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093A107  
Frasergold

9<sup>am</sup> Meeting  
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SUMMARY AND CONCLUSIONS

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The Frasergold property is located in east-central British Columbia, approximately 110 km. east-northeast of Williams Lake.

Amoco optioned the property from Eureka Resources Inc. in July 1983. This option was based on a gold soil anomaly upto 300 meters wide by 3,000 meters long, using a 92 ppb Au contour. During the summer and fall of 1983 Amoco began a detailed evaluation consisting of supplemental soil sampling, rock chip and rock channel sampling, geological mapping, magnetometer and Radem-Electromagnetic surveys followed by 1,644.1 meters of diamond drilling in five holes.

Amoco continued their evaluation of the Frasergold property during the 1984 field season. This evaluation consisted primarily of diamond drilling on the main gold anomaly with 2,874.7 meters of drilling being performed. Additional work on the property consisted of extending the main soil grid eastward to the east property boundary. In addition, limited Radem-Electromagnetic and magnetometer surveys were performed to complement 1983 surveys over the main soil anomaly. Soil sampling, geological mapping and rock chip sampling were performed on two gold and one silver anomaly which occur to the west of the main gold anomaly. Soil sampling, rock chip sampling and geological mapping were performed along the contact between the Triassic Black Phyllites and the

underlying, Slide Mountain volcanic sequence, in the vicinity of Hawkley Creek.

Geographically, the Frasergold property is situated along the eastern edge of the Quesnellia Tectonostratigraphic Terrane in the Quesnel Lake map area. The boundary between the Quesnellia Terrane and the western edge of the North American Craton is marked by a thin slice of Slide Mountain Oceanic Terrane. Because of sea-floor spreading processes, Quesnellia has been swept northeastwards and has collided with the western margin of the North American Craton. This collision has resulted in the obduction of the Slide Mountain Terrane and the eastern portion of the Quesnellia Terrane onto the Omineca Crystalline Belt.

Within the northeast corner of the property, Omineca Belt rocks are represented by the Kaza Group. This group consists of highly metamorphosed Late Proterozoic-Early Paleozoic miogeosynclinal sediments.

The Slide Mountain Terrane is represented by a series of Late Paleozoic intermediate to mafic volcanic rocks with remnant ultramafic lenses and pods at its base. These rocks occur as a thin strip along the northeast edge of the property.

Approximately 90 percent of the property is underlain by rocks of the Quesnellia Terrane. This terrane is composed of a sequence of volcanic and sedimentary rocks of the Upper Triassic to Lower Jurassic age. On the Frasergold property,

only the base of the Quesnellia terrane is represented and has been informally named Black Phyllite Unit. This unit has interbedded mafic volcanics and phyllites at its base, which grade upward into a thick sequence of black phyllites with lesser siliceous sediment. Then, the unit grades into a mixed volcanic, phyllite assemblage and finally into massive volcanic breccias, tuffs and flows.

The property is situated on the northeastern limb of the Eureka syncline. The general trend of stratigraphy is  $130^{\circ}$  -  $140^{\circ}$  with dips generally less than  $45^{\circ}$  to the southwest. The predominant foliation trends sub-parallel to stratigraphy however it dips more steeply to the southwest at  $60^{\circ}$ . The regional folding is reflected on several scales from 10's of millimeters to several meters as observed from diamond drilling and rock exposures.

The foliated phyllites contain abundant (upto 30%) syn-metamorphic veins and lenses of quartz. Quartz structures appear compatible with the northwest trend and dip of foliation. These quartz veins contain variable amounts (usually less than 10 percent) of pyrite, pyrrhotite and ankerite. From field observations, a shallow ( $5^{\circ}$ - $15^{\circ}$ ) northwest trending plunge has been noted for some of the quartz veins. Veins have been locally folded into recumbent structures, producing quartz knots in the hinge of folds. Stretching of quartz structures is also noted, producing pinch and swell features.

The 1984 drilling program was designed to perform fill-in drilling between the widely spaced 1983 holes and test for an eastward extension of the favourable horizon. To date, drilling has tested the majority of the favourable horizon on 100-meter centers from L52+00E to L67+00E.

Based on this information obtained to-date, a zone ranging in width from 1.5 meters to 7.5 meters and averaging 3.5m can be traced for 1050 meters between L52+00E and L62+50E. The grade varies from 0.065 oz. Au/ton to 0.316 oz. Au/ton and averages 0.101 oz. Au/ton. Narrow 1.5 meter intersections on lines 65+90E and 67+00E assaying 0.048 oz. Au/ton and 0.200 oz. Au/ton respectively may represent an eastward extension of this zone. Based on 100 meter or greater drill spacing, this zone appears conformable to the trend and dip of foliation. However, extreme caution should be used when expecting that such narrow intervals can be extrapolated along strike for 100 or more meters. This zone will be referred to as the "A" zone within this report and on all maps.

Table I, pages 5 and 6, is a summary of all the better grade or wider intervals encountered to-date in both the 1983 and 1984 drill programs. An asterisk indicates the intersection belonging to the "A" zone.

