

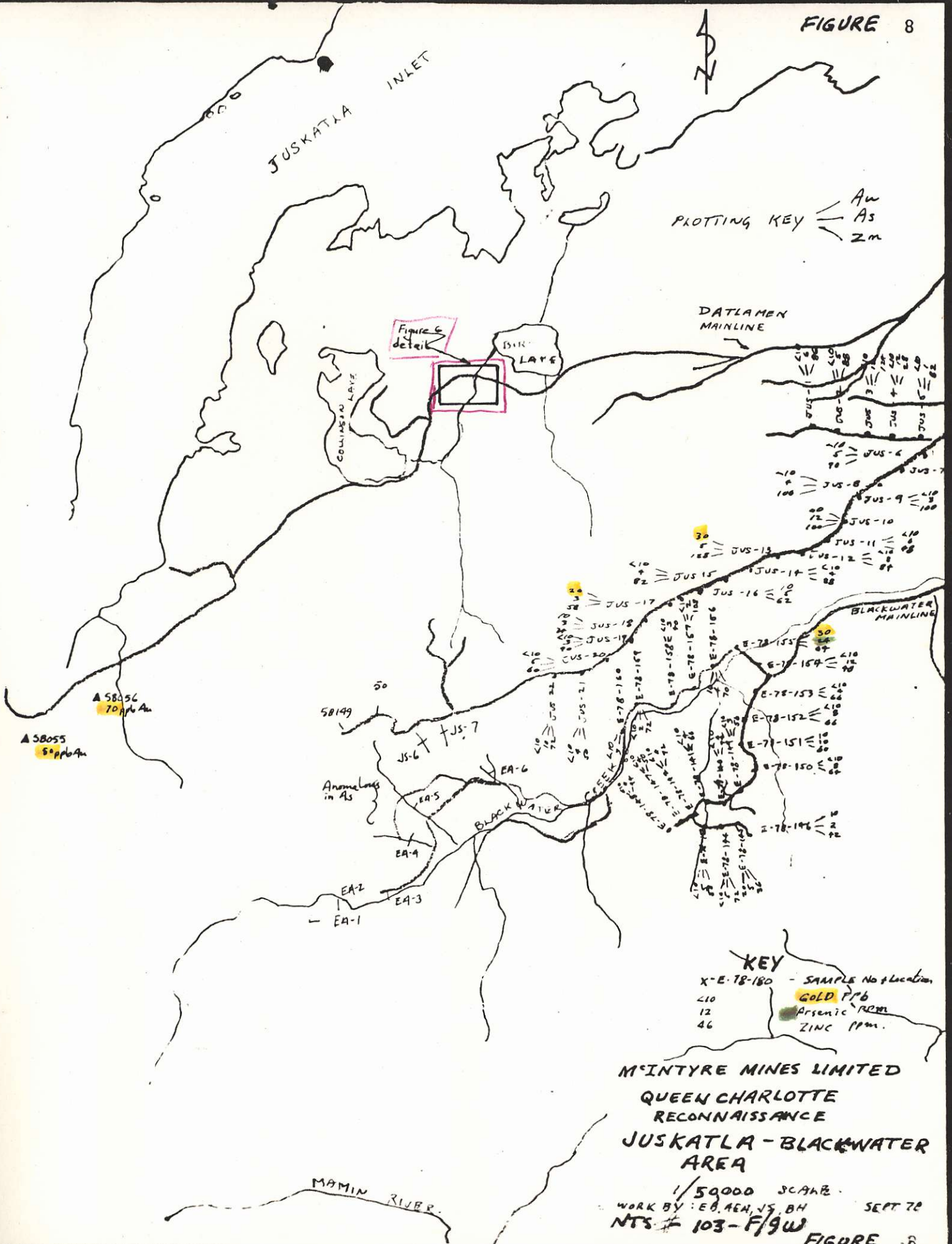
However there are also several notable differences in degree of silica introduction and host lithologies. From the limited preliminary studies at Specogna the acid volcanic component appears to have considerable genetic significance. The Specogna deposit could perhaps be more closely comparable to the precious metal - acid volcanic epithermal environment.

2) MASSET FORMATION

The complexities of the Masset Formation are outlined on pages 20 - 21 of the Exploration Proposal. A good cross-section was made through the Tartu facies in both the Rhyolite and Mixed members on Graham Island and the Kootenay and Dana facies on Moresby and adjacent Islands.

