

EXECUTIVE SUMMARY**G CLAIMS**

NTS: 92P/8W
 March 07/90
 RMB

District: Kamloops Mining Division, B.C.

Location: Road accessible, 1 km west of Little Fort, central B.C. (Fig. 1)

Land Position: 5 contiguous claims, 100 units (2,500 ha) (Fig. 2)

Agreement/Title: 100% HMCL, subject to an option whereby HMCL pays \$60k over 4 years, and \$500k in work requirements. A payment of \$15K is due on August 31, 1990.

Commodity/Model: Intrusive-hosted Au vein-stockwork Au-Mo-Ag-Pb skarn

Exploration Stage: Early drill stage.

Expenditures to Date: \$55K.

Competitor Activity: Minnova

History: New discovery; grid-controlled surface evaluation work in 1988.

Geology/
 Work History:

The property is located in the southern extension of the Mesozoic Quesnel Trough which, in the area of the claims, is represented by a mixed volcanic-sedimentary enclosynclinal assemblage (Fig. 3). The property is underlain by a diorite-gabbro intrusive on the west (marginal phase of the Thuya Batholith), and Nicola Formation andesites, argillites, limestones and cherts to the east.

The Nicola Formation contains three sub-units:

1. Argillite \pm lapilli tuff (oldest unit)
2. Limestone \pm argillaceous sediments.
3. Mixed lapilli tuff, wackes and siltstones.

The Multiphase hornblende diorite occupies more than 60% of the property, and hosts the "Discovery Showing". The 'diorite' grades from pyroxene or hornblende gabbro to granodiorite with some later felsic differentiates. The contact of the diorite with the Nicola Group is conformable, although locally brecciated.

The main point of focus on the property is the Discovery gold showing, a multi-vein system which cuts the diorite. Early epidote-carbonate, veins are cut by gold-bearing calcite-quartz-pyrite-chlorite veins. Gold is associated with pyrite and galena. A second showing discovered in 1988 consists of a set of sub-parallel quartz veins within a felsic intrusive phase of the diorite (Nehalliston Creek occurrence).

A skarn zone, consisting of pyrite-garnet \pm pyrrhotite \pm pyrite and minor chalcopyrite-molybdenite occurs within argillaceous limestones Nicola Group, exposed on Highway 24. This occurrence has been compared to the Ta Hoola claims on the west side of Deer Lake.

The most significant assays from the Discovery showing are 3.15 g/t gold and 36.9 g/t Ag over 3 m in semi-massive pyrite (Area 1, Figs. 3a and

4). Best assays from the Nehalliston Creek prospect are 450 ppb Au and 1333.7 ppm Ag. The skarn occurrence is associated with soil anomalies, but grab rock-chip assays returned negative results.

Geological Potential: Intrusive hosted Au bearing stockwork or skarn similar to the QR Deposit.

Proposed 1990

Program:

Geophysics, trenching and drilling proposed in areas of best targets.

Proposed Farmout

Terms:

\$200K expenditure to earn 50% of Homestake's interest.

G-13

NTS: 92P/8W
Jan. 16/90
RMB

District: Kamloops Mining Division, B.C.

Land Position: One claim, 20 units (500 ha) adjacent to G-claims.

Location: Vavenby, south-central B.C.

Agreements/Title: 100% HMCL.

