

Blackdome Exploration Ltd

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telephone conversation w Bert Rave (688-3584) on Nov. 19/84

Geology

mineralization occurs as gty loads in ft mud seams (fault zones) cutting flat lying Tertiary volcanic rx. ; vertical zonation + argillitic alteration suggest epithermal origin

Property - ~ 7000 acres 100% owned by Blackdome - no royalties

Location - ~ 40 mi WNW of Clinton on the Chilcotin plateau
- accessible from just N. of Clinton by good gravel road
- not much snowfall during winter
- 15° level at 6400' elevation, just before the tree line
- easy 1 day round trip from Ver - drive Pemberton + chopper in

Ore Reserves - 195000 t @ 0.78 g Au 3.2 g Ag using 0.25 g
Exploration Potential cut-off and average width of 7 ft.

- dips 55° - 75°
- 90% of ore reserves in 1 "vein" which is dulled, drifted, & raised over 6000 ft. - indications are that the structure is at least 12,000 ft. long
- 10% in parallel vein that is relatively unexplored
- a number of other unexplored occurrences on the property

Mining - plan cut & fill at 200 tpd
- estimate 25% dilution - assay wall

Grade - drifting & raising gives much higher results than drilling which tends to be non-representative
V.G. not common - tends to be fairly finely divided

Milling - plan to do ft gravity separation followed by flotation
- jig → 50% of Au ; high grade flot. con to sell to refinery

Mineralization - mainly native Au, Ag ; minor py & tetrahedrite (1%)

Environmental - permitting already approved for tailings etc

Capital - estimate \$8m to prod'n at 200 tpd

Company - 15m shares issued. Noranda holds 250,000 ; Barrick ~ 38%
- will need financing in Jan/85
- emphatically interested in equity financing