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INMET MINING CORPORATION

MEMO

To: Ian Morrison
From: John Kapusta
Copies: File
Date: November 30, 1995

Subject: BODINE VMS PROPERTY SUBMITTAL

Summary

The Bodine VMS property has been submitted to us by Mike Grey for our review. The data in its present form is very jumbled and limited with respect to the historical work that has been performed. None of the Airborne data from either McIntyre Mines Ltd. (1977) or Noranda (1985) has been included. These surveys may have very well covered the entire extent of the present property position. Noranda drilled what I am assuming are two of the best anomalies.

Recommendations-- "NO"

At the present time no further action is warranted with regards to this submittal. If more of the data becomes available it should be reviewed, especially the airborne EM. Time permitting this summer a property visit should be made to answer some of the outstanding questions especially with regards to a plumbing system.

At best the property represents a fairly grass roots target that would require extensive work and exploration expenditures to confirm potential drill targets. The key question we have to answer is whether or not this is a property we wish to make such an expenditure on. My gut hunch is that there has to be better out there.

This is a property that has a VMS system developed on as evidenced by the Vent showing, however all of the showings located to date on the property lack quality. There is also no information regarding potential plumbing systems. This would have to be evaluated by our geologists on a site visit.

On The Plus Side

- ◆ There is the development of a VMS system on the property.
- ◆ There would appear to be abundant felsic fragmentals present, to act as an aquifer for mineralizing fluids.

On The Negative Side

- ◆ There is no information regarding either the size or quality of an alteration system if there is one present.
- ◆ There is not a quality mineral showing present on the property.
- ◆ There is not a quality VMS deposit within a light year of the property.
- ◆ Alteration present at the Vent Zone is not consistent with a quality VMS occurrence.
- ◆ It would appear that the majority of the property has had airborne EM flown on it and Noranda has drill tested the best targets. This data would have to be evaluated.
- ◆ There are at least three drill sites marked on one of the maps supplied to us that there is no data for.

Location

The Bodine claim group is situated approximately 15 kilometers north, northeast of Takla Landing in central B.C. Access to the property is via a series of logging roads from Takla Landing.

N.T.S. Coordinates for the property are 93N 12/W, at Lat. 55 37 00 and Long. 125 48 00.

Claims

The Bodine property is situated in the Omineca Mining Division and consists of the following claims:

Lika 1 (232263) to Lika 11 (232273), and Lika 12 (232298)

Vent 3 (232253) to Vent 12 (232262)

Diver 1 (232274) to Diver 4 (232277)

Gos 1 (232282) to Gos 6 (232287)

Dine 1 (232278) to Dine 4 (232281)

I can not be sure of the total number of units present from the data supplied.

Geology

The area is underlain by Upper Triassic to Lower Jurassic volcanic and sedimentary rocks of the Sitlika Assemblage. All rocks have been metamorphosed to greenschist facies.

The Sitlika Assemblage is composed of andesitic to rhyolitic pyroclastics and flows with minor amounts of sediments. The volcanics are characterized by the

local development of sericite, quartz-sericite and chlorite schists. Sediments include graphitic argillite.

Chris Graf, (who held claims in the area) believes that the rocks present at Bodine may be equivalent in age to the Kutcho Creek Deposit (11 mt. 1.68% Cu, 2.14% Zn, 25 g/t Ag, 0.30 g/t Au), located a significant distance to the north.

On the Lika claims the geology is described as consisting of a sequence of intercalated felsic to intermediate volcanics. The intermediate volcanics consist of tuffs, lapilli tuffs, andesitic flows and chloritic schists. Basalt flows have been identified in the Mount Bodine area that are associated with bedded volcanoclastics and intercalated with argillites. The felsic volcanics consist of dacitic to rhyolitic flows, tuff, lapilli tuff and several pyritic quartz sericite schist horizons that contain 1 to 20% pyrite. These units have well developed gossans associated with them.

Historical Work

Dine Claims and Mount Boudine Area

- 1974 Kennco Exploration Inc. regional silt sampling, JEM survey and geological mapping.
- 1975 McIntyre Mines Ltd. Reconnaissance geology and regional silt geochemistry. Resulted in the discovery of the Eureka and Crystal showings on the Ruth claims situated on Mount Boudine.
- 1977 McIntyre Mines Ltd. Helicopter-borne EM and Magnetometer survey with geological and geochemical followup work.
- 1978 Shell Canada Resources Ltd. Reconnaissance geology in the Mount Boudine Area, staking of the Sykes 7 Claim.
- 1979 Shell Canada Resources Ltd. Soil geochemistry and geological mapping on the Sykes 7 Claim.
- 1980 Canadian Superior Exploration Ltd. Rock geochemistry and geological mapping of the Ruth Claims on Mount Boudine. I am assuming that this work was done in the area of the Eureka and Crystal showings of McIntyre Mines Ltd.
- 1981 Shell Canada Resources Ltd. Option the Ruth claims and conduct geological mapping and soil geochemical surveys as well as a CEM Shootback survey.
- 1982 Chris Graf stakes the Sitlika 1 to 4 claims on what were the Ruth claims which were allowed to lapse.
- 1983 Chris Graf conducts geological mapping and soil geochemical surveys on the Sitlika 1 to 4 claims.