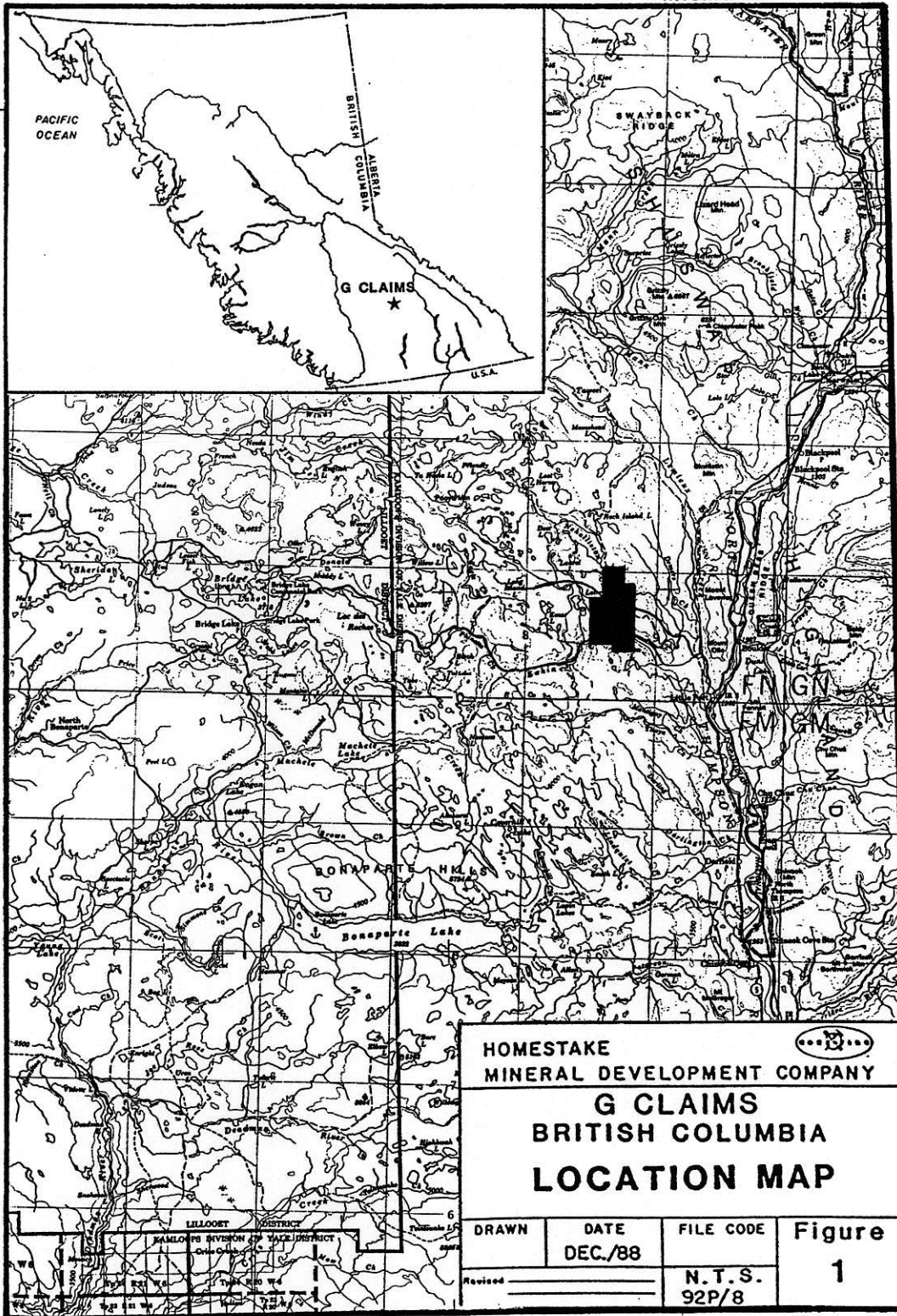
Commodity/Model: See G claims.

