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Énergie, Mines et
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803971

March 3, 1989

F.G. Hewett
Vice President, Exploration Manager
Newhawk Gold Mines Ltd.
Suite 860 - 625 Howe Street
Vancouver, B.C.
FAX 604 689 5041

Dear Fred:

I just received some maps from Tim King. Many thanks.

He also mentioned sending you a written request for data from the mine that you would forward to the camp. We had lengthy (and very fruitful!) discussions with Mohan and what I think that Tim must be referring to is sample material from the UTC Zone for mineralogy and geochemistry. We would like to obtain data for a profile across UTC Zone. We thought that assay reject samples (ie. chips) through hole 88-S279 (?) (by memory) (the hole that intersected the zone at a high angle) would be a good one on which to obtain information. As we understand the situation, these reject samples should be in the Brucejack camp. A few pieces of core, if available, would also be useful.

The relatively high Au to Ag ratio for the UTC Zone suggests to us that it probably has different mineralogy and chemistry from the West Zone (As rich?). We would like to check these possibilities.

We also requested level plans (1350m, 1300m, 1250m [?]) with assays, including an extra copy of the 1350m level with assay data for the new drift on the R-2 Zone (with names of

.../2

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R zones indicated). We are not sure if these copies would come from Charlie at Brucejack or the Vancouver office.

Thanks in advance. Good luck with your talk in Toronto and best regards to you, Don, Jim, Mohan, Charlie and others.

Sincerely,

A handwritten signature in cursive script, appearing to read "Rod".

R.V. Krikham

RVK/lr

cc: S.B. Ballantyne
D.C. Harris



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April 27, 1989

F.G. Hewett
Vice-President, Exploration Manager
Newhawk Gold Mines Ltd.
860-625 Howe Street
Vancouver, B.C.
V6C 2T6

Dear Fred:

This letter contains GSC gold and silver lithochemical and sample location data (seen enclosed 1:5000 scale sketch map) for an area mainly south and west of the Electrum Zone. Bruce Ballantyne and Don Harris have sampled the Electrum, North Spine, and Galena Stockwork zones in detail but that information is not included here.

The main reason for this letter is to confirm the discovery of several gold-bearing quartz stringer zones (vein systems) west and south of the Electrum Zone. Perhaps the most significant quartz stringer zone, includes samples numbered KQ-87-133 (discovery sample), KQ-88-36H,I,J, and K, contains about 10 to 20 per cent quartz veinlets with minor pyrite and arsenopyrite, trends about 075 degrees, and averages about 4 to 6 metres wide. It occurs at the contact of contorted dark graphitic siltstone and arenite and altered, fine-grained plagioclase-hornblende porphyry. The vein system at sample site KQ-88-36C, about 350 m west of KQ-88-36H, might be the same vein system and the vein system at sample site KQ-88-36E might be a NNW-trending branch off the EW vein structure but I have not tried to trace these vein systems.

Samples KQ-87-132A and KQ-88-38B, also gold bearing, come from quartz stringer zones in the topographic depression south of the Electrum Zone. They serve to demonstrate that the highly silicified topographic ridges east of the Brucejack Fault, such as the Electrum, North Spine, and Galena Stockwork zones are not the only gold-bearing structures in the area.

Many vein systems occur in the area and not all contain gold. Very finely disseminated arsenopyrite within or along the walls of quartz veinlets appears to be the best indicator of gold in the area. Some of this arsenopyrite is so fine grained that it is difficult to identify in the field even with a hand lens.

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For future reference I like to put names on zones. For the area west of the Electrum Zone I suggest the name "Napoleon Zone". Josephine needs company and arsenic, thought to be the demise of Napoleon, is characteristically associated with gold in the area. An alternate name would be the "McLeod Zone" after some old guy in your office (he likes high grade so perhaps we should find something better for him). For the intensely quartz-veined and silicified rock island in the icefield about 400 metres south of the Electrum Zone I suggest the name "Bridge (or Island) Zone", after Dane Bridge and in recognition of Esso's work in the area. Dane staked some Red River claims in the area (posts on outcrop). Although not much gold and/or silver has been found in the area yet, I am sure that with more exploration (probably eventually the area will have to be drilled because of lack of outcrop) this area will prove to be another precious metal occurrence. I will let you decide on the names, these are just a few suggestions.

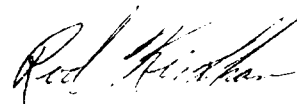
Although these are not high gold and silver values for the Brucejack area, they indicate significant new occurrences and that gold and silver are more widely distributed than previously thought. Moreover, they also indicate that gold and silver to the south of Brucejack Creek is not restricted to the east side of the Brucejack Fault. It extends at least 500 m west nearly to the Sulphurets Glacier. This gold-arsenic association is also present in other parts of the Brucejack area. At this time we do not know the relationship to the polymetallic mineralized zones with bonanza gold and silver grades, such as the West Zone. The gold- and arsenic-bearing quartz vein systems might be older but we have not excluded the possibility that they might also represent higher structural levels in the same hydrothermal system. Either case would be important for exploration modeling.

As I indicated previously, we had insufficient funds to analyze all samples collected last summer. Results reported here are from a group of samples that I anticipated some interesting results. When other samples are analyzed we will let you know of any values that might be of interest in exploration.

