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Ashlu Creek Gold Mine

A recent economic evaluation of the Ashlu Creek gold/silver/tungsten Property by E.G. Kennedy, P. Eng. reports 300,000 tons of inferred ore with an estimated gold content of 0.35 oz/ton. The main (Ash) vein is open at the bottom end and on both sides, with 5 levels of development extending across part of the vein on the south side of Ashlu Creek. On the north side of Ashlu Creek, at a distance of some 500-800 feet from the mine workings is a ± 60 foot tunnel in ore that appears to be the extension of the main Ash vein.

Earlier reports by three different mining engineers and geologists have confirmed 45,000 tons of 0.41 oz/ton gold proven and probable ore on the main Ash vein on the south side of Ashlu Creek. Early assays from the tunnel in ore (1925) on the north side of Ashlu Creek averaged approx. 0.25 oz/ton gold, excluding a 9 inch streak of solid sulphides which assayed 5.44 oz/ton gold, and 18.6 oz/ton silver.

The old timers in 1920 and 1930 drifted down the Ash vein following an obvious quartz vein some 3 to 4 feet thick lying just below the hanging wall. (see section in red below) Apparently they were unaware of a lower footwall to the Ash vein as reported by Dr. Sevansma in 1976. Consequently, in the old workings only about $\frac{1}{3}$ of the ore was mined. This is more understandable when it is realized that the gold mineralization in the central part of the Ash vein exists either in the form of micron gold which is not visible to the eye or in the form of gold tellurides which often come in unidentifiable black or grey colours. The proposed work will include underground diamond drilling through the floor of the old workings in the Ash vein to confirm the existence and continuation of the footwall some 10 to 15 feet below. Such drilling can prove that a footwall extends under the whole of the Ash vein and the ore reserves probably could be increased by some 300%.

A 1976 Progress Report by P.H. Sevansma, Ph.D., P.Eng., states: "Dewatering of the old workings on the Ash Claim has uncovered three old levels, the lower one of which shows a stronger and more continuous vein than on any of the higher levels." This Report on the dewatering makes the following observation: The main winze and the levels follow the upper part of the vein - zone, along the upper contact of the dyke rock and the overlying debris-charged quartz-monzonite, which contact is always marked by a continuous quartz vein. In the winzes, a number of quartz veins dip easterly and disappear into the footwall of the dyke and vein zone. Two short crosscuts on the second lowest level did confirm this and exposed a footwall vein underlain by a strong shear. This vein revealed the best assay taken in the lower levels (3.40 oz/ton gold) and suggests that the pyrites near the footwall of the vein - zone contain the highest proportion of gold. (see section in blue)

