

# **MINNOVA Inc.**

## **1989 BUDGET PROPOSAL**

**BRENDA-OKANAGAN JOINT VENTURE**

823608

## INTRODUCTION

This report contains a proposed budget and work program for the existing properties in the Brenda-Minnova Okanagan Joint Venture.

### PROJECTS

<u>Project No.</u>	<u>Name</u>
622	Last Chance
626	Gil
628	Jolly
640	Lamb
642	Clapper
643	Wart
655	Ferroux
656	Richter
658	Brenda General

The budget of \$672,000 proposed includes \$555,000 for direct exploration costs, \$50,000 as a property acquisition contingency and \$72,000 (12%) for administration and overhead. This level is chosen to make optimum use of Minnova manpower without overextending ourselves in this early, low drilling, manpower intensive stage of exploration. Two staff geologists have been assigned to the program and they will be assisted, part time, by carefully selected, closely supervised contract geologists plus a number of assistants, as required.

The aim of the 1989 program is to bring existing properties up to a stage where selected targets can be drilled in 1990. Although surface work for target definition will continue throughout the JV period, it is our strong belief that at least 50% of each future years budget should be in diamond drilling to maximize the chances of economic discovery. At the same time, reconnaissance will continue on a small scale and properties brought to or pinpointed by the JV will be evaluated and rated with respect to the existing ones.

Details of individual property budgets and work programs follow.

**BRENDA - MINNOVA**  
**OKANAGAN JOINT VENTURE**  
 1989 EXPENDITURE FORECAST  
 (\$000's)

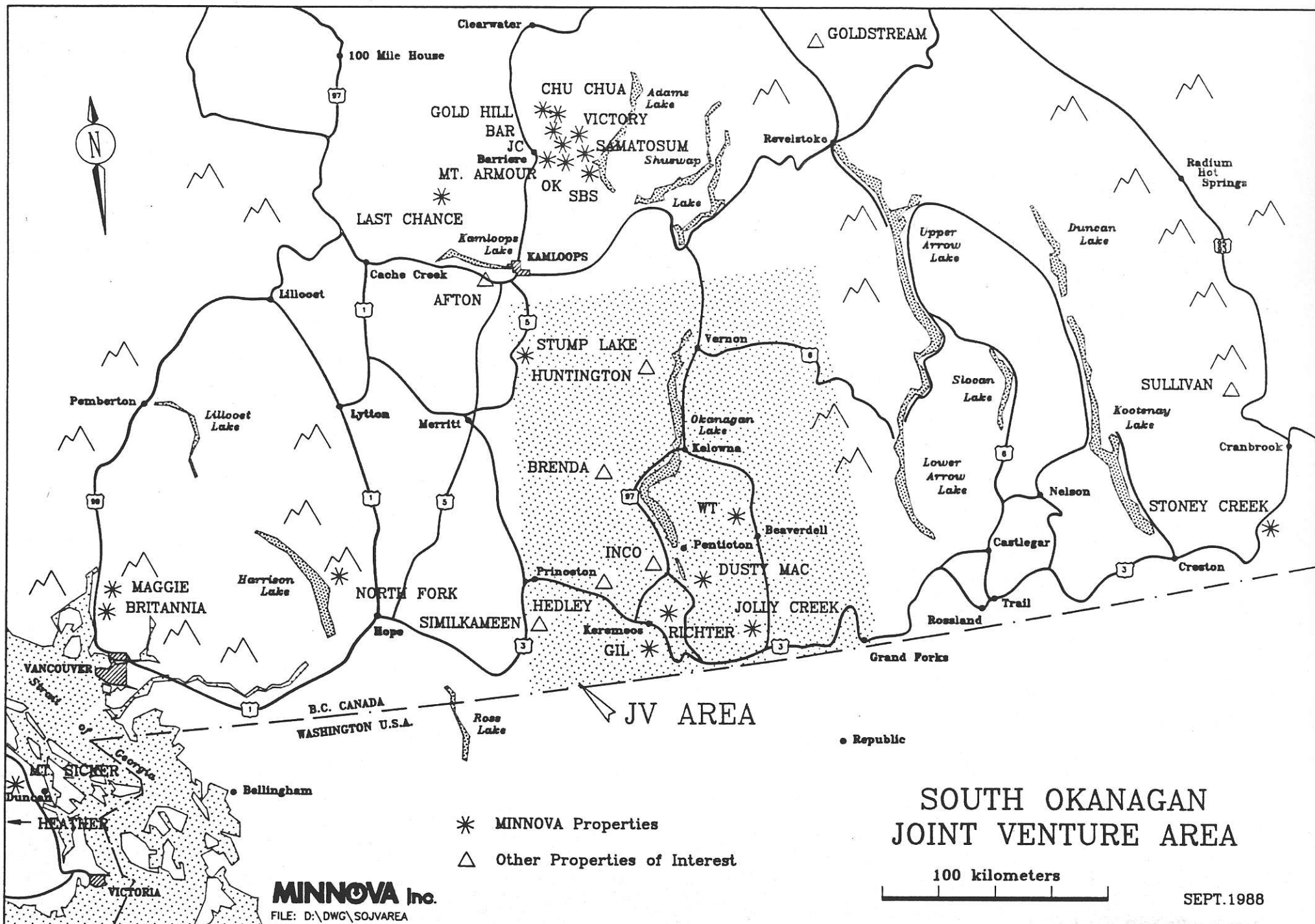
	<i>Geology</i>	<i>Geophys</i>	<i>Geochem</i>	<i>Drilling</i>	<i>Line</i>	<i>Trench</i>	<i>Hotels &amp; Meals</i>	<i>Option Payments</i>	<i>Property Maint</i>	<i>Totals</i>
LAST CHANCE	11.5	30.5	18.5	0.0	7.5	2.5	2.0	0.0	2.5	75.0
GIL	1.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.5	3.0
JOLLY CREEK	6.0	2.5	4.5	92.5	3.0	0.0	4.0	15.0	2.5	130.0
LAMB	15.0	5.0	10.7	0.0	0.0	0.0	2.0	0.0	0.0	32.7
CLAPPER	12.5	12.0	3.5	0.0	0.0	0.0	1.5	0.0	0.0	29.5
WART	7.5	0.0	1.9	0.0	0.0	0.0	0.6	0.0	0.0	10.0
FERROUX(WT)	23.5	7.5	32.5	0.0	10.5	0.0	3.0	0.0	0.0	77.0
RICHTER	21.3	56.0	47.5	0.0	10.5	0.0	4.5	0.0	3.0	142.8
RECCE	24.0	0.0	25.0	0.0	0.0	0.0	1.0	50.0	0.0	100.0
<b>Totals</b>	<b>122.8</b>	<b>113.5</b>	<b>144.1</b>	<b>92.5</b>	<b>31.5</b>	<b>2.5</b>	<b>18.6</b>	<b>65.0</b>	<b>9.5</b>	<b>600.0</b>

