

93F/11

<b>MINGOLD RESOURCES INC.</b>		
VANCOUVER OFFICE		
PROPERTY	LOCATIONS	93F/11
DRAWN BY:	DATE:	APPROVED BY:
BRITISH COLUMBIA		PLATE NO.

681341

PROPERTY: Rhub-Barb

COMMODITIES: Au - Ag

LOCATION & ACCESS: Fig No. 1 & 2

The Rhub and Barb claims are located 70 kilometers south of Burns Lake on the north shore of Intata Reach. NTS Map Sheets 93F/11W, 12E, Latitude 53°37'N, Longitude 125°30'W. Access to and within the property is excellent with a network of logging roads traversing most of the claims. These roads are connected to two major log haulage roads - one to Burns Lake via the Francois Lake Ferry and the other to Vanderhoof. Topography on the property is quite subdued with elevations varying from 900 meters to 1300 meters. Numerous clear cut logging areas occur on the property.

CLAIMS: Fig. No. 3

The property comprises a contiguous block of 15 mineral claims totalling 283 units wholly owned by Mingold Resources Inc. It encompasses an area of approximately 17,000 acres. All claims are in good standing until at least 1990.

EXPLORATION TARGET:

The target is an epithermal type gold and/or silver deposit within Lower Tertiary volcanics. Mingold's exploration model was developed on the geological similarities between the Tertiary environment of central B.C. and volcanic hosted epithermal precious metal deposits of the Basin and Range structural province of the western U.S.A.

EXPLORATION HISTORY & RESULTS:

1986 - Mingold initiated a program of prospecting and rock sampling of the Lower Tertiary volcanics in central British Columbia. Late in the 1986 field season prospecting crews discovered a 2' by 2' boulder of silicified brecciated felsic volcanics which assayed 0.12 oz/ton gold along with 0.5 oz/ton silver, up to 1776 p.p.m. arsenic, 122 p.p.m. antimony and 4200 p.p.b. mercury. An extensive search of the immediate area failed to locate outcrop of this type material. However additional float material containing up to 1580 p.p.b. gold was found up ice (southwest) from the discovery boulder. Approximately 10 kilometers southwest of the discovery boulder a small outcrop of brecciated silicified volcanics (Barb Zone) was located. The zone contained 200 p.p.b. gold along with anomalous silver, arsenic and antimony. The decision was made to stake all ground between the two areas of interest and undertake exploration during the 1987 field season.

1987 - Mingold conducted a program of prospecting, mapping, soil sampling, VLF-EM, trenching and 3900 feet of reverse circulation drilling. Although discovery boulder type material was not located a new zone called the Silver Zone was located through prospecting and soil sampling. This new zone became the focus of our attention because of the presence of 17 oz/ton silver values within grey amorphous silica veins. Extensive channel sampling and 3900 feet of reverse circulation drilling in fourteen holes was completed on the Silver and Barb Zones. The maximum value obtained from surface sampling of the Barb was 1410 p.p.b. gold with drilling yielding 0.063 oz/ton gold across 1.52 meters. Other drill intercepts of note on the Barb Zone were as follows: 0.033 oz/ton gold across 4.57 meters, 0.014 oz/ton gold across 4.57 meters and 0.010 oz/ton gold across

3 meters. Channel sampling on the Silver Zone yielded in excess of 1 oz/ton silver across 20 meters with peak values of 5.93 oz/ton silver across 1.5 meters. Subsequent drilling yielded 1.05 oz/ton silver and 0.068 oz/ton gold across 4.6 meters. Other drill intercepts of note on the Silver Zone were as follows: 1.08 oz/ton silver, 0.01 oz/ton gold across 3 meters.

1988 - Mingold completed additional geochemical, VLF-EM, trenching rock sampling work and diamond drilled a total of 3400 feet in 9 holes on the Silver Zone. Surface sampling on the Silver Zone yielded 4.71 oz/ton silver and 0.017 oz/ton gold over 7 meters. The best silver intercept obtained from core drilling was 4.61 oz/ton across 1.53 meters.

