The rhyolite is generally brecciated and carbonatized with weak chloritic alteration. Chalcopyrite and minor pyrite occur as fine disseminations and less commonly in fine veinlets.

Reserves:

- 1974: 18 million tonnes containing 0.44% Cu and 0.31 g/t Au
or 32 million tonnes containing 0.39% Cu.
- 1989: 23 million tonnes with 0.44% Cu.