Direct Expenditures = 600.0  
 Administration (12%) = 72.0  
**TOTAL EXPENDITURES = 672.0**

## FORECAST OF EXPENDITURES

(To Dec 31st, 1989)

PROJECT	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	TOTAL
L.C. 622	2000	24000	2000	2000	11000	20000	7000	5000	2000	75000
GIL 626	1000		2000							3000
JOLLY 628	2000	2000	3000	29000	90000		2000	1000	1000	130000
LAMB 640	2000	2000	24700				2000	1000	1000	32700
CLAPPER 642	2000	10000		2000		12000		1000	2500	29500
WART 643	1500					6000		1500	1000	10000
FERROUX 655	10000	10000	18000	30000	3000		2000	2000	2000	77000
RICHTER 656	5000	56000	45000	20000	10000		2800	2000	2000	142800
GENERAL 658	5000	5000	10000	10000	10000	5000	2000	2000	1000	50000
JV ACQ'N 658										50000
<b>TOTAL</b>	<b>30500</b>	<b>109000</b>	<b>104700</b>	<b>93000</b>	<b>124000</b>	<b>43000</b>	<b>17800</b>	<b>15500</b>	<b>12500</b>	<b>600000</b>



- \* MINNOVA Properties
- △ Other Properties of Interest

## SOUTH OKANAGAN JOINT VENTURE AREA



SEPT. 1988

**MINNOVA Inc.**  
FILE: D:\DWG\SOJVAREA

LAST CHANCE (PN 622)  
1989 BUDGET PROPOSAL

BUDGET: \$75,000

OBJECTIVE:

To locate and test the best targets defined in the 1987, 1988 programmes, looking for Eocene Epithermal Gold related to mercury showings.

SUMMARY

The Last Chance property consists of 91 units covering an area between the Deadman River and Criss Creek, 50 km north of Kamloops, B.C. The property is 100% owned by Minnova and was staked in 1987 on the merits of the geology which is similar to the area of California's McLaughlin Deposit, containing 19 MT of 0.17 oz/T Au.

Two Tertiary graben type basins exist on either side of the property and Tertiary faults intersect throughout the property. These structures have argillic and propylitic alteration with minor chalcedonic veining. Generally the alteration is anomalous in Ag, As, Cu and occasionally Au. Hg is highly anomalous with values up to 1.5% occurring as cinnabar in dolomite veins.

Other companies are active in the area including Noranda, Asarco and Inco but on the whole, very little work has been done due to low Au values. Minnova, however, has found Au values concentrated in the coarse fraction of stream sediment samples; this would not be detected with regular techniques. As at McLaughlin, the gold may not be detectable even in soils and the property needs proper drill testing.

An integrated program of geology, geophysics and geochemistry is planned commencing with a 250 km Airborne Resistivity/Mag Survey (Dighem) in May. This will be followed up with ground location of anomalies, soil geochem, geological mapping and sampling and trenching. Targets defined will be drilled in 1990.

### PROPOSED PROGRAM

1. 250 km Airborne E.M. Survey
2. Establish 25 km grid over best target outlined
3. 25 km Ground Mag and VLF Survey
4. 1000 Soil Samples over grid
5. Geological Mapping and 100 Lithos over grid area
6. Trenching and sampling of outlined targets in preparation for 1990 drilling.