- 1985 Noranda Exploration, conducts Airborne EM and Magnetomer surveys as well ground HLEM and soil geochemistry. I believe this was on the TL 2 claims where the Dine claims are presently located.
- 1986 Noranda Exploration conducts further ground magnetometer and I.P. surveys on the TL 2 claims.
- 1987 Noranda Exploration conducts further geological and geophysical surveys on the TL claims.
- 1989 Noranda Exploration drilled a single hole totaling 127.5 meters. The target for the drill hole was the Eureka showing. Several sections of zinc and copper mineralization were intersected with the best zinc results being 0.44% over 3.8 meters and the best copper 0.40% over 1.7 meters.

Historical Work

Lika 5 Claim

- 1978 Shell Canada Resources Ltd. conducted geological mapping and soil geochemistry.
- 1985 Noranda Exploration completed an Aerodat airborne EM survey over the area with followup ground geophysics.
- 1989 Noranda Exploration drilled a single hole totaling 80.5 meters on what was the Rod claim. This hole was targeted at a geophysical anomaly outlined in 1985. Noranda's assessment report states that the property had been covered by the airborne geophysics carried out by McIntyre Mines in 1977.

Mineralization

Eureka -- Crystal Showings -- Dine Claims

In 1989 Noranda drilled the Eureka showing and intersected the following intervals of significant mineralization:

12.7 -- 17.4m	0.19% Zn
23.1 -- 32.2m	0.14% Zn
43.0 -- 46.8m	0.44% Zn
69.4 -- 71.1m	0.40% Cu

All of the zinc mineralization is hosted in what is described as a light to medium green rhyolite with 1-2% pyrite. And the copper mineralization is hosted in a light green rhyolite with 1% pyrite. Volcanic breccia and agglomerate units were intersected in the drill hole. Graphite has been noted in some of the felsic units. The character of the mineralization is unclear from the descriptions given in the Noranda report. From their drill log pyrite, chalcopyrite and pyrrhotite mineralization can be as stringers, with quartz stringers and also as disseminations and blebs throughout. Silicification is the only alteration noted, and is generally associated with late

fractures. The entire hole was split and analyzed for Cu, As, Pb, Zn, Ag and Au in variable sample lengths. The entire hole is noisy in zinc with values ranging from 130 to 10,484 (over 1 meter) ppm. This zinc interval was not noted as significant mineralization.

In a 1986 Assessment Report Noranda describes the Eureka showing as occurring approximately 200 meters east of the Crystal showing. The Eureka showing is exposed along a small creek cut in a ravine wall. Mineralization at the showing is noted to consist of stringer type chalcopyrite and pyrite veins associated with a quartz rich shear zone in felsic volcanics. Grab samples from the showing have returned values of 4.34% Cu, 0.05% Zn, 0.058 opt Au, and 2.25 opt Ag. An earlier report by Canadian Superior describes the showing as "consisting of siliceous boudins measuring approximately 0.7 x 0.3 meters, mineralized with disseminated chalcopyrite. The boudins are enclosed in a gouge like matrix of sheared rhyolite, and are orientated with their long axis parallel to regional foliation." A sample of the mineralization supplied to us by Mike contains approximately 25% sulphides in an intensely silicified rhyolite. Very reminiscent of the Alder and Cutthroat properties.

Noranda describes the Crystal showing as being finely disseminated pyrite in a narrow chert horizon hosted in felsic volcanics. No significant base metal values have been reported. Canadian Superior describes the showing as consisting of a 2 to 5 cm. wide band of laminated pyrite and chert situated at the contact between chloritic volcanoclastics and massive rhyolite.

Lika 5 Claim

The 1989 drill hole of Noranda's intersected 6 meters of disseminated to massive pyrite and pyrrhotite that averaged 15% sulphides over the entire interval. No significant base metal values were reported. On the compilation map supplied by Mike there is also a coincident copper zinc soil anomaly associated with this target. The relative strengths of this anomaly are not known.

Vent Showing -- Vent 3,4,5,6 Claims

There would appear to be no significant soil anomaly associated with this showing. A small soil map was included with the data from Mike for the following elements, Ba, Mn, Co, Au, As,Cu, and Zn. A rock sample supplied from the showing is very reminiscent of the Vent Showing on the Seneca property, except that the only sulphide present with the rock from the Bodine property is pyrite. Rock fragments are strongly silicified with bleached rims, there is no chloritization that would be expected from a quality system. There are no assays from this showing in the data from Mike.

A massive sulphide boulder was discovered in float approximately 1.5 kilometers south of the vent showing. An ICP analysis from this boulder returned the following values:

42 ppm Cu	1.4 ppm Ag	71 ppm Ni
46 ppm Zn	15 ppb Au	557 ppm As
355 ppm Pb	15% Fe	

Diver Lake -- Vent 3 Claim

Rock samples from the Diver lake showing contain syngenetic pyrite hosted in a tuffaceous looking argillite. This showing occurs close to numerous outcrops of pillowed basalts. There are no assays supplied for this showing.

Soil Geochemistry

Eureka Showing -- Dine Claims

A portion of the work conducted by McIntyre Mines Ltd. in 1977 covers the area immediately around the Eureka and Crystal showings. A linear copper anomaly with dimensions of 1400 by 60 meters is located 100 to 250 meters east of the Eureka showing. Values in this anomaly range from 100 to 1350 ppm. A total of 12 samples outline this anomaly, which is also associated with a pronounced surface gossan. To the west of the Eureka anomaly approximately 300 meters is a zinc anomaly. This anomaly is approximately 300 meters in length and contains five samples with values ranging from 400 to 850 ppm.

Numerous soil anomalies are plotted on a very rough compilation map put together by Mike Grey. However there was no information included in his data package with regards to the anomalies relative strengths.