TABLE I

SUMMARY OF BETTER GOLD INTERSECTIONS  
FROM THE 1983 AND 1984 DRILLING PROGRAMS AT FRASERGOLD

HOLE	CO-ORDINATES	INTERVAL IN METERS	FIRE ASSAY OZS AU/TON
FBC-83-1	L60+02E; 3+34S	103.5-108.0 M*	0.083/4.5 M
		198.0-208.5 M	0.027/10.5 M
		249.0-250.5 M	0.039/1.5 M
FBC-83-2	L55+06E;2+76S	61.5- 66.0 M	0.092/4.5 M
		111.0-114.0 M*	0.175/3.0 M
		129.0-130.5 M	0.051/1.5 M
		136.5-147.0 M	0.020/10.5 M
		237.0-238.5 M	0.130/1.5 M
		255.0-256.5 M	0.056/1.5 M
		262.5-265.5 M	0.076/3.0 M
FBC-83-3	L57+04E;3+17S	31.5- 33.0 M	0.039/1.5 M
		40.5- 42.0 M	0.067/1.5 M
		120.0-121.5 M*	0.065/1.5 M
		190.5-193.5 M	0.028/3.0 M
FBC-83-4	L51+98E;2+25S	115.5-118.5 M*	0.064/3.0 M
		172.5-174.0 M	0.047/1.5 M
		201.0-202.5 M	0.051/1.5 M
FBC-83-5	L55+02E;3+77S	277.5-279.0 M	0.110/1.5 M
		307.5-309.0 M	0.087/1.5 M
FBC-84-6	L60+98E;3+49S	54.0- 55.5 M	0.155/1.5 M
FBC-84-6A	L61+09E;3+19S	48.0- 49.5 M*	0.098/1.5 M
		100.5-102.0 M	0.041/1.5 M
		138.0-139.5 M	0.040/1.5 M
FBC-84-7	L59+00E;2+87S	67.5- 69.0 M*	0.316/1.5 M
		79.5- 82.5 M	0.030/3.0 M
		100.5-102.0 M	0.062/1.5 M
		111.0-112.5 M	0.057/1.5 M
		168.0-175.5 M	0.023/7.5 M

TABLE 1 (CONT'D)

HOLE	CO-ORDINATES	INTERVAL IN METERS	FIRE ASSAY OZS AU/TON
FBC-84-8	L56+00E;2+85S	82.5- 84.0M	0.034/1.5 M
		106.5-108.0M*	0.140/1.5 M
		126.0-135.0M	0.029/9.0 M
		147.0-150.0M	0.042/3.0 M
		156.0-160.5M	0.037/4.5 M
		175.5-177.0M	0.042/1.5 M
		216.0-219.0M	0.085/3.0 M
FBC-84-9	L54+14E;2+50S	70.5- 72.0M	0.050/1.5 M
		84.0- 85.5M	0.342/1.5 M
		126.0-133.5M*	0.085/7.5 M
		250.5-252.0M	0.042/1.5 M
FBC-84-10	L63+70E;3+88S	70.5- 72.0M	0.122/1.5 M
		85.5- 99.0M	0.031/13.5M
		114.0-117.0M	0.037/3.0 M
FBC-84-11	L59+00E;4+23E	226.5-228.0M	0.031/1.5 M
		280.5-285.0M	0.144/4.5 M
FBC-84-12	L67+00E;4+59S	30.0- 31.5M	0.054/1.5 M
		90.0- 91.5M	0.200/1.5 M
		118.5-120.0M	0.037/1.5 M
		129.0-136.5M	0.023/7.5 M
FBC-84-13	L65+90E;5+60S	141.0-142.5M	0.258/1.5 M
		187.5-189.0M	0.048/1.5 M
FBC-84-14	L62+45E;4+14S	97.5- 99.0M	0.210/1.5 M
		103.5-105.0M	0.104/1.5 M
		97.5-105.0M*	0.071/7.5 M
		141.0-145.5M	0.032/4.5 M

## RECOMMENDATIONS

Based on current and foreseeable future gold prices, it is recommended that Amoco Canada provide no further funding for the evaluation of the Frasergold property. Although the results of the 1984 drill program provided some encouraging results, it showed that there is very limited potential for the Frasergold property to produce an Amoco size gold deposit.

The property has potential for developing a small deposit grading 0.100 oz. Au/ton. Within this deposit, several higher grade (0.200-0.300 oz. Au/ton) lenses of more limited tonnage can be expected to be present. This size of target maybe of interest to certain mining companies. Therefore, it may be beneficial to Amoco Canada to try to persuade other parties to provide funding for any future work.

If the property is optioned, it is recommended that detailed drilling (in short < 100m holes) be performed at not greater than 25 meter centers around the 0.085 oz. Au/ton /7.5 meters in FBC-84-9 and the 0.144 oz. Au/ton/4.5 meters in hole FBC-84-11. The direction of further drilling would be determined from the results of this drilling.

Whether the property is optioned or not, certain reclamation work will be required of Amoco by the provincial government. This work would entail the sowing of grass seed to provide ground stability on  $\approx$  20 hectares of cat trails made by Amoco during their evaluation of the property. This work is recommended to be done in 1985.