### SCHEDULE

1. 250 km Airborne E.M. Survey
2. Linecutting -August
3. Magnetometer and VLF Survey -August
4. Geological Grid Mapping and Soils -September
5. Trenching -Late August, September

### PROPERTY STATUS

LC 1-5 good until February 27, 1991.

# PROJECT BUDGET FORECAST

(To Dec 31st, 1989)

PROJECT NAME: **Last Chance**

PROJECT NO. **622**

## GEOLOGY

Detail map and sample	Salaries	\$9,000		
LC 5, trenches	Travel Expenses	\$500		
	Contract Payments	\$0		
	Field Expenses	\$1,000		
	Analyses	\$1,000	\$11,500	15%

## GEOPHYSICS

250 km AEM	Salaries	\$0		
25km Mag, VLF	Travel Expenses	\$500		
	Contract Payments	\$30,000		
	Field Expenses	\$0	\$30,500	41%

## GEOCHEMISTRY

1000 soils	Salaries	\$3,500		
100 lithos	Travel Expenses	\$500		
	Contract Payments	\$0		
	Field Expenses	\$1,000		
	Analyses	\$13,500	\$18,500	25%

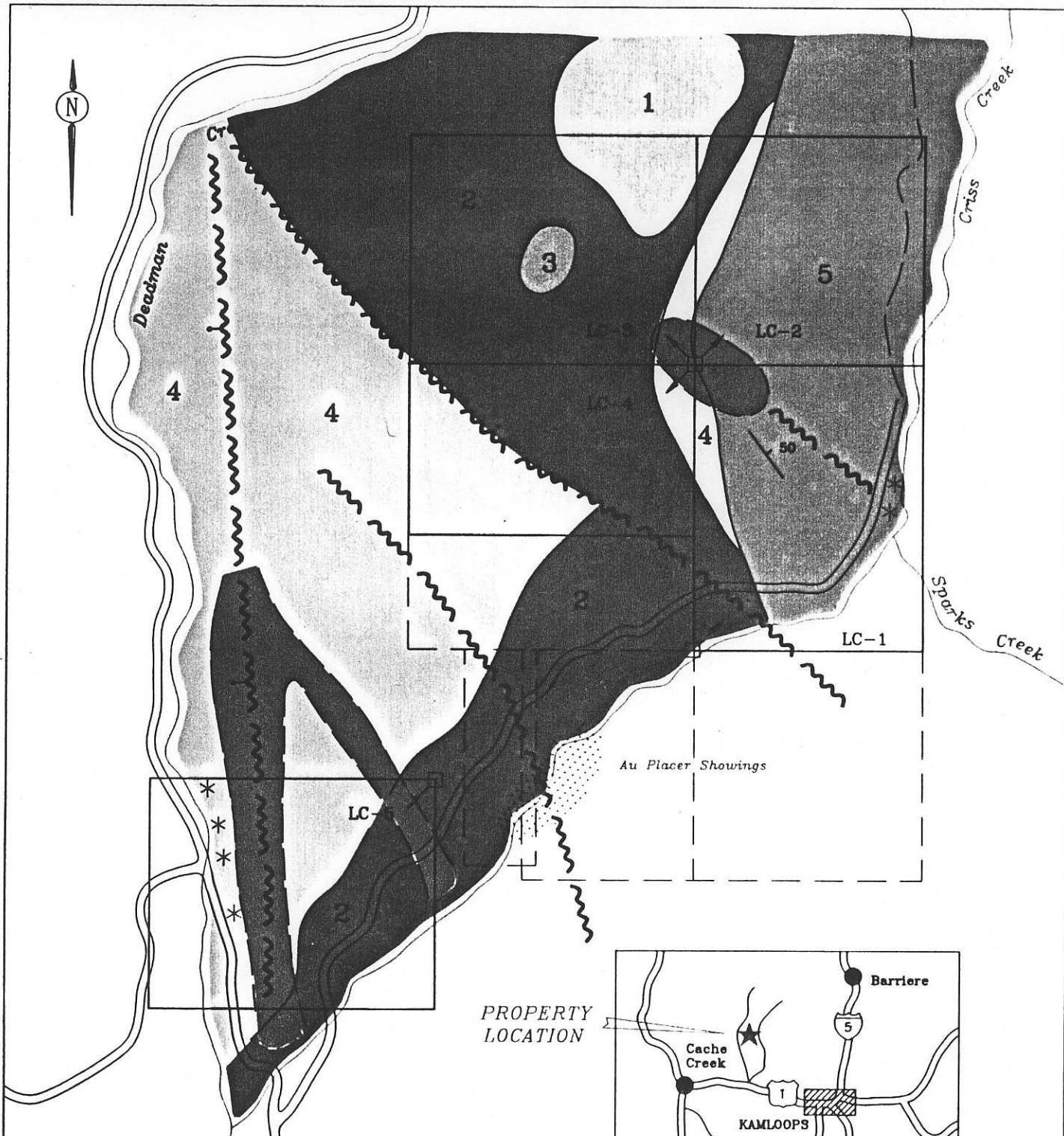
## DRILLING








	Salaries	\$0		
	Travel Expenses	\$0		
	Contract Payments	\$0		
	Field Expenses	\$0		
	Analyses	\$0	\$0	0%