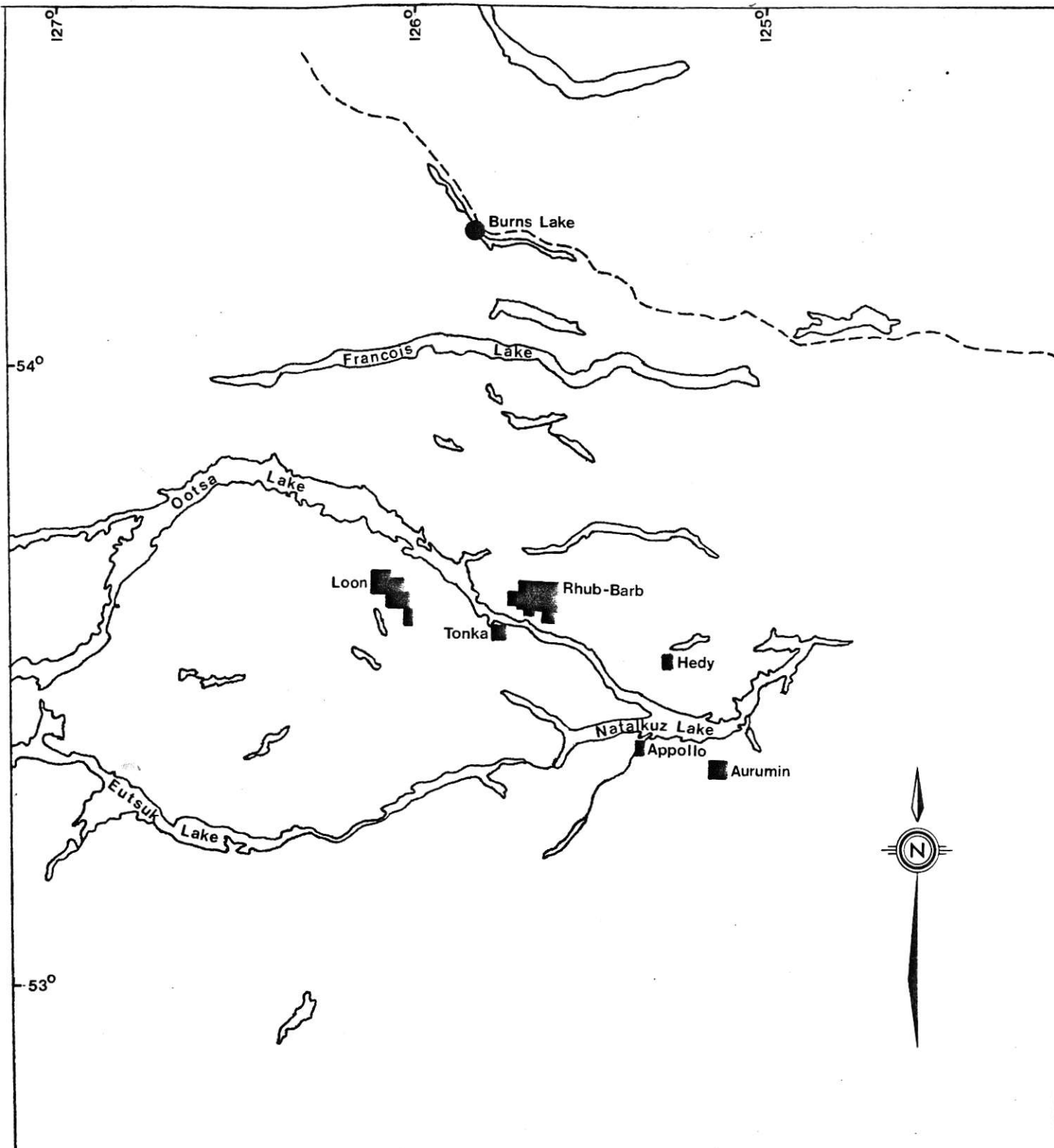
GEOLOGY & MINERALIZATION: Fg. No. 4

The property is underlain by intermediate to felsic volcanic flows and tuffs of the Lower Tertiary Ootsa Lake Group. These rocks are locally overlain by andesitic to basaltic flows of the Oligocene to Miocene Endako Group. It should be noted that geological mapping and geochemical work is greatly hindered by a thick cover of glacial drift. Structurally the property is dominated by north-northwest striking faults which may have acted as conduits for the epithermal systems. The precious metal zones are marked by brecciation, veining and faulting within felsic volcanic flows. No native gold has been observed in hand specimen or under the microscope. Sulphides (pyrite-marcasite) occur as fine disseminations, narrow veinlets and blebs with a fine grey sulphide imparting a dark grey colour to some of the silica. Alteration within the zones varies from weak to pervasive and comprises silicification and argillic alteration. Silicification may entail wholesale replacement of the country rock or vein and breccia infilling with amethyst occasionally observed. Often the

silica infilling has a banded appearance with at least three silica pulses evident. Trace element geochemistry indicates the precious metal zones are enriched in the typical epithermal pathfinder elements - arsenic, antimony and mercury.

