

Tom Schroeter of EI, 13:48 19/02/97 -0, MEG Talk - TSACHA

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Date: Wed. Feb. 19/97
 Location: Hotel Georgia, Vancouver 68 persons
 Time: Noon - 1:30
 Speaker Jean Pautler, Teck Exploration (Kamloops).

Title: TSACHA PROJECT, an epithermal gold occurrence in the Nechako Plateau,
 B.C.

- * 125km SW of Vanderhoof.
- * "Thanks"/acknowledgement of GSB importance in discovery/geological mapping/mineral deposit discussions/lake sediment sampling/till sampling
 [Diakow, Webster, Schroeter, Lane, Cook, Levson].
- * All (7) veins discovered by PROSPECTING.
- * Staked by Jean (Teck) immediately following release of GSB data

during Roundup

'94 (January). Staking 'rush' included Cogema and Phelps Dodge.

* Property underlain by quartz phyrlic felsic crystal tuff, lithic tuffs, commonly welded, and augite porphyritic basaltic andesite flows, all of the Jurassic Hazelton Group. All units are intruded by a late Cretaceous (70Ma)

dioritic dykes and sills. Sill also cuts off mineralization.

* To date: 1600m of trenching (40 trenches); 8300m of diamond drilling (58

holes) resulting in the discovery of 7 veins (Tommy, Larry, Johnny, Ian, Bobby,

Barney, Goofey and Alf).

* Vein Mineralogy: native gold, stephanite, electrum, argentite in quartz, adularia, carbonate, montmorillonite. Bladed silica replacing calcite.

* Quartz-adularia, low sulphidation epithermal system.

* New Resource calculation for the Tommy Vein: 478,600 tonnes grading 8.7 g/t Au

(0.254 opt) and 82.3 g/t Ag (2.4 opt) using a 3 g/t Au cut off. This vein has

been traced for 640m along strike over an average width of 4m and is continuous

down dip (vertical) to a diorite sill that cuts the vein at an average depth of

120m. A total of 25 pierce points have been obtained from drilling above the

vein; 3 drill holes went below the sill [good potential for exploration]. Assay

intersections from drilling appear 'consistent' e.g. 2m @ 22g/t Au; 1.3m @ 83g/t

Au; 6m @ 5.5g/t Au; 6.7m @ 6.9g/t Au.

* Other veins have significant gold and silver values, but require further testing.

CONFIDENTIAL: Teck is dealing with a Junior company on the Tsacha property; Teck

would remain the operator (\$1 million expl'n in '97?). Teck is also looking at optioning/buying Phelps Dodge's Tam/Taken property which adjoins the Tsacha property to the east. in 1996, Fox Geological (on behalf of Phelps Dodge) drilled approx 1500m on the Ted zone. Surface sampling of the quartz vein (fault offset of the Tommy vein 'system?') yielded vlues of up to 6 g/t Au over a 10m width. The Ted vein has been traced along surface for a strike length of 800m to

the Teck boundary.

* At today's metal prices, the in situ value of the Tommy vein is approx. US \$60 million! - not bad for a GSB-assisted discovery! And that's just the beginning?! There are several more excellent targets to be tested in the Interior Plateau.

Tom.