<i>Line Cutting</i>	25km @ \$300	\$7,500		10%
<i>Trenching</i>	25hrs @ \$100	\$2,500		3%
<i>Hotels and Meals</i>		\$2,000		3%
<i>Option Payments</i>		\$0		0%
<i>Property Maintenance</i>		\$2,500		3%
<i>Other</i>		\$0		0%

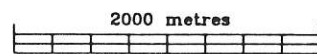
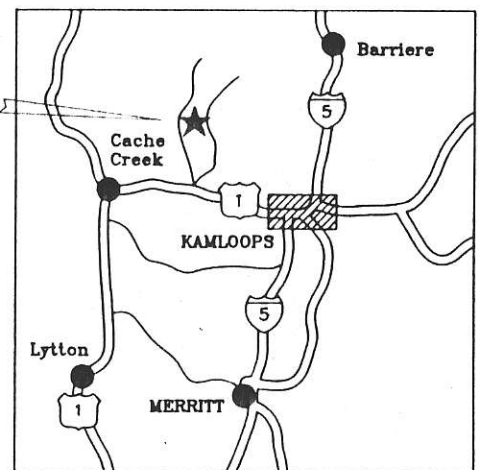
**TOTAL DIRECT EXPENDITURES** \$75,000





-  Conglomerate (EOCENE)
-  Kamloops Group (EOCENE)
-  Intrusions (TERTIARY)
-  Nicola Volcanics (TRIASSIC)
-  Metamorphics (PALEOZOIC)
-  Alteration
-  Anomalous samples (Au,Ag,Cu,Hg)

PROPERTY LOCATION



## LAST CHANCE PROPERTY GEOLOGY

GIL PROPERTY (PN 626)

1989 BUDGET PROPOSAL

BUDGET: \$3,000

OBJECTIVE:

To put in good standing for at least two years by filing 1988 work for assessment.

SUMMARY:

The Gil property consists of 36 units located 7 km SW of Keremeos. The property was originally staked by Canadian-Occidental Petroleum on high W stream sediment values. They found skarn zones assaying up to 3.85% W over 5 m. The only sample analyzed for Au ran 5480 ppb.

In 1987, Discovery Consultants sampled the area and found highly anomalous Au values in the northern portion of Gilanders Creek. 1988 mapping has revealed many similarities to the Hedley Camp which produced 50 million grams of Au from 3.7 m/tonnes of ore. Presently Mascot Gold Mines has reopened the old workings and is mining reserves of 9.9 million tons averaging .133 oz/t Au.

Similarities include similar host rocks, highly folded Permian rocks consisting of sediments and mafic volcanics. These are intruded by felsic-mafic intrusive bodies with extensive dyke swarms. The intrusives have extensive hornfels surrounding them and cover up to 40% of the Gil property. They have up to 20% pyrrhotite, pyrite and arsenopyrite. The sediment mafic volcanic contact has many carbonate lenses which commonly contain garnet or epidote skarns with up to 30% pyrrhotite and arsenopyrite and up to 2% chalcopyrite as well as W values.

Rough topography has caused previous work to be limited and an excellent potential exists on the property for Au skarns and Au mineralization.

PROPOSED PROGRAM:

Other than the filing of assessment, no work is planned in 1989.

PROPERTY STATUS

Gil 1, 2 currently expire June 9, 1989. Will be filing 2 years assessment minimum.

# PROJECT BUDGET FORECAST

(To Dec 31st, 1989)

PROJECT NAME: **Gil**

PROJECT NO. **626**

## **GEOLOGY**

complete evaluation  
and file assessment

Salaries	\$1,500		
Travel Expenses	\$0		
Contract Payments	\$0		
Field Expenses	\$0		
Analyses	\$0	\$1,500	50%
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## **GEOPHYSICS**

Salaries	\$0		
Travel Expenses	\$0		
Contract Payments	\$0		
Field Expenses	\$0	\$0	0%
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## **GEOCHEMISTRY**

Salaries	\$0		
Travel Expenses	\$0		
Contract Payments	\$0		
Field Expenses	\$0		
Analyses	\$0	\$0	0%
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## **DRILLING**








Salaries	\$0		
Travel Expenses	\$0		
Contract Payments	\$0		
Field Expenses	\$0		
Analyses	\$0	\$0	0%
		-----	

<i>Line Cutting</i>		\$0	0%
<i>Trenching</i>		\$0	0%
<i>Hotels and Meals</i>		\$0	0%
<i>Option Payments</i>		\$0	0%
<i>Property Maintenance</i>		\$1,500	50%
<i>Other</i>		\$0	0%

**TOTAL DIRECT EXPENDITURES** \$3,000

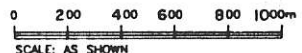


**LEGEND**

-  Skarn
-  Hornfels
-  Intrusive rocks
-  Argillites + sediments
-  Mafic volcanics
-  Chert with mixed sediments
-  Antiform

**MINNOVA Inc.**

**GIL PROJECT  
GEOLOGY**



N.T.S. 82E/4		MAP No:
DRAWN BY: GE/wg		
DATE: SEPT. 1988		

JOLLY OPTION (PN 628)

1989 BUDGET PROPOSAL

BUDGET: \$130,000

OBJECTIVES:

To test targets defined in the Rock Creek canyon.

