675778

1992 "SNAPSHOT" REVIEW FORM

Property/Project

Name: **SIWASH NORTH GOLD DEPOSIT** AUTHOR: **Mr. J. D. Rowe**

NTS: **92H/16W**

Claims: **ELK PROPERTY** 84 claims (523 units)

Acreage: 32,000 acres (13,000 hectares)

Commodities: **Au, Ag**

Agreements Fairfield Minerals Ltd. holds 100% interest in the property, subject to a 10% Net Proceeds Interest from production payable to Placer Dome Inc. to a maximum of $2.5 million. The NPI can be purchased for $1.3 million to Dec. 31 1993.

History

Year	# Soil Samples	Geophysics VLF-EM, Mag, IP			Trenching metres	#Tr	Diamond Drilling metres	# holes
1986	590							
1987	8290	5km	5km	5km	1530m	10		
1988	2250				2880m	11		
1989	4860	50km	50km		2220m	26	750m	12
1990	1500	50km	50km		1230m	19	5430m	62
1991					40m	1	6610m	37
TOTAL	17,480	105km	105km	5km	7900m	67	12,790m	111

Financing 1988 to 1990 provided by Placer Dome Inc.

Past development/production: NONE

Geology

Regional: The Late Jurassic Osprey Lake batholith is in contact with Late Triassic Nicola volcanic rocks to the west. Local Tertiary stocks up to 8km long intrude the batholith. Major structural lineaments trend north and northeast. The Brenda Cu-Mo deposit is 20km east and the Nickel Plate Au deposit is 50 km south.

Local: Batholith rocks are coarse, equigranular granite to quartz monzonite. Volcanic rocks are andesitic flows and agglomerates. Tertiary quartz-feldspar porphyry stocks and associated andesite dykes are often spatially related to mineralized quartz veins.

Alteration/Ore Forming Minerals: Quartz veins up to 1m wide cut both intrusive and volcanic host rocks and strike generally 060 to 090 degrees. Narrow (0.5 - 1.0m) alteration envelopes consist of moderate to strong argillic and phyllic assemblages. The quartz contains several percent pyrite with free gold, electrum and minor chalcopyrite and galena.

Vein and f.g. altered Tert andesite dykes
Veins mainly in granite, extends W into Nicola rocks.
B vein changes dip, shallows at depth = conj. fract set

Current Exploration Results

i) Geology: Gold bearing vein structures have been identified in six areas on the Elk property. Detailed exploration has focussed on the Siwash North deposit. Stripping and trenching have traced this vein system along strike for 850m. A single strong vein (B zone) has been exposed for 550m whereupon it splays into numerous narrower sub-parallel veins. Drilling has intersected the structure to 300m down dip and it remains open in all directions. The widest and highest grade vein is hosted by intrusive, however, this mineralized structure continues into the adjacent volcanic rocks.

ii) Geochemistry: Initial soil sample grids were spaced at 200m X 50m. Only Au was analyzed. Values greater than 50 ppb Au were followed up with 50m X 25m grids. Six large gold anomalies have been defined, with many values greater than 300 ppb. Five of these targets have had some trenching with successful results. The Siwash North deposit was discovered by trenching within a Au geochem anomaly measuring about 900m X 400m.

iii) Geophysics: VLF-EM conductors may relate to clay alteration/gouge along structures or to andesite dykes often near, or parallel to, veins. Mag lows may coincide with alteration envelopes around veins depleted in magnetic minerals. Mag highs help define the volcanic-intrusive contact. A small IP test survey over two known showings was not definitive.

iv) Sampling: Trench panel sampling at 5m spacings along the strike of the Siwash North vein system revealed an extremely consistent high grade interval of 200m averaging 27.3 gm/t (0.796 oz/ton) across 2.0m true width. Drill holes intsrsected similar grade material to 300m down dip. An area of about 900m X 250m has been grid drilled at 50m X 50m spacings.

		SIWASH NORTH DEPOSIT
Reserves:	Geological, possible, probable and /or proven:	307,000 tonnes drill indicated
	Number of zones:	6 shoots in 1 vein system
	Number of sample points:	103 drill holes
	Average grade:	22.19 gm/t (0.647oz/t) Au; 24.65 gm/t Ag
	Average thickness:	2.0m
	Cut-off grade:	10.0 gm/t Au over 2.0m true width
Costs:	Recent exploration costs, i.e. (relating to above):	$3.5 million
	Projected exploration costs of program to development:	$2.5 million (underground exploration bulk sample)
	Projected development costs given positive economics:	
	Projected operating costs given positive economics:	