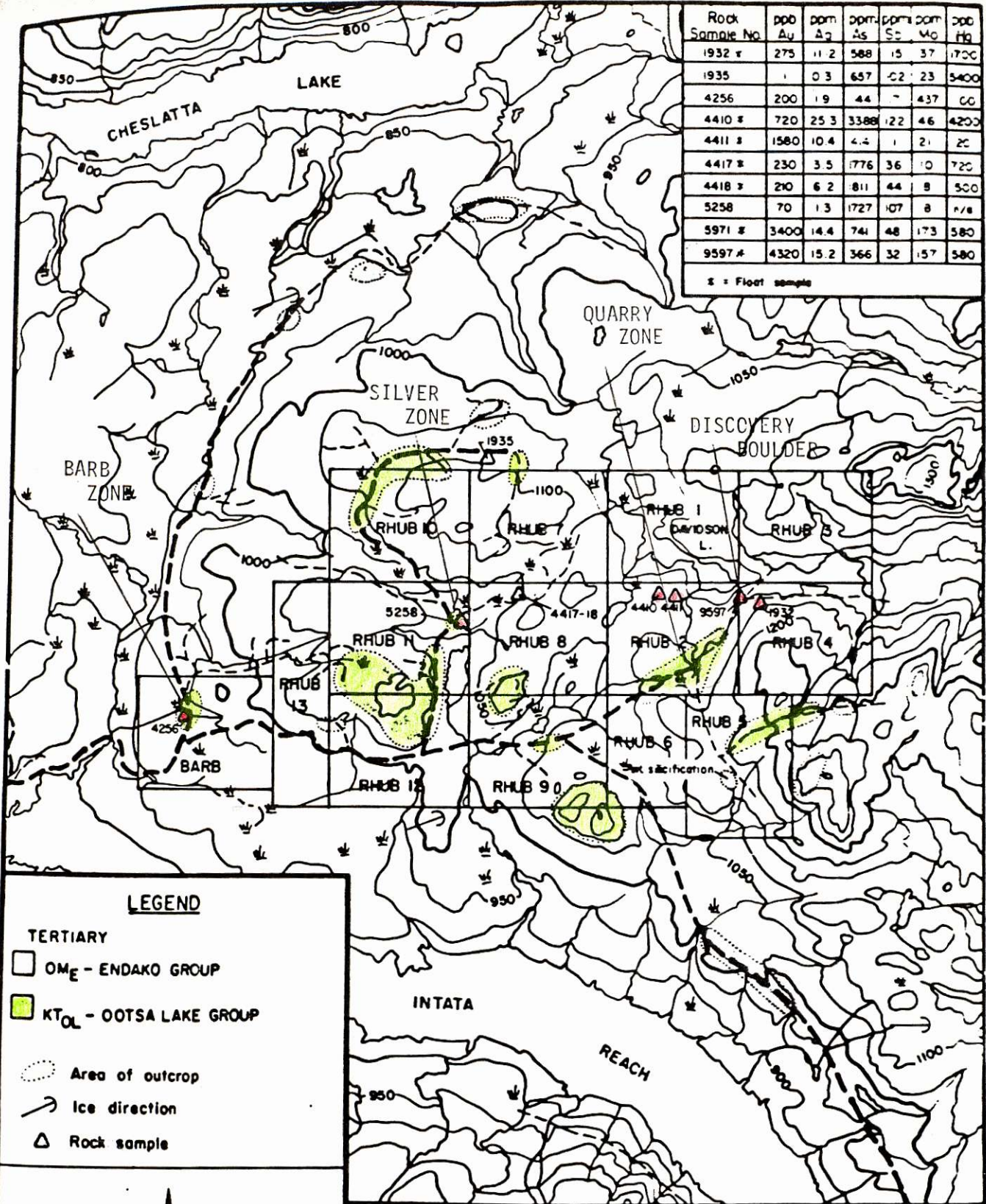
PROPOSED PROGRAM:

A program of induced polarization surveys followed by 3500 feet of reverse circulation drilling is recommended to test potential strike extensions of the Silver and Barb Zones. In addition, reconnaissance I.P. surveys should be conducted up ice from the Discovery Boulder area. The estimated cost of this program would be \$175,000.



<b>MINGOLD RESOURCES INC.</b>		
VANCOUVER OFFICE		
<b>OOTSA LAKE PROJECT</b>		
Scale: 1:1,000,000	Date: Nov. 1988	NTS: 93E&F
		2





Rock Sample No.	ppb Au	ppm Ag	ppm As	ppm Sb	ppm Mo	ppb Hg
1932 *	275	11.2	588	15	37	1700
1935	1	0.3	657	22	23	5400
4256	200	1.9	44	-	437	60
4410 *	720	25.3	3388	122	46	4200
4411 *	1580	10.4	4.4	1	21	20
4417 *	230	3.5	1776	36	10	720
4418 *	210	6.2	811	44	8	500
5258	70	1.3	1727	107	8	n/a
5971 *	3400	14.4	741	48	173	580
9597 *	4320	15.2	366	32	157	580

\* = Float sample

**LEGEND**

TERTIARY

- OME - ENDAKO GROUP
- KTO - OOTSA LAKE GROUP

○ Area of outcrop

→ Ice direction

△ Rock sample



HUDSON BAY GOLD-MINCAN JOINT VENTURE

**RHUB-BARB CLAIMS**

DRAWN BY: K.J.T.	DATE: NOV '86	APPROVED BY: E.W.
PROJ. 7353	0 1 2 3 4	PLATE 42 3 4

PROPERTY: Loon

COMMODITIES: Au - Ag

LOCATION & ACCESS:

The Loon claims are located 70 kilometers southwest of Burns Lake in central British Columbia. NTS Map Sheets 93E/9 93F/12. Latitude 53°38' N, Longitude 126°00 W. At present access to the property is via float equipped aircraft from Burns Lake. However the nearest road is approximately 8 kilometers away and the moderately rolling treed terrain would present no problems for road construction. Topography on the property is rolling and heavily treed with elevations ranging from 1150 to 1300 meters.

CLAIMS:

The Loon claims total 152 claim units encompassing 9100 acres situated within the Omineca Mining Division of B.C.

EXPLORATION TARGET:

The target is an epithermal type gold and/or silver deposit within Lower Tertiary volcanics.

EXPLORATION HISTORY & RESULTS:

1988 - During the course of a regional program Mingold prospectors located a small outcrop area of highly silicified volcanics which across 1.75 meters assayed 20 oz/ton Ag and 0.06 oz/ton Au. Additional prospecting has now outlined an area measuring approximately 500 meters by 75 meters which is intensely silicified with gold values up to 0.16 oz/ton along with significant silver. Late in the 1988 field season a small program of hand trenching/sampling, VLF-EM and soil sampling was undertaken in the area of this zone. A strong VLF response coincides with the system however geochemical results were disappointing. The relatively thick drift and poor soil development over the silicified rocks may explain the latter results.