SUMMARY:

The Jolly Property consists of 4 crown grants and 37 units located approximately 8 km north of Bridesville. The property was the initial discovery in the Camp McKinney area in 1884. Numerous old workings exist with the only production figures available being 35 tonnes from the Victoria adit producing 560 g Au and 1430 g Ag.

The old Cariboo-Amelia mine is only 4 kms to the west. It produced 2,538,101 g Au and 1,008,979 g Ag from 124,452 tonnes mined. This came from an E-W striking vein hosted in the Anarchist group with similar characteristics to the veins in Rock Creek.

Both N-E and E-W trending structures exist on the Jolly property and host mineralized quartz veins with carbonate alteration zones and green micas. The NE trending veins parallel a large fault on the Eastern side of the property which controls a Tertiary graben structure. The E-W faults parallel the Cariboo vein and a regional mag low feature. Samples from the veins run as high as 80 g/T Au while the carbonate-green mica zones run as high as 60 g/T. Limited outcrop has inhibited past exploration and since almost no drilling has been done the potential is virtually untested.

1989 work will extend our surface coverage of the mineralized structures by approximately 1 km to the north. This will be followed by 1200m of diamond drilling on targets defined in 1988.

### PROPOSED PROGRAM

1. Extend Grid coverage north (10km)
2. Ground Magnetometer and VLF Survey
3. Soil and/or Biogeochem orientation survey
4. Geological mapping and sampling of new grid area.
5. Drilling 1200m on targets outlined in 1988.

### PROPOSED SCHEDULE

1. Linecutting -May
2. Magnetometer and VLF survey -Early June
3. Grid Geological Mapping and Orientation survey -Late June
4. Drilling targets -Late July, August

### PROPERTY STATUS

<u>Claim</u>	<u>Expiry Date</u>
CH	October 4, 1990
AH	October 4, 1990
HO	May 7, 1991
BR fr	July 20, 1991
RR fr	October 16, 1992
DB 1	May 3, 1991
Crown Grants	no assessment required, taxes paid by owners.

# PROJECT BUDGET FORECAST

(To Dec 31st, 1989)

PROJECT NAME: **Jolly Creek**

PROJECT NO. **628**

**GEOLOGY**

continued evaluation of available data, mapping of new grid	Salaries	\$5,000		
	Travel Expenses	\$0		
	Contract Payments	\$0		
	Field Expenses	\$500		
	Analyses	\$500	<b>\$6,000</b>	<b>5%</b>

**GEOPHYSICS**

10km Mag, VLF	Salaries	\$0		
	Travel Expenses	\$0		
	Contract Payments	\$2,500		
	Field Expenses	\$0	<b>\$2,500</b>	<b>2%</b>

**GEOCHEMISTRY**

soil/biogeochem orientation study	Salaries	\$1,000		
	Travel Expenses	\$500		
	Contract Payments	\$0		
	Field Expenses	\$500		
	Analyses	\$2,500	<b>\$4,500</b>	<b>3%</b>

