



Energy, Mines and
Resources Canada
Geological Survey
of Canada Sector

Énergie, Mines et
Ressources Canada
Secteur de la Commission
géologique du Canada

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Sulphurets
Gold Zone
104B

17 January 1991

B. Way
Newhawk Gold Mines Ltd.
860 - 625 Howe Street
Vancouver, B.C.
V6C 2T6
Fax: (604) 689-5041

Dear Barry (& Tony):

I finally received some preliminary analytical results for new occurrences that I thought could have potential. Unfortunately the results are not very encouraging. The results are as follows:

	Au (oz/t)	Ag (ppm)	Cu (ppm)
KQ-90-148C	0.012	0.3	29
KQ-90-157C	0.013	>100	4270
KQ-90-157F	0.008	92	130
KQ-90-173B	0.005	1.1	1829
KQ-90-173C	0.024	3.6	9890

Sample 148C is from some veinlets with fine-grained disseminated arsenopyrite along a stream about 0.5 km? north of the toe of the Sulphurets Glacier.

Samples 157C and F are from the quartz-barite vein system along the north side of Brucejack Lake. Even though these samples are low in gold, I still feel that this vein system warrants considerable work. It is intense and very similar to

.../2

the Shore Zones. Perhaps proper trenching and sampling will yield better results. Possibly the area of exposure is at a higher level in the vein system than the nearby Shore Zones.

Samples KQ-90-173B and C are from the bases of steep cliff faces about 100m apart about 1km north of the toe of the Sulphurets Glacier (see enclosed location map). These cliffs are over 40m high and are very steep. They would be difficult to sample but drill collars could be established on the tops of the cliffs. This area is between the areas drilled previously by Granduc Mines Ltd. and Esso Resources Ltd.

The rocks are highly fractured and contain abundant fine-grained disseminated chalcopyrite and pyrite (\pm tennantite?) with considerable malachite along fracture surfaces.

I am not convinced that the copper value in 173B is correct. My hand specimens from this locality contain considerable fine-grained disseminated chalcopyrite, the outcrop has abundant malachite stains, and, even though the copper grade from 173C might be somewhat high, I feel that both areas have comparable copper contents. I did not examine the outcrops to the west of this area. If much work is to be done in this area, helicopter pads might have to be cut.

Barry, when we are in Vancouver, if possible, I would like to obtain a map or diagram showing the location of drillholes for plant and tailings(?) sites near Gossan Hill?

We will be looking forward to meeting with you next week.

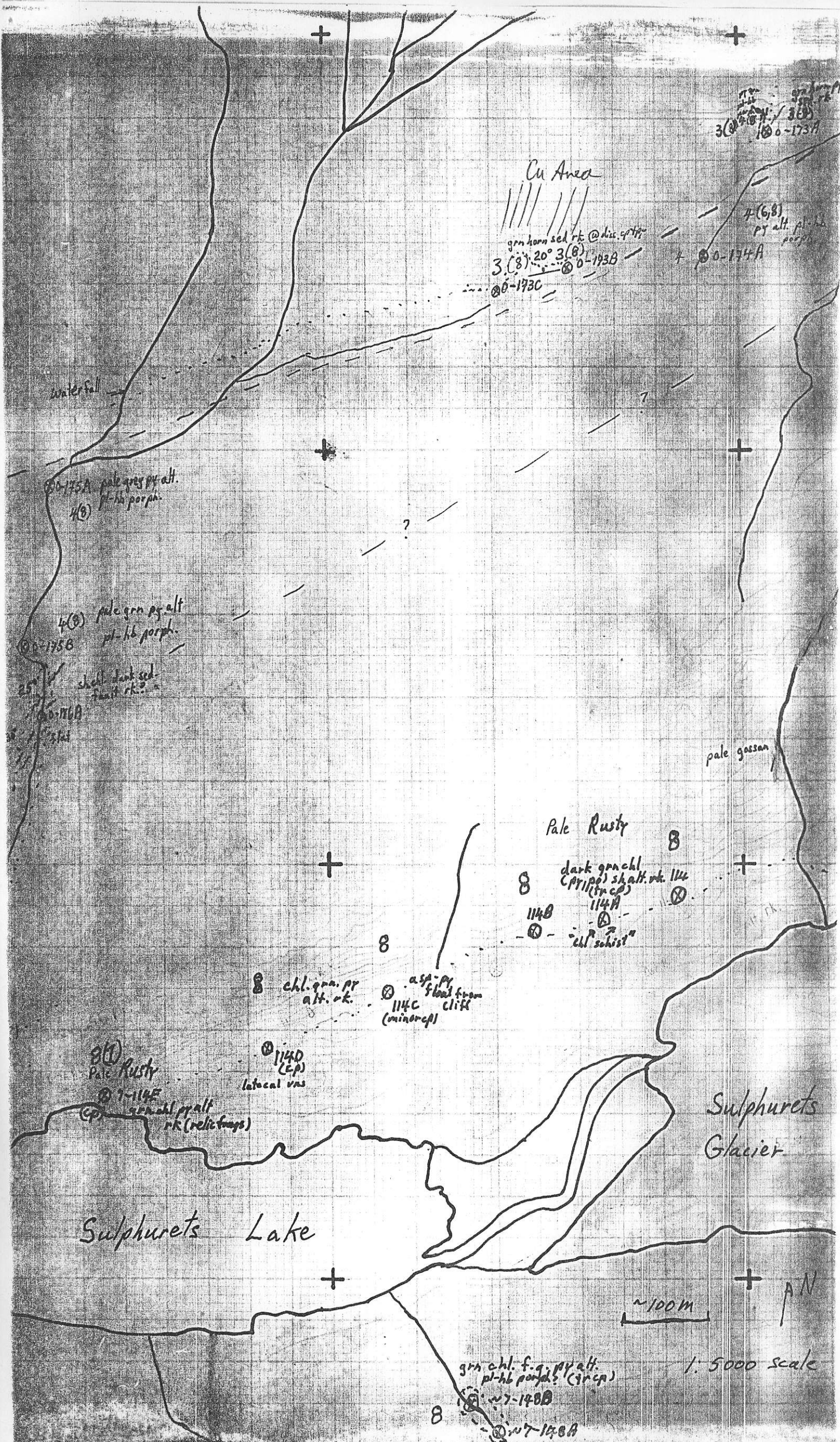
Sincerely,



R.V. Kirkham

Encl.

cc: A. Ransom
S.B. Ballantyne



30-173A
30-173B

Cu Area
grn horn sed rk @ dis. of 177
3(8) 20° 3(8) 0-173B
0-173C

4(6,8)
py alt. pl-hb
porph.

waterfall

0-175A pale grn py alt.
pl-hb porph.
4(8)

4(8) pale grn py alt.
pl-hb porph.
0-175B

shalt dark sed.
thin rk.

0-176B
stair

pale gossan

Pale Rusty

dark gnuchl
(py) sh alt. rk. 114
(trnc)

114B

114A

chl schist

chl. qtz. py
alt. rk.

asp-py
flow from
114C cliff
(minor ep)

114D
(ep)
local vns

114E
Pale Rusty

7-114E
gnuchl py alt
rk (relic frags)

Sulphurets
Glacier

Sulphurets Lake

~100m

1:5000 scale

grn chl. f.g. py alt.
pl-hb porph? (grcp)

7-148B

7-148A