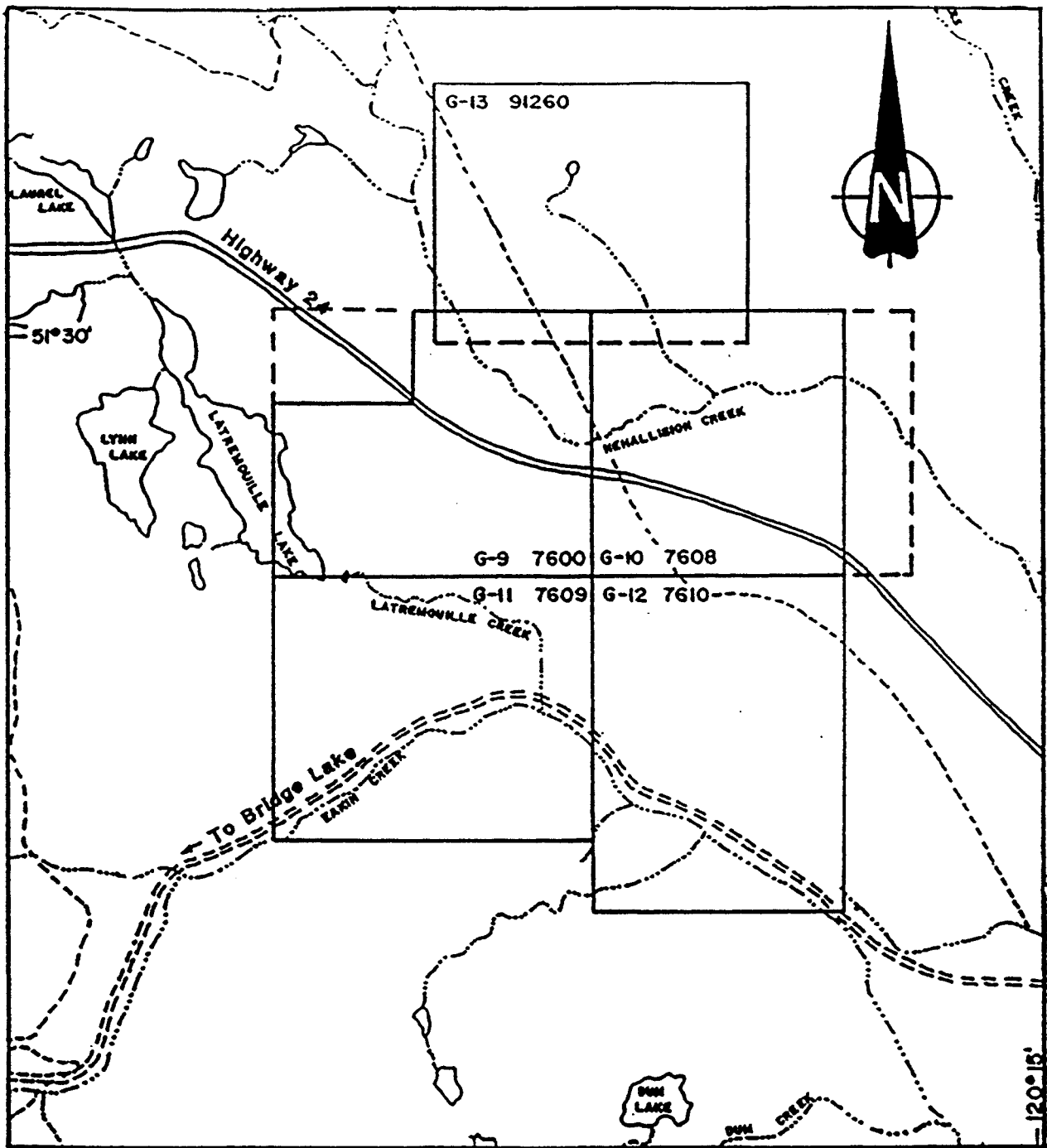
Geology/Work History: See G claims.

Required Action: Claim is in good standing until June 21, 1992.

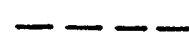
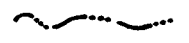

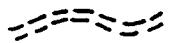
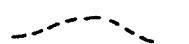
SCALE 1 : 500,000

