676077 MAC 93K/13 **RIO ALGOM EXPLORATION INC** P O Box 10335 Pacific Centre 1650, 609 Granville Street CC R. Anderson Vancouver, B C V7Y 1G5 B. Struik Tel: (604) 688 3646 K. Bawson J. Whalen Fax: (604) 669 0447 DR. R. KMAKHAW To: * Colin, Wants this kepi STENCE CI From: considential until? MAC MOLY Re: Henewith abstract from short paper for CIM Volume and location/ geology NTA is a3 K 13. map. and can make specimens available We can discuss it further of your wish. A K-Av date on the minevalised quanité (biotité) is 136±5my. The adjacent immineralised quancolonité 13 141 ± 5 my. Cheers; Fine

A total of 3 page(s) will be transmitted, including this cover sheet. Date: 0019,94 Time: 15.15 Operator: Abstract

10/10/04

10.41

LAUU4 000 0441

NIU ALGUM EAF.

GOU LENDER OF

93 K 13

NW evenu R+ From shut

W1004/

The MAC porphyry molybdenum prospect is located 100 km east of Smithers in central British Columbia. The identification of anomalous levels of Mo, Cu, and Ag in three adjacent lakes, sampled during a regional lake sediment survey, lead to the discovery of molybdenite mineralization in float. Subsequent magnetic and soil geochemistry surveys, together with prospecting and mapping, located the source of the float. Mineralization is hosted by a leucocratic granite stock of the Lower Cretaceous Topley Intrusions which has invaded Carboniferous and Permian Cache Creek Group volcanic and sedimentary rocks. The stock measures 500m x 300m at surface and is mineralized throughout. Sulfide mineralogy is simple and consists of molybdenite with minor pyrite and local chalcopyrite. Molybdenite mineralization comprises up to 0.2% and occurs within fractures and as selvages along quartz stockwork veins.

Known mineralization is coincident with distinct soil geochemistry and magnetic anomalies. Two additional areas of the property display similar features and these remain to be tested.

LAT 54° 51' 30" N. LONG 125° 34' 30" W.

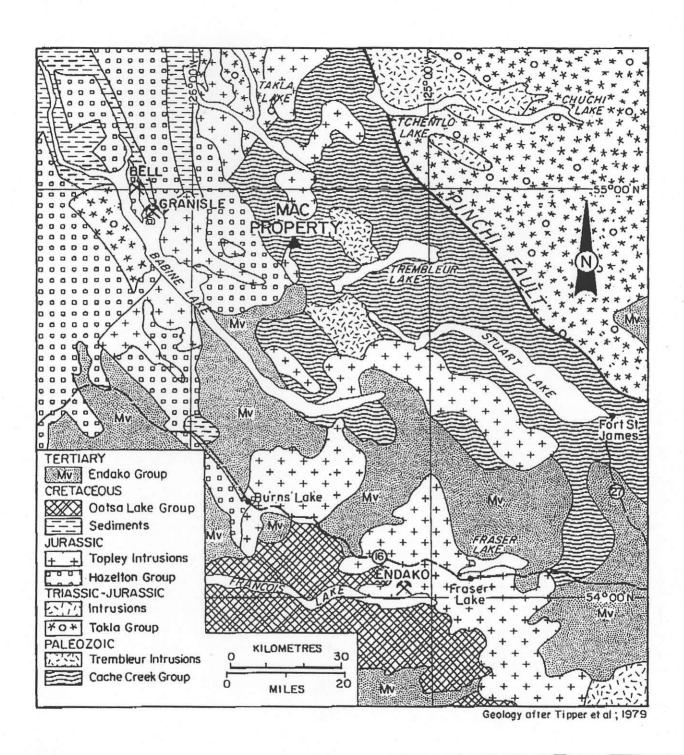


Figure 1

Regional geology showing distribution of the Topley Intrusions and location of the MAC property.