GEOLOGY:

The oldest rocks exposed on the property are Jurassic aged Hazelton volcanics however the host rocks for precious metals are Lower Tertiary aged Ootsa Lake volcanics. The main zone of interest is marked by intense silicification comprising chalcedonic veining, silicified breccia and moderate argillic alteration with 1 - 2 percent sulphides. High precious metal values were obtained from a light grey silica although all silicification is anomalous in precious metals as well as arsenic, antimony, mercury and molybdenum. Other outcrop areas on the property have elevated values in mercury, arsenic and gold and silver.

PROPOSED PROGRAM:

A program of mapping/prospecting, rock and soil sampling and geophysics leading to a Fall drill program is recommended. This program should include I.P. surveys over known and projected areas of mineralization and alteration plus overburden drilling of swamps which are adjacent to the silicified zones. A total budget of \$300,000. is envisaged for the 1989 program.

**LOON**  
MINGOLD RESOURCES

L. Tertiary volcanics

**LOON**  
MINGOLD RESOURCES

SHOWING  
AREA

**LOON**  
MINGOLD RESOURCES

andesites  
(Hazelton volc.)  
Qtz. Monzonite



**MINGOLD RESOURCES INC.,**  
VANCOUVER OFFICE

**PROPERTY MAP**

DRAWN BY

DATE

BRITISH  
COLUMBIA

SCALE

1:50,000

PLATE

PROPERTY: Tonka

COMMODITIES: Au - Ag

LOCATION & ACCESS:

The property is located approximately 70 kilometers south of Burns Lake in central British Columbia. NTS Map Sheet 93F/12E Latitude 53 °35'N, Longitude 125°47'W. Access is via a network of well maintained logging roads from Burns Lake to the north shore of Intata Reach. At this point a logging company operated ferry provides access to the south shore of Intata Reach and the Tonka claims.

CLAIMS:

Mingold owns the 35 unit Tonka Group which covers 2100 acres.

EXPLORATION HISTORY:

During the course of the 1988 field season Mingold prospectors located a outcrop knoll of intensely silicified volcanics which contains up to 0.034 oz/ton gold and 0.22 oz/ton silver along with very anomalous arsenic and antimony. Outside of the initial evaluation and claim staking no exploration was conducted on the property.

GEOLOGY:

The main area of interest on the property is a silicified knoll that measures approximately 100 meters by 25 meters and is localized along a north trending structure. The silicification is so pervasive it masks the original rock type, however it is believed to be part of the Lower Tertiary Ootsa Lake Group volcanics.

PROPOSED PROGRAM:

The showing has a number of indicators of epithermal genesis such as typical epithermal pathfinder elements (arsenic, antimony, mercury) banded chalcedonic quartz, open space filling textures and anomalous precious metals. It is recommended a small program of rock and soil sampling be conducted prior to a 1000 foot diamond drill program. A budget of \$80,000. would be required for this program.

PROPERTY: Apollo

LOCATION & ACCESS:

The Apollo claims are located 90 kilometers southwest of Burns Lake in central B.C. and are accessible via float plane from the aforementioned town. NTS Map Sheet 93F/6W. Latitude 53°23'N, Longitude 125°20'W.

CLAIMS:

The property comprises a 20 unit claim block 100 percent owned by Mingold Resources. It should be noted Mingold has been contacted by the Gold Commissioner for the Omineca Mining Division regarding the location of the Apollo claim. The property occurs in a mineral and placer reserve established by Order-in-Council 396. This reserve was established in the event the water level of Ootsa Lake is increased by hydro-electric development. We are not prevented from exploring and developing this property but must be aware of the flooding possibility. We are currently attempting to ascertain the status of the hydro-electric development.

EXPLORATION HISTORY:

The Apollo claims were staked in 1988 to cover a large area of argillic alteration and iron staining which contains up to 1.22 oz/ton silver and 270 p.p.b. gold. The altered zone is well exposed along the shores of the lake. Outside of the initial sampling no work has been done on the claim block.

GEOLOGY:

Government mapping indicates the area is underlain by Lower Tertiary volcanics of the Ootsa Lake Group.

PROPOSED PROGRAM:

A program of rock sampling and mapping requiring a \$12,000. budget is proposed for 1989. If this work results in the outlining of targets a drill program could be initiated later in the field season.



PROPERTY NAME: Aurumin

LOCATION & ACCESS:

The property is located 100 kilometers southeast of Burns Lake in central British Columbia. The best means of access is via helicopter from Burns Lake. Topographically the claims cover a single mountain knoll which is approximately 1500 meters in elevation.

CLAIMS:

The Aurumin claims comprise a 70 unit group encompassing 4200 acres.

EXPLORATION HISTORY:

The claims were staked in 1988 by Mingold prospectors to cover narrow chalcedonic veins which contain up to 290 p.p.b. gold, 20,000 p.p.b. mercury, 273 p.p.m. arsenic and 23 p.p.m. antimony within Tertiary volcanics. There is the possibility from geological, geochemical and topographic data that these veins occupy the top of an epithermal system.

PROPOSED PROGRAM:

A program of prospecting, mapping, and sampling is proposed to search for deeper expressions of the system. A \$15,000. budget is required to test for this possibility.