**DRILLING**

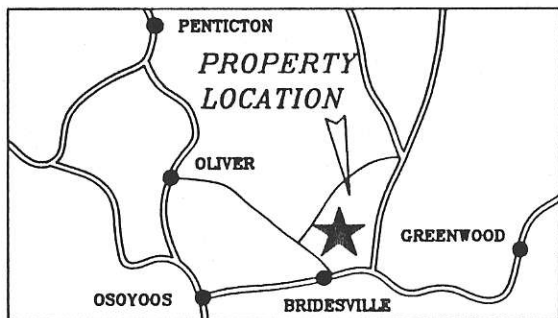
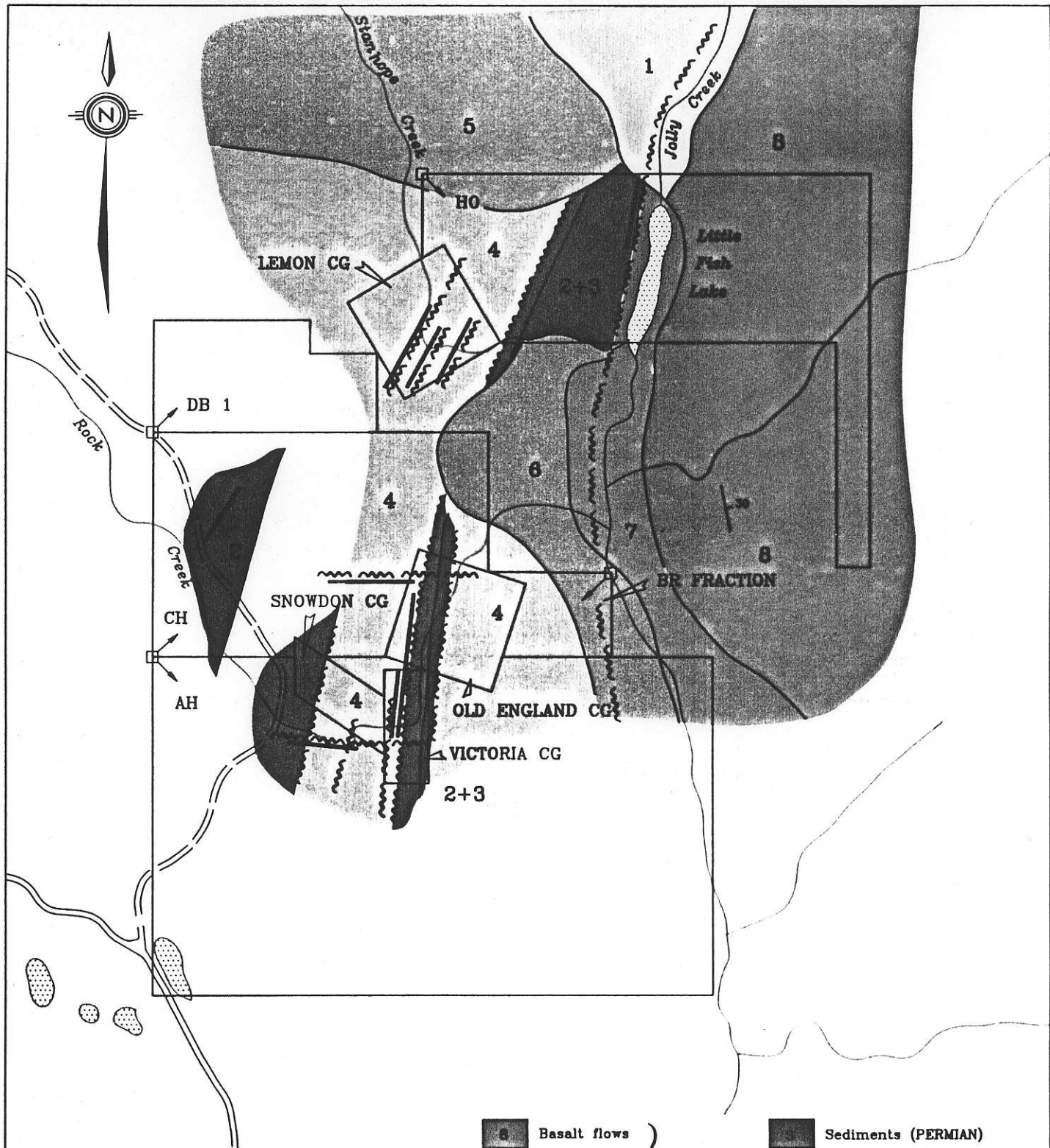
1200m @ \$65/m	Salaries	\$8,500		
	Travel Expenses	\$1,000		
	Contract Payments	\$78,000		
	Field Expenses	\$2,000		
	Analyses	\$3,000	<b>\$92,500</b>	<b>71%</b>

<i>Line Cutting</i>	10km @ \$300	<b>\$3,000</b>		<b>2%</b>
<i>Trenching</i>		<b>\$0</b>		<b>0%</b>
<i>Hotels and Meals</i>		<b>\$4,000</b>		<b>3%</b>
<i>Option Payments</i>		<b>\$15,000</b>		<b>12%</b>
<i>Property Maintenance</i>		<b>\$2,500</b>		<b>2%</b>
<i>Other</i>		<b>\$0</b>		<b>0%</b>

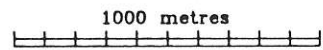
**TOTAL DIRECT EXPENDITURES** **\$130,000**

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- |  |                           |              |                        |                            |
|--|---------------------------|--------------|------------------------|----------------------------|
|  | Basalt flows              | } (TERTIARY) |                        | Sediments (PERMIAN)        |
|  | Sediments                 |              |                        | Mafic volcanics (TRIASSIC) |
|  | Syenite flows             |              |                        | Gneiss (PALEOZOIC)         |
|  | Diorite (CRETACEOUS)      |              | Faults                 |                            |
|  | Diorite (ANARCHIST GROUP) |              | Veins + Mineralization |                            |



# JOLLY OPTION GEOLOGY

LAMB PROPERTY (PN 640)

1989 BUDGET PROPOSAL

BUDGET: \$32,700

PURPOSE:

To assess the potential for epithermal gold systems similar to the Brett property.

SUMMARY

The Lamb property is located 22 km northwest of Kelowna, British Columbia in the Vernon Mining Division.

