KUTCHO CREEK PROJECT, BRITISH COLUMBIA

Target: Volcanogenic massive sulfide mineralization in
Triassic volcanic rocks.

History: The Kutcho Creek deposit was discovered by
geochemical sediment sampling techniques which
resulted in strongly anomalous values for copper and
zinc in a stream which transects the deposit. The
orebody is covered by a thin mantle of overburden
where it comes to the bedrock surface, consequently
prospecting located numberous angular sulfide
boulders, one of which, weighing about 650 kg,
contained significant amounts of chalcopyrite.

Evalutation of the deposit commenced in 1973 and
has continued to the present with both Sumac Mines
Ltd. and Esso Minerals Canada freely exchanging
exploration data.

From a report prepared by Esso Minerals Canada,
Project Development Group, August 1980, "Total
estimated mine recoverable reserves at Kutcho Creek
are 20.6 million tonnes at an average grade of 1.53%
Cu, 2.22% Zn, 28.2 g/t Ag, and 0.30 g/t Au."

1981 Programme:

Three wedge branches, comprising 2761' (841.5 m),
were drilled using existing DDH 97 as the pilot hole.
A 'fence' of holes which was started in 1980 was
completed in the 1981 programme, the purpose being to
test the westerly extension of the south limb of the
Esso West Zone. A sulfide horizon was intersected

1981 Programme (Cont'd.)

      with the series of drill holes and the best
intersection occurs in 9783 with 0.50% Cu, 2.81% Zn,
14.1 g/t Ag over 8.4 m. However grades/sulfide
thicknesses and alteration assemblages could not be
interpreted as indicating the presence of an
economically significant ore zone.

      A limited amount of rock chip geochemistry and
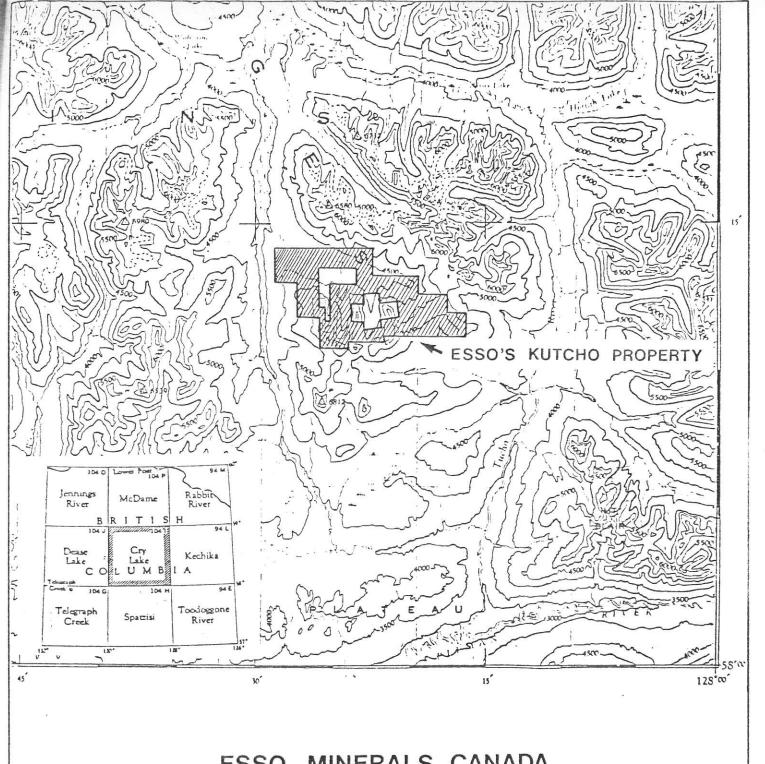geophysics was done along the property's southern
boundary.

Expenditures 1981:   Exploration $ 170,000
                           Total to Date $ 3,329,000

1982 Programme: A technical meeting is planned with
                       Sumac in December to arrive at a mutually
agreeable plan of attack for the 1982 field
season.

ESSO'S KUTCHO PROPERTY

ESSO MINERALS CANADA

KUTCHO CREEK PROPERTY

Scale 1 : 250,000
1 Inch to 4 Miles Approximately