PROPERTY NAME: KMA

COMMODITY: Gold, copper, silver

LOCATION & ACCESS:

The property is located at the headwaters of the Ingenika River in north central B.C. NTS Map Sheet 94D/15E, Latitude 56°46'N, Longitude 126°35'W. The closest town is Fort St. James, some 300 air kilometers southeast. At the present time the best means of access is via helicopter however an old four wheel drive type road does exist on the property. This road could be upgraded and would provide access to the Moose Valley airstrip and the Omineca Road. The property is mainly above tree-line with elevations up to 2000 meters. In places the terrain makes traversing extremely difficult.

CLAIMS:

The KMA claims consist of 36 units in two contiguous blocks and are in good standing until 1990.

EXPLORATION HISTORY & RESULTS:

Copper mineralization has been known in this area since the early 1940's with a number of companies exploring the property during the period 1966 - 1973. Mingold Resources was attracted to the property by old reports which mention 1.83 oz/ton gold from veins and the apparent lack of assaying for precious metal content by previous operators.

In 1987 Mingold staked the property and undertook preliminary rock sampling in the vicinity of a vein shear structure called the Marmot Ridge Zone. One sample collected by Mingold assayed 2.64 percent copper, 0.28 oz/ton gold and 3.31 oz/ton silver across 1.5 meters. In 1988 Mingold continued preliminary exploration on the property by collecting additional rock samples for analysis and conducting a soil sample program. One of the

more interesting results was a sample of wallrock from the Marmot Ridge Zone which assayed 0.12 oz/ton gold, 1.63 oz/ton silver and 0.17 percent copper across 2 meters. An attempt was made to trace the zone along strike to the south however talus cover precluded this. However 200 meters south along strike a talus boulder assayed 0.24 percent copper, 3.14 oz/ton silver and 0.02 oz/ton gold. Approximately 500 meters south from this sample, another piece of float assayed 6.4 percent copper, 0.02 oz/ton gold and 1.87 oz/ton silver. Soil sampling on portions of the property outlined a gold anomaly with peak values of 320 p.p.b. This anomaly has a discontinuous length of 500 meters and is open to the north.

GEOLOGY:

The KMA claims are underlain by Upper Triassic Takla Group volcanics near their contact with granitic rocks of the Omineca Intrusions to the east. The Takla rocks are mainly basic volcanic breccias, lavas and andesite porphyry. The latter rock type acts as host for the copper mineralization and often exhibits propylitic type alteration. Copper mineralization has been found in these type of occurrences on the KMA claims.

- i) Fissure vein/shear zone
- ii) Disseminations/fracture fillings in the volcanics
- iii) Disseminations in hornfels near intrusions

Mingold has focussed their attention on type (i) or the Marmot Ridge Zone. This zone comprises a steeply dipping silicified shear zone which strikes north south and contains pyrite, chalcopyrite and malachite along with gold and silver mineralization.

PROPOSED PROGRAM:

A program entailing 2000 feet of diamond drilling is recommended to test the lateral and down dip extensions of the Marmot Ridge Zone and

evaluate soil geochemical anomalies. This program requires a budget of approximately \$120,000.