The property has a limited exploration history. Lamb 1, 2 and 7 were explored for Cu with no success. It was staked by Kerr Addison in 1987 due to its similarity to the Hedley Skarn environment. Their work program consisted of geological mapping (1:1000) and sampling of the property as well as a mag and soil survey plus 1:5000 mapping utilizing 25 km of grid. The Lamb property is underlain by Thompson Assemblage Carboniferous and Permian sedimentary rocks intruded by Jurassic to Cretaceous granodiorite as well as a Tertiary syenitic stock. All units are overlain by local occurrences of Tertiary Kamloops Group volcanics. Calc-silicate alteration is abundant which commonly hosts pyrite and pyrrhotite mineralization. The skarns have yet to produce significant precious metal values.

In view of the recent work at the Huntington Resources, Brett property (20 km north of Lamb), the property should be assessed for any potential Tertiary system. Some characteristics common to the two properties include:

- a) Tertiary syenite and quartz diorite intrusives
- b) Eocene Volcanics
- c) Several northwest trending fault zones

Of additional significance is the fact that epithermal mineralization has recently been reported by Rea Gold on the Flap claims adjacent to Lamb.

1989 work will focus on finding evidence for such epithermal mineralization.

PROPOSED PROGRAM

1. Heavy Mineral Sampling program
2. Soil Orientation
3. Geological Mapping, Sampling and Evaluation

PROPOSED SCHEDULE

1. Heavy mineral sampling -June
2. Soil sampling -June
3. Geological Work -June

PROPERTY STATUS

<u>Claim</u>	<u>Expiry Date</u>
Lamb 1	July 17, 1991
Lamb 2	July 17, 1991
Lamb 3	July 17, 1991
Lamb 4	July 17, 1991
Lamb 5	July 17, 1991
Lamb 6	July 17, 1991
Lamb 7	May 9, 1992
Lamb 8	May 9, 1992

# PROJECT BUDGET FORECAST

(To Dec 31st, 1989)

PROJECT NAME: Lamb

PROJECT NO. 640

## GEOLOGY

complete evaluation	Salaries	\$12,000		
geological mapping	Travel Expenses	\$1,000		
	Contract Payments	\$0		
	Field Expenses	\$1,000		
	Analyses	\$1,000	\$15,000	46%
			-----	

## GEOPHYSICS

20km mag/VLF	Salaries	\$0		
	Travel Expenses	\$0		
	Contract Payments	\$5,000		
	Field Expenses	\$0	\$5,000	15%
			-----	

## GEOCHEMISTRY

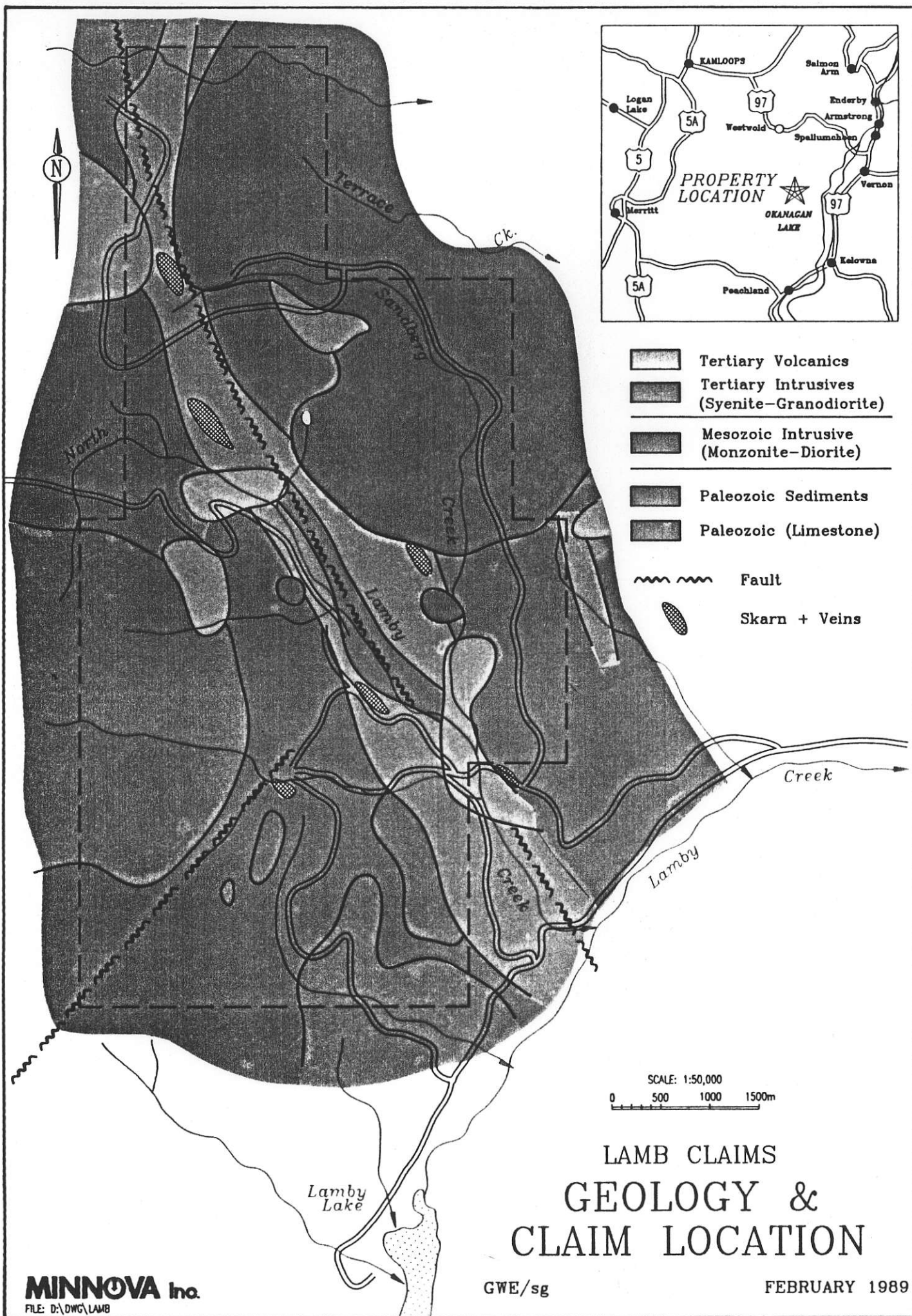
100 lithos	Salaries	\$3,200		
soil orientation (200 samples)	Travel Expenses	\$500		
20 HM samples	Contract Payments	\$0		
	Field Expenses	\$500		
	Analyses	\$6,500	\$10,700	33%
			-----	








