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Mineral Hill

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NORTH VANCOUVER, B.C.

September 9th, 1969

The President and Directors
Molybdenum Explorations Ltd. (N.P.L.)
Suite 201, 535 Thurlow Street
VANCOUVER, B.C.

Attention: Mr. D.W. Small

Gentlemen:

INTERIM GEOLOGICAL REPORT M69-2
EXPLORATION - MINERAL HILL Mo-Cu-Ag PROSPECT
HOUSTON AREA, OMINECA MINING DIVISION, B.C.

GENERAL

On August 5th, 1969 the writer inspected recent trenching accomplished within the South Mo-prospect zone, reviewed field office maps, and discussed 1968-69 exploration accomplished with Manex geological staff at Smithers. On August 7th the writer inspected old showings and recent trenching within the East Cu-Ag prospect zone. Messrs. M.J. Beley and R.W. Yorke-Hardy, respectively, supplied field guidance and assistance on the consecutive days; Mr. B. Price participated in office reviews of the relevant geological maps.

The 2 by 2 mile claim block, comprising 48 full, and 6 fractional claims has been maintained in good standing by virtue of the continuing program of work accomplished and recorded.

The writer mapped only a few pertinent trench exposures in the course of his inspections -- relying mainly on mapping accomplished by Manex staff. As copies of Manex geological maps forwarded to the Company's Vancouver office are, in general, up-to-date, the writer does not include duplicates of these with the current report.

PROGRESS DETAILS

A. South Zone

Recent exploration has been generally confined to the area containing the N.W. tail of the main granitic stock. Some 2000 lineal feet of bulldozer trenches have been excavated; 1200 lin. ft. of this exposes bedrock. Presumably, overburden deepens rapidly to the north along the inferred extension of the granitic 'tail'; a heavier, ripper-equipped 'dozer would appear to be necessary if trenching is to be extended in this direction.

The current trench exposures suggest that the northerly tail is a composite feature — essentially a 300-500 foot wide band of granitic material with narrow to broad inclusions of hornfelsed andesitic volcanics and associated siltstones or argillites. This is considerably greater than the earlier-inferred width of some 150 feet; consequently, it forms an even more significant exploration target.

No. 2 trench, near the easterly edge of the tail, exposes intermittent E.N.E.-trending zones of close-spaced fracturing in the intrusive; these contain minor to fairly appreciable amounts of disseminated pyrite with scant associated MoS_2 . Exposures of granitic material in No. 3 trench are less fractured and mineralized; however they appear to lie within the relatively firm central part of the tail.

In the writer's view the west edge of the granitic tail may comprise the more highly fractured part of the structure; hence future trenching should, pending the results of additional geophysical coverage, be directed to exploration of more northerly intervals of this contact. This is in accordance with the previously stated inference of a strong structural situation in the zone of possible coalescence of the granitic tail and alaskite sheets with the quartz-breccia body to the north.

B. East Zone

Recent trenching within quartz-silver vein zone occurring in the diorite-gabbro stock closely east of the main granitic stock has provided additional mineralized exposures. However, the economically more significant mineralization appears to be the frequently-noted occurrences of fracture-filling and disseminated pyrite and associated chalcopyrite in the main body of the intrusive — these being visually much less impressive than the higher grade, but narrow vein mineralization. The dispersed-disseminated Cu-Ag mineralization occurs in conspicuous concentrations within the westerly gabbroic border of the diorite-gabbro body, and at only a few hundred feet eastward of the main granitic stock. Exposures provided by the new access road reveal extensive brown biotite alteration of the contact zone gabbros; in addition these have been significantly bleached and silicified within certain well-fractured sections. Pyrite, pyrrhotite, and chalcopyrite occur as general

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disseminations, but in more significant amounts within quartz-veined and silicified sections of the intrusive. Intergrown pyrrhotite-chalcopyrite form a particularly interesting type of mineralization, and one which may provide the general bulk-mineral potential of this general occurrence.

Crews are currently preparing an exploration grid over the diorite-gabbro stock; following its completion, the scheduled (March 5th, 1969) geochemical soil-sample, and magnetometer surveys will be carried out. Additional recommendations pertaining to more detailed follow-up work may be formulated on the basis of the new data accruing from the above surveys.

Respectfully submitted,


W.M. Sharp, P.Eng.

WMS/nb