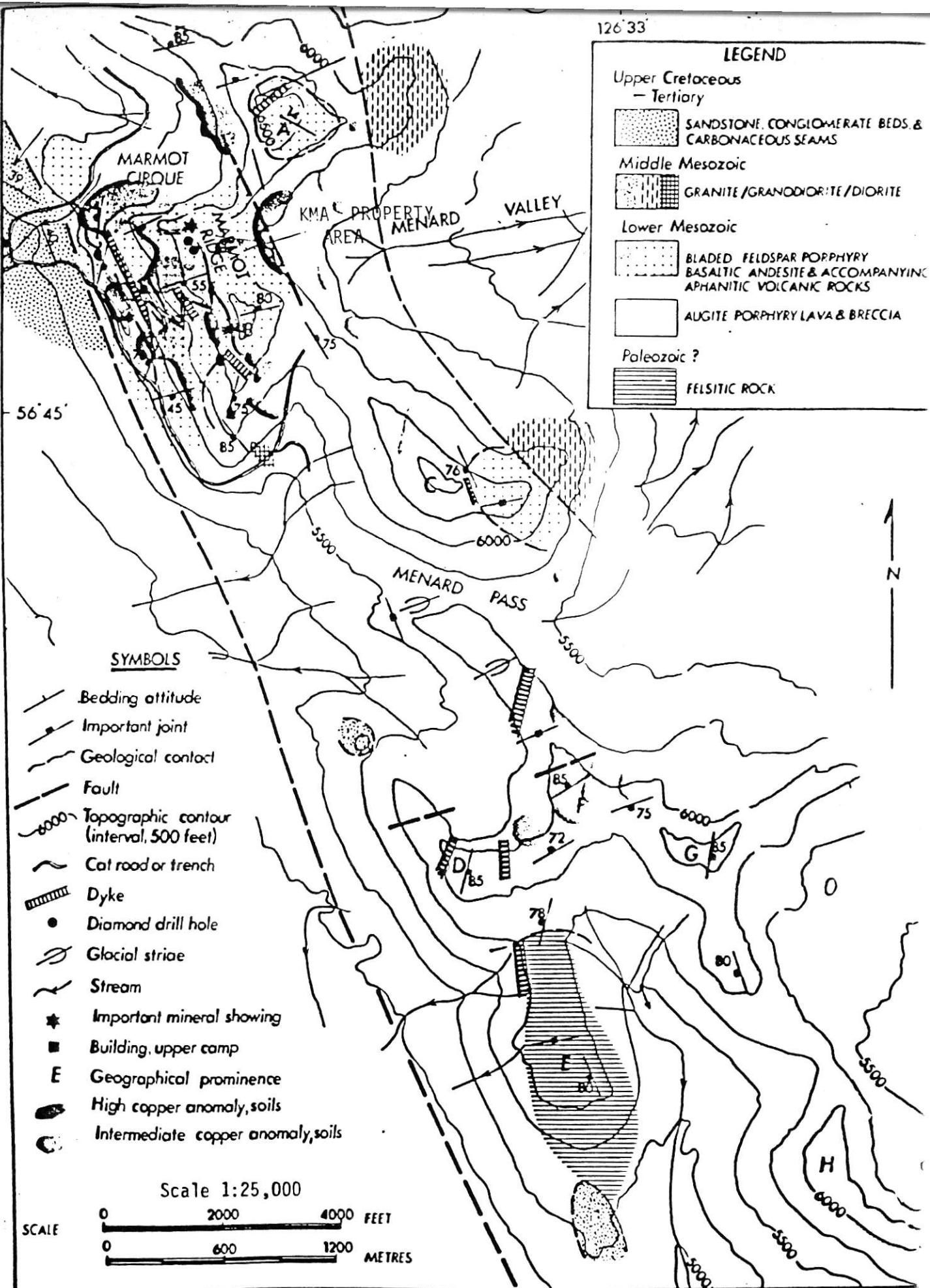
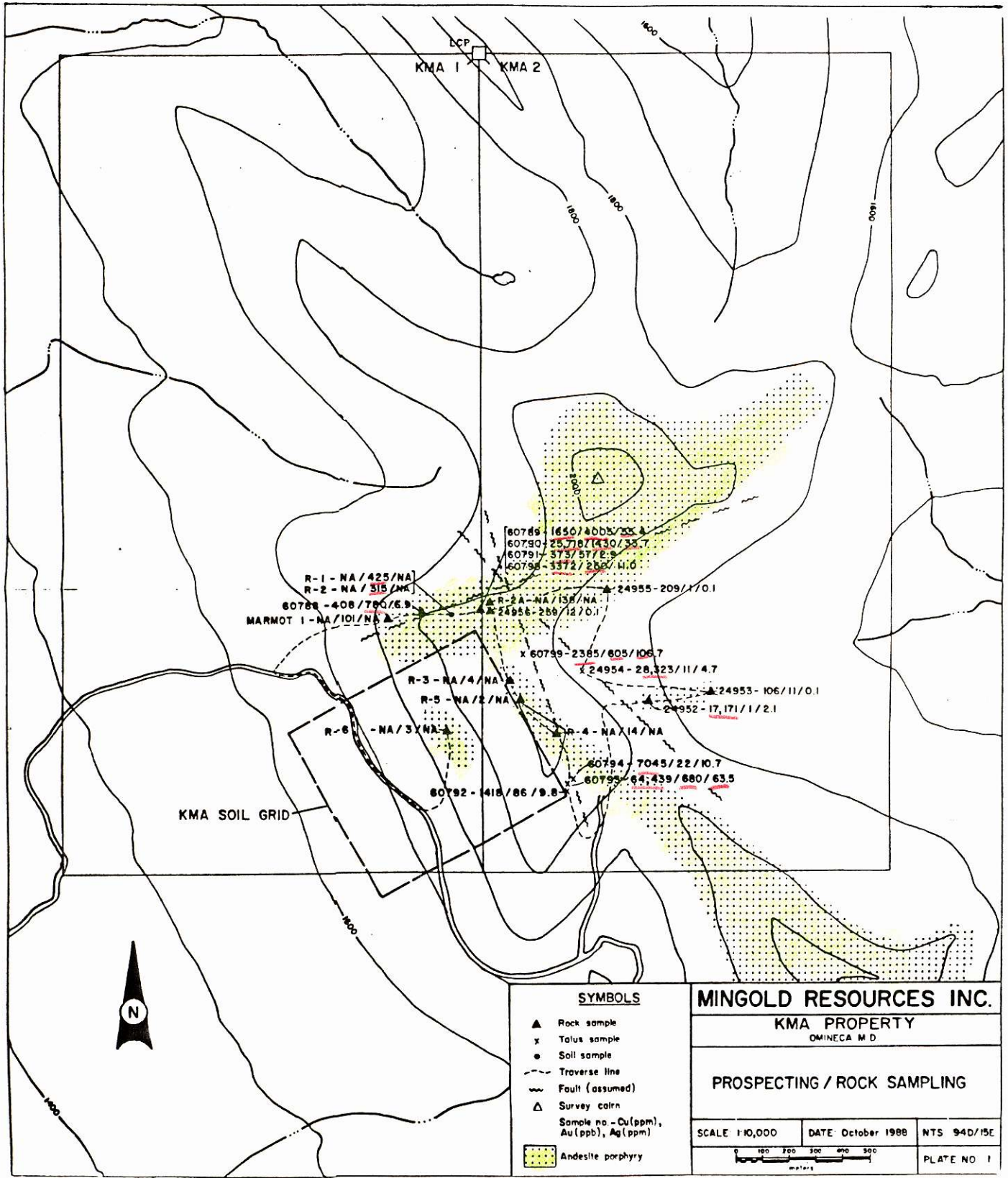


