802628

02 August, 1979

Mr. T.N. Macauley Western Exploration Manager Newmont Exploration of Canada Ltd. 1400-750 West Pender Street Vancouver, British Columbia V6C 1E3

Dear Terry:

Thank you for the opportunity to see your Trout Lake deposit. I would also like to extend thanks to Craig Boyle, who was most cooperative and made my visit very worthwhile. At the rish of sounding like a "one-day wonder", I would like to offer the following impressions.

Trout Lake is, I think, a porphyry deposit, although it does not appear to be of the Climax- or Henderson-type. I am particularly surprised by the lack of a variety of intrusive rocks, especially more felsic types than the biotite granodiorite. Cross-cutting relationships between mineralized quartz veins and fractures suggest that mineralization was a multistage process, but there appears to be no more than one phase of intrusion except for some late oplite dykes. Perhaps there are other phases present at depths beyond those explored by the current drilling?

Distribution of the mineralized zone(s) has been complicated by post-mineral faulting but this may be resolved by more detailed study, particularly when more data are available from the underground development. Potential for additional zones, or for their faulted offsets, appear to be to the north on the west side of the main north-trending fault, and on the east side of this fault. On the west side, the biotite granodiorite appears to increase in volume as it plunges steeply to the north. Although some drilling from surface in this direction has not been encouraging, I would consider this area to have good potential. On the east side of the fault, there is some indication of molybdenum mineralization that may be the faulted offset of the main zone on the west side of the fault. Perhaps both of these areas oan be better explored from underground?

. . .

Mr. T.N. Macauley Page 2 02 August, 1979

I would recommend that all the core be systematically checked with a UV lamp for scheelite. Although little tungsten has been found in the few samples and composites analyzed, tungsten zones do not necessarily coincide with molybdenum zones and could easily have been missed, particularly as there have been no systematic analyses for tungsten. Also, there do not appear to have been any analyses for tin.

Thanks very much for the copy of the results of the age determination on the biotite granodiorite. It would be interesting to have a determination on hydrothermal biotite or sericite as well to compare the age of mineralization. Perhaps suitable material for this could be obtained from the underground workings.

Yours sincerely,

W.D. Sinclair Mineral Deposits Geology Section

WDS/mmb