In my letter to you of November 28, 1988 I mentioned a possible significant Mo (Cu) occurrence to the west of the Iron Cap in the vicinity of Esso hole #16. Three of my lithogeochemical grab samples contained >0.3% Mo and another one contained 0.15% Mo but with some low values between. These results, plus further examination of samples from hole #16, confirm the existence of significant Mo (Cu) in this area. We do not have fluorine analyses for the area yet but fluorite (quartz, calcite \pm minor chalcopyrite) veins and breccia fillings are widely distributed in core samples from hole #16 and locally in outcrop. We suspect that the Mo and Cu in the area are associated with a high fluorine content.

We appreciate your continued support and cooperation and hope that this latest information will be of interest to you.

Sincerely,



R.V. Kirkham

cc.: S.B. Ballantyne
D.C. Harris
R.F.J. Scoates

Gold and Silver Analyses of "Napoleon" and Electrum Zones

(see sketch map for location)

| Sample Numbers <u>RVK</u> | <u>Geochem.</u> | <u>Au ppb (oz/t)</u> | <u>Ag ppm (oz/t)</u> |
|------------------------------|-----------------|----------------------|----------------------|
| KQ-87-51A | 104B879602 | 635 (0.024) | 5 |
| 51B | 603 | 4930 (0.14) | 120 (3.5) |
| 52A | 604 | 18 | <2 |
| 52B | 605 | 237 | <2 |
| 54D | 616 | <2 | <2 |
| 54E | 617 | <2 | <1 |
| 59 | 625 | 120 | <2 |
| 131 | 859 | 64 | <2 |
| 131A | 860 | 180 | <2 |
| 131B | 862 | 1050 (0.03) | 15 |
| 131C | 863 | 6 | <2 |
| 132 | 864 | <2 | <2 |
| 132A | 865 | 3320 (0.10) | <4 |
| 133 | 868 | 8280 (0.24) | <2 |
| 134 | no sample? | - | - |
| 135 | 869 | 22 | <1 |
| 136 | 870 | 1040 (0.03) | 5 |
| 136A | 872 | 110 | <2 |
| 137 | 873 | 27 | <2 |
| KQ-88-36A | 104B889542 | 11 | <2 |
| 36B | 543 | 1990 (0.06) | 79 (2.3) |
| 36C | 544 | 1640 (0.05) | <7 |
| 36D | 545 | 27 | <2 |
| 36E | 546 | 2490 (0.07) | <5 |
| 36F | 547 | 1190 (0.03) | 5 |
| 36G | 548 | 1130 (0.03) | <2 |
| 36H | 549 | 1040 (0.03) | <2 |
| 36I | 550 | 3520 (0.10) | <2 |
| 36J | 551 | 4030 (0.12) | <2 |
| 36K | 552 | 5230 (0.15) | 3 |
| 36L | 553 | 685 (0.02) | 5 |
| 37 | 554 | <5 | 4 |
| 38A | 555 | 23 | <2 |
| 38B | 556 | 1900 (0.06) | <7 |
| 38C | 557 | 13 | 3 |
| 39A | 558 | 170 | 2 |
| 39B | 560 | 120 | <2 |
| 39C | 562 | 2120 (0.06) | 48 (1.4) |
| 40A | 563 | 16 | <2 |
| 40B | 564 | <2 | <2 |



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April 28, 1989

R.S. Hewton
Exploration Manager
Western Canadian Mining Corporation
1170-1055 West Hastings Street
Vancouver, British Columbia
V6E 2E9

Dear Bob:

Enclosed are chemical analyses and locations for samples that I collected from the Kerr property last summer. I have not attempted to plot the sample locations on your orthophotograph map base yet.

Unfortunately the results are not very encouraging. For the hornfelsic, altered area along the west side of the Sulphurets Glacier (KQ-88-70A to 71B) most values for Au and Ag are low. KQ-88-70F to 70H and 88-80 are from the same area that I was with you and Brian. Similar to your samples, KQ-88-70F contains low-grade Au (0.03 oz/t), and Don Harris' mineralogical work has confirmed gold (several grains of electrum disseminated in chalcopyrite) in sample 88-80. This is the same pyrrhotite (chalcopyrite) vein sample from which you obtained 1 oz Au/t. Perhaps if you could find more pyrrhotite-chalcopyrite veins or more copper at depth, the area's gold potential could be enhanced.

I noticed your "bullish" announcement on the copper deposit in The Northern Miner. I hope that you are able to raise sufficient funds to get a good program going in the area next summer.

Very best regards to you, Brian and others.

Sincerely,

R.V. Kirkham

Encl.

cc.: S.B. Ballantyne
D.C. Harris
R.F.J. Scoates

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July 12, 1989

F.G. Hewett
Vice President, Exploration
Newhawk Gold Mines Ltd.
Suite 860-625 Howe Street
Vancouver, B.C.
V6C 2T6

Dear Fred:

Just a note to tell you about another gold- and silver-bearing sample.

Ed Kruchowski last summer showed Bruce, Don and myself a small galena-, sphalerite-, chalcopyrite- and pyrite-bearing calcite vein system on Newhawk property about 320 m north of Brucejack Creek and 80 m east of the Brucejack Lineament (about 30 m W of picket 31 + 60E, 44 + 00S). Two 10 cm-wide calcite veins striking northeast and dipping northwest in a zone about one metre wide cut limy black argillite. The vein is not well exposed and we could not trace it in either direction. Nevertheless, because of the high gold (69700 ppb or 2.03 oz Au/t) and silver (531 ppm or 15.5 oz Ag/t) contents we felt that we should report it to you. The vein should probably be trenched and an attempt should be made to trace it.

Ed should be thanked for showing us the vein. He had mentioned it to me previously but I had not been able to locate it.

Best regards,

Sincerely,

R.V. Kirkham

cc: S.B. Ballantyne
D.C. Harris

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