Figure 4. Geology of the Menard Creek Area ( after Church, 1973 )





LCP  
 KMA 1    KMA 2

60788 - 408 / 760 / 6.9  
 MARMOT 1 - NA / 101 / NA  
 R-1 - NA / 425 / NA  
 R-2 - NA / 315 / NA  
 R-2A - NA / 158 / NA  
 R-3 - NA / 4 / NA  
 R-5 - NA / 2 / NA  
 R-6 - NA / 3 / NA  
 R-4 - NA / 14 / NA  
 60792 - 1418 / 86 / 9.8  
 60794 - 7045 / 22 / 10.7  
 60795 - 64,439 / 880 / 63.5  
 60789 - 1650 / 4065 / 55.4  
 60790 - 25,710 / 1430 / 32.7  
 60791 - 373 / 577 / 2.5  
 60796 - 1372 / 256 / 4.6  
 24955 - 209 / 170.1  
 24956 - 288 / 1270.1  
 x 60799 - 2365 / 605 / 106.7  
 24954 - 28,323 / 11 / 4.7  
 24953 - 106 / 11 / 0.1  
 24952 - 17,171 / 1 / 2.1

KMA SOIL GRID



**MINGOLD RESOURCES INC.**

**KMA PROPERTY**  
 OMINECA M.D.

**PROSPECTING / ROCK SAMPLING**

SCALE 1:10,000    DATE October 1988    NTS 940/15E

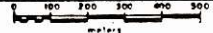


PLATE NO 1

PROPERTY NAME: TNT

COMMODITY: Copper - Gold

LOCATION & ACCESS:

The property is located 4 kilometers northeast of the town of Princeton in southern B.C. NTS Map Sheet 92H/8, Latitude 49°29'N, Longitude 120°28'W. Access is via Highway 5A north from Princeton to the Old Hedley Road with a series of ranch roads providing excellent access to and within the property. Vegetation on the property is generally sparse with open grasslands sprinkled with Ponderosa Pines.

CLAIMS:

The TNT property comprises 15 claim units 100 percent owned by Mingold Resources.

EXPLORATION HISTORY:

1963 - Climax Copper Mines Ltd. conducted geophysical surveys, geological mapping and 1077 meters of diamond drilling.

1965 - Granby acquired the claims and drilled 41 percussion holes totalling 1792 meters.

1970 - 71 - Joy Mining undertook geological mapping, soil and silt geo-chemical surveys, Induced polarization surveys and 457 meters of diamond drilling in 3 holes. A reserve of several hundred thousand tons averaging 0.5 percent copper was reported. No mention was made of gold content.

1973 - Bethlehem Copper Corp. drilled 5 widely spaced diamond drill holes.

1977 - Quintana Minerals Corp. obtained the property and conducted an I.P. survey.

1980 - Superior Oil diamond drilled 2 holes.

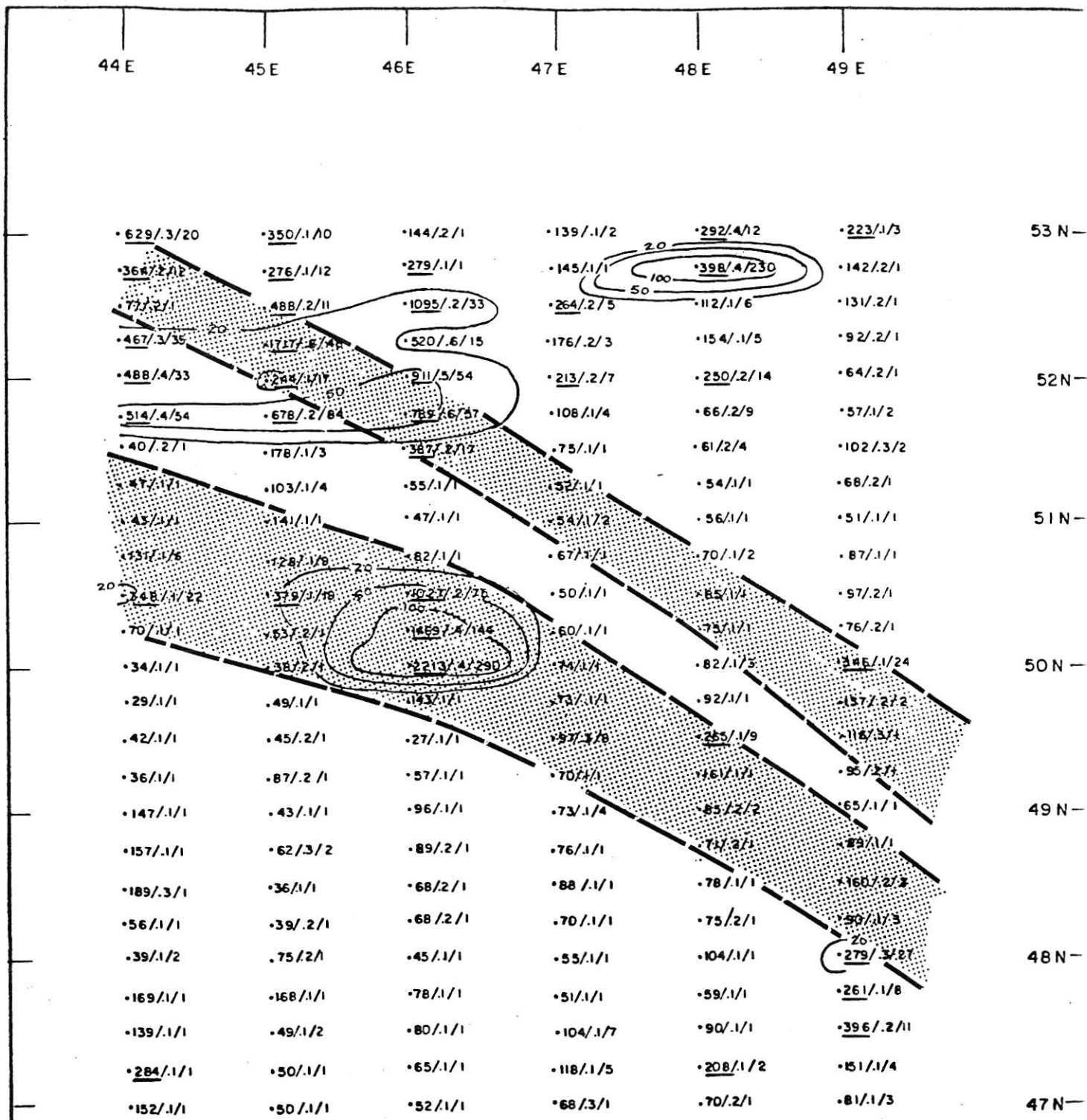
1987 - Mingold Resources staked the TNT claims. Preliminary rock sampling indicated gold values up to 805 p.p.b. in rock. A soil geochemical survey over a portion of the property was subsequently carried out. Gold values up to 290 p.p.b. were obtained from this geochemical survey. These anomalous values appear related to northwest trending shear zones.