Figure 4 illustrates a small road cut-canyon in Rhyolite member near Bird Lake (see figure 8 for location). At this locality a chalky white weathering, crudely banded, pyritized rhyolite interfingers with a green lahar. Locally the rhyolite shows steep almost vertical contacts. Cross-cutting breccia "pipes" are common in the Bird-Collinson Lakes area. Rock geochemistry of rhyolite breccia at Townstasin Hill (Datlamen Creek) assayed 50 and 70 ppb Au. An extremely well exposed, gently dipping section of Rhyolite member occurs at Port Chanal.

The Basalt member was examined on the northwest coast of Graham Island where two specimens of "garden variety" basalt ran 20 ppb Au. Brecciated basic volcanics of the Mixed member assayed 40 ppb Au. Intrusive rocks related to Masset Formation flows and pyroclastics were seen in Lepas Bay. A sample of biotite feldspar porphyry assayed 20 and 40 ppb Au. Kunga argillaceous limestone in contact with a columnar basalt dyke, just south of Lepas Bay ran 20 ppb Au. This phenomenon of "high background" to anomalous gold values in the basic and intrusive portions of the Masset Formation was not expected. The question of exhalite concentrations associated with



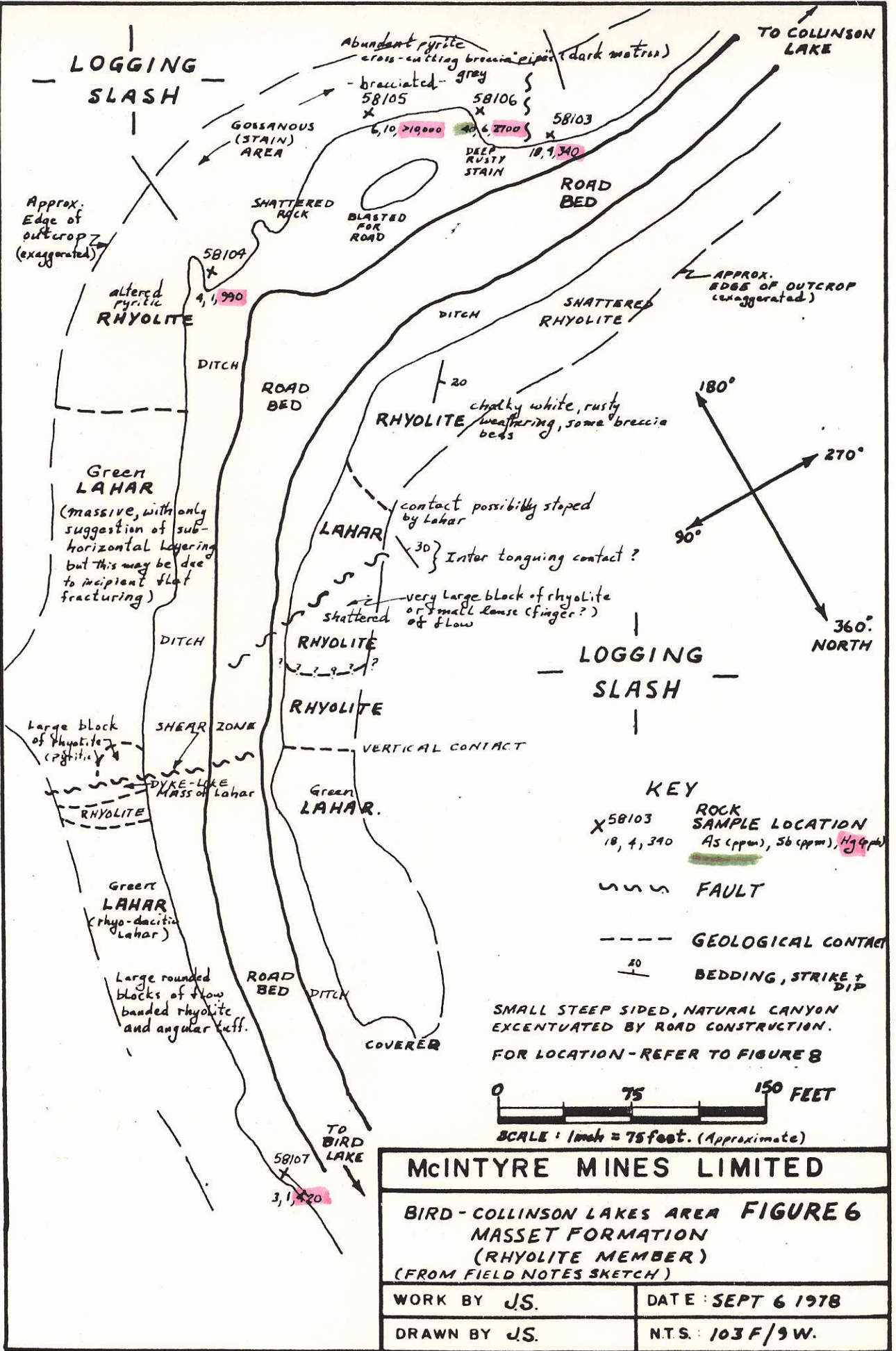
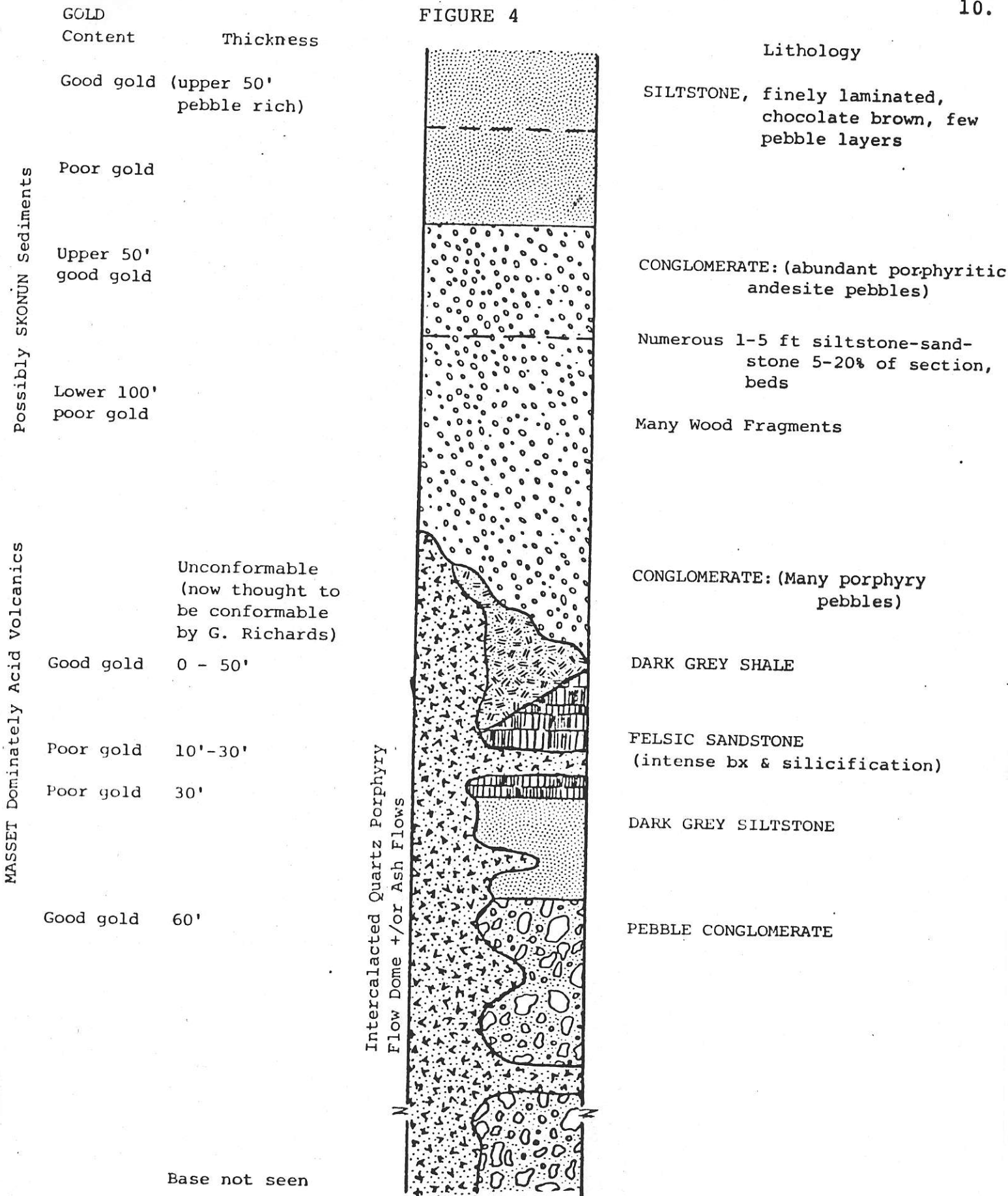


FIGURE 6

FIGURE 4



Entire section disrupted by vertical fissure filling drusy & chalcedonic quartz breccia

Drawn by J.S., Dec. 1978)