

Vanco Explorations Ltd.

ASPEN GROVE PROJECT

HIT / MISS CLAIMS

Progress Report - October 1991

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SUMMARY

1. Fieldwork on the HIT/MISS property was concluded on October 9 following completion of the second drill hole testing the HIT Zone. Disappointing results brought an early end to the drilling programme.
2. The Aspen Grove trailer/office has been closed and equipment moved back to Vancouver.
3. Arrangements were made with Norman Houlind Ltd. to complete the reclamation of all the trenches left open, but a heavy snow fall in mid October, and subsequent cold weather will probably delay this work until next spring.
4. On October 25, assessment work to the value of \$33,200 was applied to the MISS 2 and 3, ZULA 1, and SADIM 5 claims. All the HIT/MISS claims now have the maximum work applicable, bringing the expiry dates up to 2001.
5. Final project reports covering the 1991 work programme are being prepared.

Results of the HIT Zone drilling programme are summarised below.

DRILLING PROGRAMME

The accompanying plans and sections illustrate the results of the programme.

Holes 91-1 and 2 were intended to test for depth extensions of the main quartz vein exposed in the trenches (Ref. July monthly report). 91-1 was sited to intersect the vein below one of the best surface samples, and 91-2 tested the northern part of the vein.

Summary logs of the holes are as follows:

DDH 91-1: coordinates 600N 0+06W @ -45, Az. 270

0	-	1.5	m	Casing	
1.5	-	34.4	m	Andesite flows/tuffs (1a)	
34.4	-	35.8		Fault	
35.8	-	54.6		Tuff (1e)	
54.6	-	54.8		Alteration Zone (1e carb)	
54.8	-	55.8	(1.0 m)	Quartz vein/fault + pyrite	600 ppb Au
55.8	-	59.4		Alteration Zone (1e carb)	
59.4	-	69.8		Tuff (1e carb)	
including quartz veins @ 67.7 - 69.6 (1.9 m) wkly pyritic					410 ppb Au
69.8	-	96.4		Major Shear Fault Zone (1e carb)	
96.4	-	97.4	(1.0 m)	Quartz vein - minor py.	210 ppb Au
97.4	-	98.5		Alteration Zone (1e carb)	
98.5				Hole abandoned	

The hole became increasingly 'tight' after entering the alteration/shear zone at about 55 metres. Thereafter, the ground was extremely broken, gouge rich, and highly abrasive. At 95 metres, the hole had become too tight to proceed further. A change of mud and prolonged reaming resulted in a gain of only four metres, at which point the rods seized, and the hole was abandoned.

The drill intersected three quartz veins/gouge zones, all rather weakly pyritised, which assayed 600, 410, and 210 ppb Au (see log and sections). None contained any visible galena, which characterises the better grade veins encountered by trenching on both the HIT and SADIM zones. There is no obvious projection/correlation of surface to drill hole intersections - if the deeper drill hole intersection is the same vein as that exposed in Trench #7, then it has been displaced or warped into a steeper plane.

The 'wallrock' alteration zones are weakly and erratically mineralised, and the gold content is considerably lower than that obtained from the alteration zone on surface.

DDH 91-2: coordinates 775N 0+80W @ -45, Az. 270

0	-	19.7	Casing	
19.7	-	39.8	Andesite (1a)	
39.8	-	40.1	Fault/quartz vein	330 ppb Au
40.1	-	50.6	Alteration Zone (1e carb)	
50.6	-	55.5	Tuff (1e)	
55.5	-	55.93	Quartz vein/fault	39 ppb Au
55.9	-	58.5	Alteration Zone (1e carb)	
58.5	-	87.5	Tuff/Bx Polyolithic (1df)	
87.5			End of hole	

Hole 91-2 intersected two narrow quartz veins within an 18-metre shear/alteration zone (see Section). Although alteration increases at depth, it is considerably narrower than the zone at 600N. The quartz veins are sparsely pyritised, and contain only 330 ppb Au and 39 ppb Au.

CONCLUSIONS

The drill holes indicate that the HIT Zone quartz veins weaken at depth, and that the ground conditions are so poor, especially in Hole 91-1, that mining would be a major problem if not completely impracticable.


Further drilling could not be justified, and the programme was therefore stopped on completion of drill hole 91-2.

Although the 1991 programme did result in the discovery of similar shear hosted gold bearing veins in the extreme north of the property, the narrow widths, impersistence and low gold contents do not merit further work.

The quartz-sulphide veins discovered south of the INCO area of drilling are also too weakly mineralised and too discontinuous to be of interest.

RECOMMENDATIONS

The results of the 1991 exploration/drilling programme do not justify further exploration of the HIT/MISS claims.



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