GEOLOGY:

The TNT claims occur within a northerly trending belt of highly fractured and altered andesitic volcanic rocks of the Upper Triassic Nicola Group. The main area of copper mineralization on the TNT comprises highly fractured and altered Nicola andesites and microdiorites. Mineralization consists of disseminations and fracture fillings of chalcopyrite and pyrite. The mineralized zone is dominated by large northwest trending zones of shearing and oxidized rock. Random chip sampling has yielded values up to 1.1 percent copper and 0.024 oz/ton gold.

PROPOSED PROGRAM:

The completion of the soil sampling program followed by a reverse circulation drill program is recommended for this property. A budget of \$110,000 is proposed for this program.



**LEGEND**

• Soil sample site  
 52/1/1 Cu, ppm / Ag, ppm / Au, ppb  
 Contours 20,50,100 ppb Au  
 Shear zones shaded  
 Cu over 200 ppm underlined



**MINGOLD RESOURCES INC.**

VANCOUVER OFFICE

**TNT CLAIMS  
 SOIL GEOCHEMISTRY - Cu, Ag, Au**

DRAWN BY: E.Y.	DATE: MAY 1988	APPROVED BY:
SCALE 1:4000		PLATE NO.
0 50 100 METRES		Fig. 7

MINGOLD RESOURCES, INC.

A new company, Mingold Resources, Inc., has been formed to participate in the gold exploration, development and mining businesses in Canada. Initially, the company will be private and owned equally by the Minorco Group and the Inspiration Resources Group. Minorco via Minorco Canada (Mincan) and more recently its subsidiary Ambay Services, and Inspiration, originally via Hudson Bay Mining and Smelting Co., Limited (HBMS) and more recently via Hudson Bay Gold, have been involved in joint exploration programs since October 1983. The focus of these exploration activities has been on precious metals for the past three years. The incorporation of Mingold Resources is the first step towards the company's objective to move from the exploration phase to the production phase in the gold mining industry. Specifically, it is desired that within three to four years this should be a free-standing, self-financing, publicly listed gold mining company.

A \$3 million budget for 1987 will be directed to precious metal exploration on claims held by the Company in B.C. as well as in the Geraldton and Kirkland Lake areas of Ontario. In addition to these grassroots activities, the Company carries on an active property acquisition search and invests in other attractive exploration companies.

Mingold Resources succeeds the Hudson Bay Gold/Mincan Joint Venture's position on the proposed development of the Metalore gold project in the Beardmore area of northern Ontario. Under terms of the agreement with Metalore, Mingold will sink a shaft and carry out underground exploration on the property.

Mingold is also responsible, under a service contract, for administering Hudson Bay Gold Inc. and Farley Lake Inc., both subsidiaries of Inspiration Resources. Farley Lake Inc. holds a 45% interest in a developing gold deposit at Farley Lake, Manitoba currently estimated to contain 3/4 million tons of ore at 0.2 ounces gold. The 1987 expenditures on the Farley Lake property will be about \$2 million.

Head office of the Company is in Toronto with regional office maintained in Vancouver, Thunder Bay and Whitehorse. Activities of the Company are under the direction of E.G. Thompson, President. Other key employees are: P.L. Martin, Vice President Exploration, Dr. R.H.T. Garnett, Vice President Technical, S.R. Poxon, Vice President Finance, Dr. R. Davies and J.G. Bragg, Senior Staff Geologists, all located in Toronto; G.E. Bidwell, Regional Representative Thunder Bay; E.W. Yarrow, Regional Representative Vancouver; and R. Stroshein, Regional Representative, Flin Flon

File: 2MNGLD/PRESS, PUB/PRESS