0 10 20
kilometres



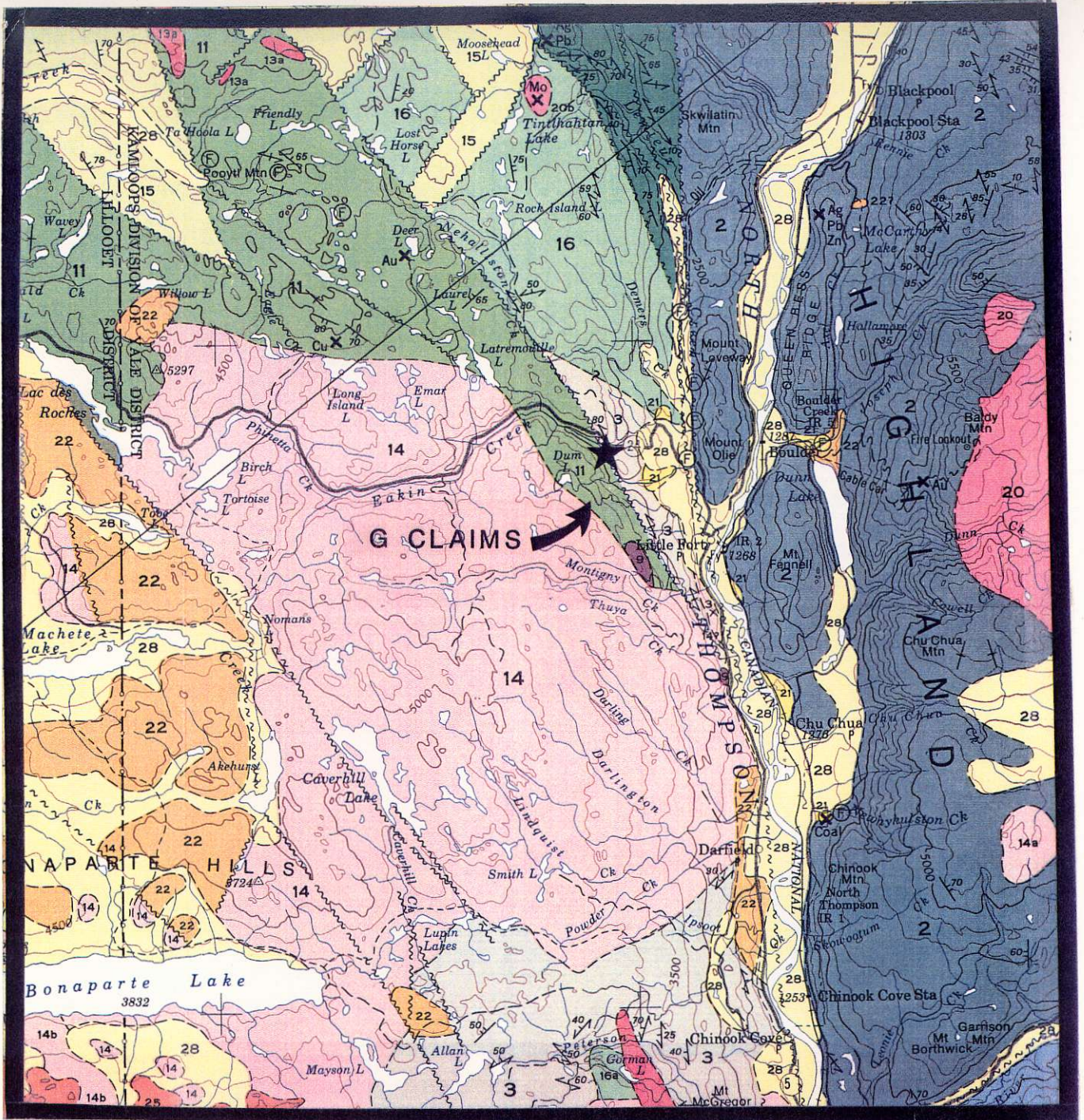


LEGEND

-  Overlapping claim boundary
-  Stream
-  Paved road
-  Gravel road
-  Trail

0 500m 1km 2km
SCALE 1:50 000

HOMESTAKE MINERAL DEVELOPMENT COMPANY			
G CLAIMS BRITISH COLUMBIA CLAIM MAP			
DRAWN _____	DATE DEC./88	FILE CODE N. T. S. 92P/8	Figure 2
Revised _____			



- 28 Till
- Tertiary
 - 25 Plateau Lavas
 - 22 Skull Hill Formation; Dacite to basalt volcanics and breccias
 - 21 Chu Chua Formation; Conglomerate, shale, arkose and coal
- Cretaceous
 - 20 Raft and Baldy Batholiths
- Jurassic
 - 16 Porphyritic augite, andesite, tuff and conglomerate
 - 15 Andesitic arenite, siltstone, breccia and tuff
- Triassic or Jurassic
 - 14 Thuya Batholith
 - 13 Syenite to monzonite intrusive
- Triassic - Nicola Group
 - 11 Augite andesite flow, tuff, greywacke and grey limestone
 - 10 Black shale, phyllite and black limestone

