5. Tulsequah River Property - Nick Claims

Within an area of only 25 sq miles in the lower Tulsequah Valley of northwestern B.C., there are four significant mineral deposits, three of which have been substantial producing mines. The Polaris-Taku gold mine operated from 1938-51 and produced 250,000 oz of gold from 760,000 tons of ore grading .3 oz\t gold. Cominco Ltd. operated the classical "Kuroko type" Big Bull and Tulsequah Chief mines from 1951-57 and produced 94,254 oz gold, 3,400,00 oz silver, 13,603 tons copper, 13,463 tons lead and 62,346 tons zinc from 1,029,089 tons of ore. The Ericksen Ashby deposit consists of massive zinc-silver mineralization that through surface and underground exploration has a tonnage of 1 million tons grading 7% Zn and 6 oz\t silver.

The Tulsequah Chief and Polaris-Taku Mines are currently undergoing aggressive exploration drill programmes to define additional reserves. In 1988-89, Redfern Resources Ltd. and joint-venture partner, Cominco Ltd., have been exploring for new reserves by underground drilling on the Tulsequah Chief deposit. Drill indicated ore reserves at this classic "Kuroko type" massive sulphide deposit now stand at 5.8 million tons grading 1.6% copper, 1.3% lead, 7.0% zinc, .08 oz\t gold and 2.9 oz\t silver. From 1951-57, this Cominco operated mine produced 750,000 tons of similar grade ore. The most significant discovery at Tulsequah Chief is that several separate massive sulphide lenses are merging at depth into a major deposit, and Cominco-Redfern anticipate substantially increasing ore reserves by furthor deep diamond drilling of the mineral horizon. As well, in fill drilling is expected to commence soon to define proven ore reserves, as the project moves to the feasibility stage.

The first deep drill hole in 1990 intersected a new massive sulphide ore lens with a 110 foot true thickness. Assays are presently unavailable, however, visual estimates indicate that it is an above average ore grade intersection and has stirred up considerable excitement.

Just across the Tulsequah Valley, 5 km west of the Tulsequah Chief mine, Suntac Minerals Corporation is having considerable success in its exploration drilling programmes at the Polaris-Taku gold mine. The property had lain dormant for many years until Suntac began surface and underground drilling in 1988-89 on the strike and depth extent of its major "mesothermal" vein system (Y Vein). From the diamond drilling, this mineralized zone is developing into a major gold deposit that is open at depth and along strike. Presently the probable reserves are reported as 1,450,000 tons grading .38 oz\ton gold, however current step out drilling is successfully continuing to extend the deposit. These former mines are presently the focus of most exploration work

in the district, and, with their continued success, considerable exploration work will be carried out on other major deposits such as Cominco's Big Bull deposit and Northwind Ventures Ericksen Ashby deposit. Also, Prime Group Ltd. presently has five separate junior's carrying out exploration programs on claim groups in the Tulsequah valley.

On Ecstall's 100% owned **Nick** claim group (163 units), which adjoins both the Suntac Minerals and Cominco-Redfern claims, there is potential to discover both high grade mesothermal\epithermal gold veins and\or Kuroko-Tulsequah Chief type massive sulphide deposits. Limited exploration, carried out in 1989 and previously, has located several zones of gold, silver, copper, zinc mineralization and high metal stream silt geochemistry within the Nick claims.

The most important Nick claims mineralization discovered to date are a series of sphalerite-galena-pyrite-arsenopyrite lenses up to 20 cm wide and 10 to 15 m long, which are parallel to bedding. Assays of two samples from this massive sulphide contain 64.19 and 55.05 oz\t silver, and .61 and .70 oz\t gold respectively. Near the massive sulphides are several breccia lenses 30 m long consisting of angular limestone clasts surrounded and partly replaced by a pyrite-sphalerite-galena matrix. The adjacent limestone is seamed with a stockwork of fine native sulphur veins and scattered copper-stained cherty veins which may represent the feeder system for a sulphide accumulation.

Elsewhere on Ecstall's Nick claims, a massive sulphide zone 50 cm wide occurs in banded and brecciated rhyolite on Shazah Creek. The sulphide is pyrrhotite with scattered patches of chalcopyrite. The presence of coarse rhyolite breccias and minor massive sulphides suggest that a volcanic centre may lie under alluvinm in Shazah Creek Valley. Favourable stream sediment and soil geochemical results from this area further indicate the proximity of unexposed massive sulphide bodies.

An aggressive exploration programme will be carried out this year to further explore the Nick claims in order to locate mineralization and define diamond drilling targets.