- Permian or Triassic
 - 9 Serpentine
- Pennsylvanian and Permian
 - 3 Volcanic arenite, greenstone and argillite
- Mississippian and/or Later - Slide Mountain Group
 - 2 Fennell Formation

SCALE 1 : 250,000

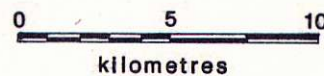


Figure 3: Regional Geology of the G Claims area. (Modified after Campbell and Tipper 1971)

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MINING (CANADA) LIMITED

G CLAIMS
BRITISH COLUMBIA

GEOLOGY MAP

DRAWN

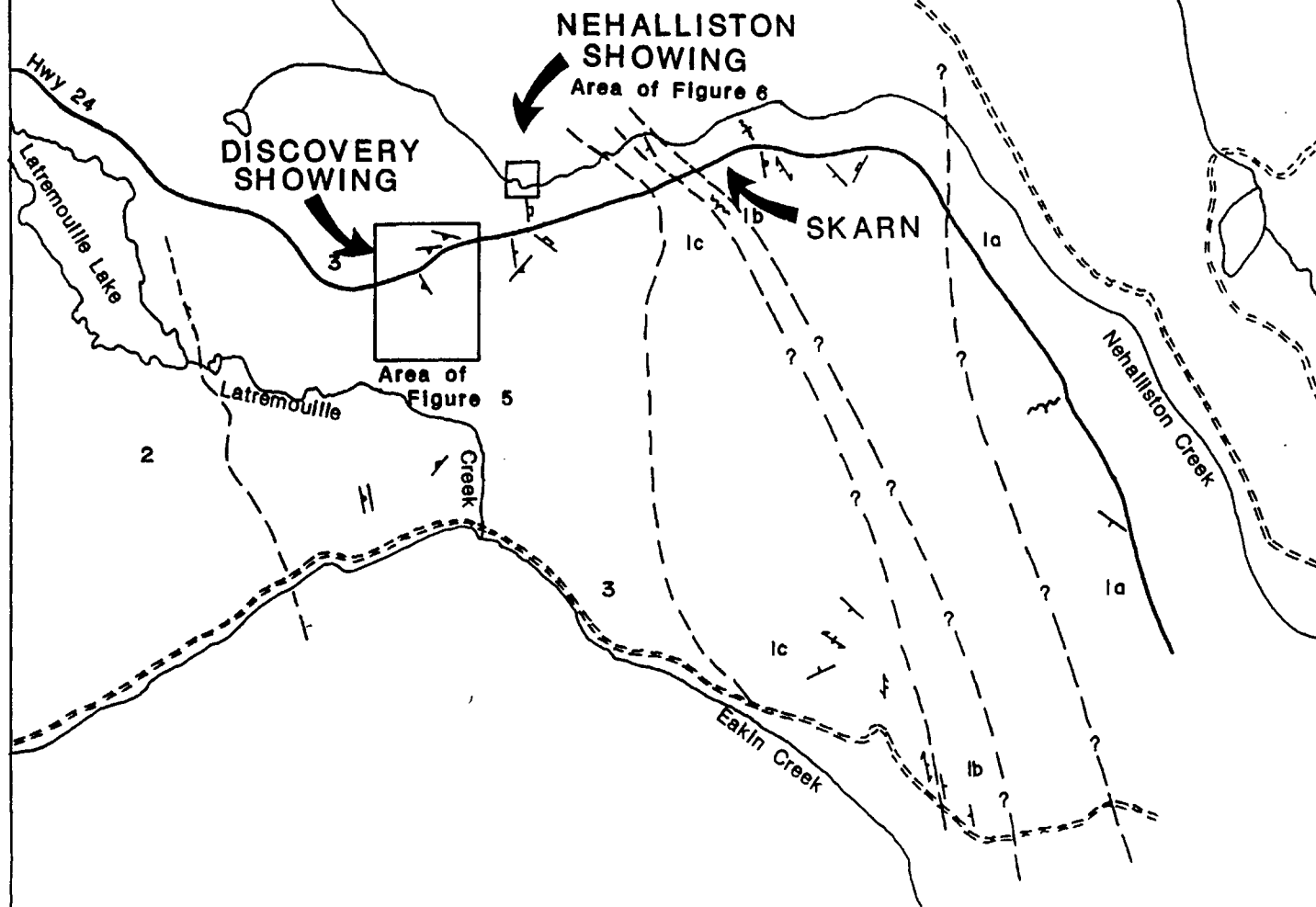
DATE
06/88

NTS

92P8,9

FIGURE: 4

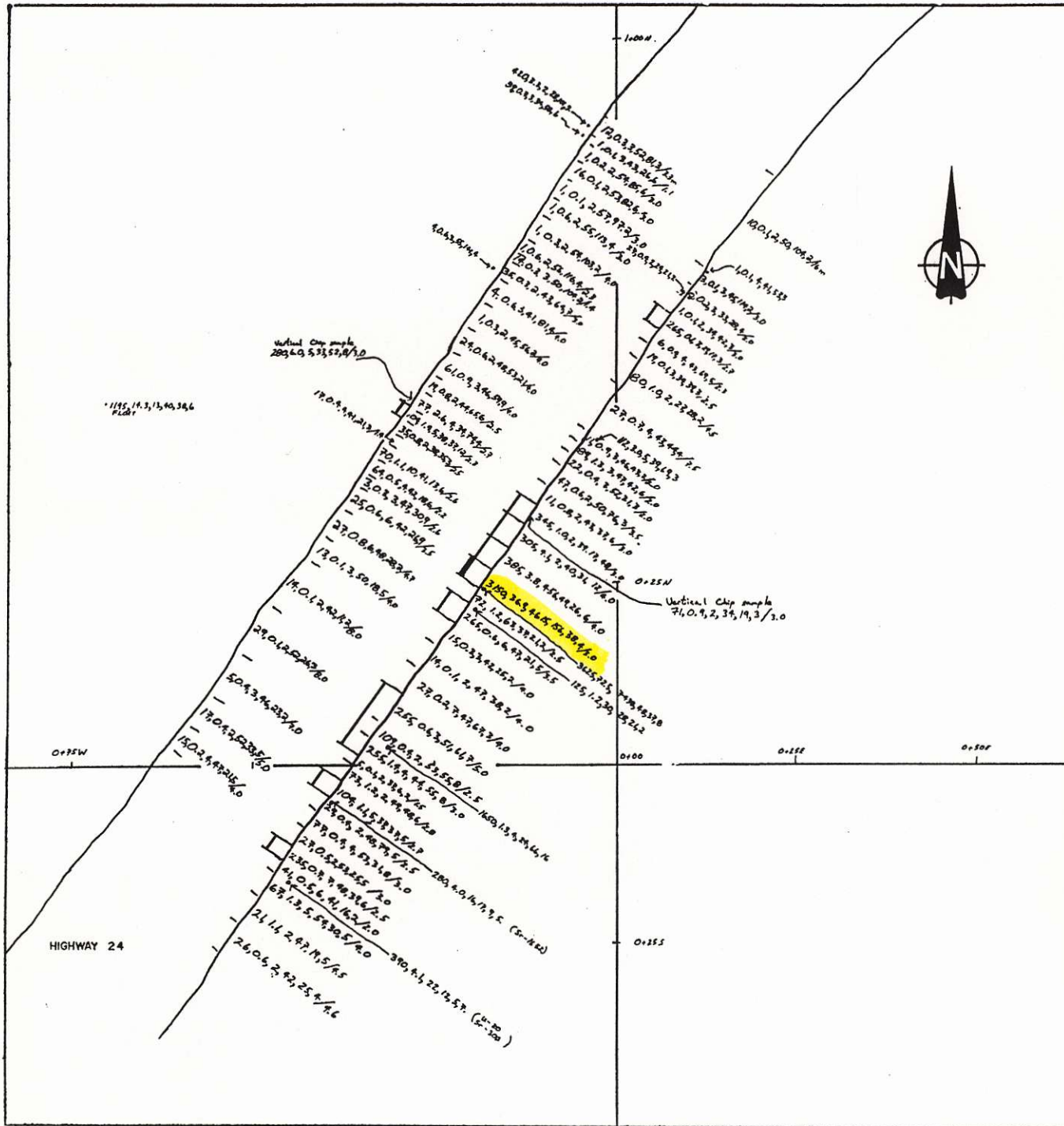
Revised



Foliation
Vein
Jointing
Bedding

- 3 Multiphase Intrusive
- 2 Thuya Batholith
- NICOLA FORMATION
- 1c Mixed Volcanics and Sediments
- 1b Limestone
- 1a Argillite with minor Tuff





RESULTS

Au, Ag, Pb, Zn, Cu, As /metre
 All values in ppm except Au, in ppb.



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G CLAIMS

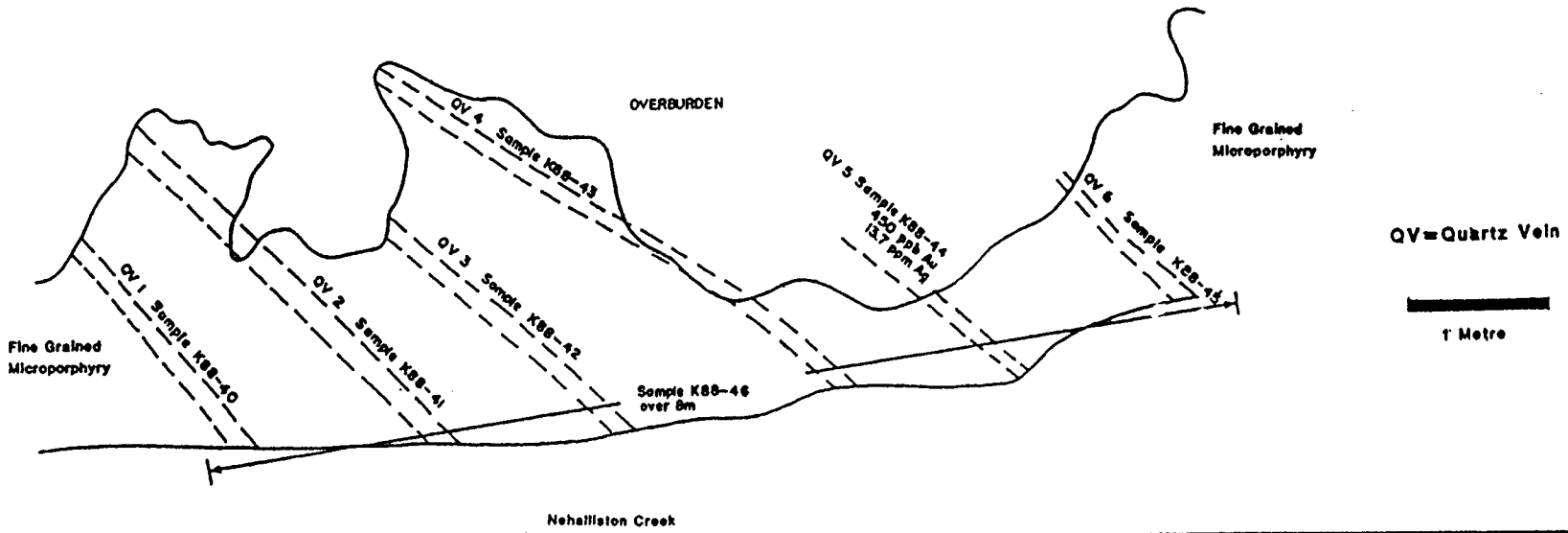
**CHIP SAMPLING
 DISCOVERY SHOWING**

Drawn:	Date: 12/88	File Code: 92P/8	Figure : 5
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SKETCH MAP

E
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W
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HOMESTAKE MINERAL DEVELOPMENT COMPANY			
G CLAIMS BRITISH COLUMBIA SERIES OF QUARTZ VEINS ON NEHALLISTON CREEK			
DRAWN _____	DATE DEC./88	FILE CODE _____	Figure 6
Revised _____	_____	N.T.S. 92P/8	6