## DRILLING

	Salaries	\$0		
	Travel Expenses	\$0		
	Contract Payments	\$0		
	Field Expenses	\$0		
	Analyses	\$0	\$0	0%
			-----	

<i>Line Cutting</i>		\$0	0%
<i>Trenching</i>		\$0	0%
<i>Hotels and Meals</i>		\$2,000	6%
<i>Option Payments</i>		\$0	0%
<i>Property Maintenance</i>		\$0	0%
<i>Other</i>		\$0	0%

TOTAL DIRECT EXPENDITURES \$32,700



-  Tertiary Volcanics
-  Tertiary Intrusives (Syenite-Granodiorite)
-  Mesozoic Intrusive (Monzonite-Diorite)
-  Paleozoic Sediments
-  Paleozoic (Limestone)
-  Fault
-  Skarn + Veins

LAMB CLAIMS  
**GEOLOGY &  
 CLAIM LOCATION**

CLAPPER PROPERTY (PN 642)

1989 BUDGET PROPOSAL

BUDGET: \$29,500

OBJECTIVE:

To assess gold potential in Tertiary Fault Systems.

SUMMARY:

The Clapper property consists of 4 mineral claims lying within the Nicola Mining Division, approximately 22 km northeast of Merritt, British Columbia. It was held previously by Rea Gold Corporation and Kerr Addison but no significant anomalies were reported. A precious metal discovery has been documented to lie outside the southwest edge of the property but follow up work has returned nothing of interest.

During 1988, an exploration program consisting of 1:10 000 property mapping, along with establishing a grid with lithogeochemical and soil sampling surveys carried out. Rock exposures along the Coquihalla Highway were mapped in more detail, corresponding to a north trending fault.

The property is underlain by Triassic Nicola Group volcanic and sedimentary rocks, Jurassic granodiorite and in the northeast, Jurassic-Triassic diorite. A major north trending fault separates the Nicola Group from the granodiorite. The Fanta Fault displays brecciation, silicification and a variety of alteration. The fault seems related to anomalous Au values in both rock and soil samples

It seems likely the fault was active during the Tertiary. Subsequently, it will be examined to determine its relationship to the Tertiary Stump Lake system.

Work in 1989 will consist of an Airborne Resistivity/Mag Survey combined with heavy mineral sampling and a detailed geological evaluation of this Tertiary concept.

PROPOSED PROGRAM:

1. Airborne E.M. Survey
2. Heavy Mineral Sampling of the property
3. Geological Mapping and Sampling to identify targets and gold potential.

PROPOSED SCHEDULE:

1. Airborne E.M. Survey -Late April
2. Geological Mapping and Sampling -September
3. Heavy Mineral Sampling -September

PROPERTY STATUS

<u>Claim</u>	<u>Expiry Date</u>
Clapper 1	November 27, 1991
Clapper 2	November 27, 1991
Clapper 3	November 27, 1991
Clapper 4	November 27, 1991

# PROJECT BUDGET FORECAST

(To Dec 31st, 1989)

PROJECT NAME: Clapper

PROJECT NO. 642

## GEOLOGY

complete evaluation	Salaries	\$11,000		
geological mapping	Travel Expenses	\$500		
	Contract Payments	\$0		
	Field Expenses	\$500		
	Analyses	\$500	\$12,500	42%
			-----	

## GEOPHYSICS

125km AEM	Salaries	\$0		
	Travel Expenses	\$0		
	Contract Payments	\$12,000		
	Field Expenses	\$0	\$12,000	41%
			-----	

## GEOCHEMISTRY

20 HM samples	Salaries	\$1,000		
	Travel Expenses	\$250		
	Contract Payments	\$0		
	Field Expenses	\$250		
	Analyses	\$2,000	\$3,500	12%
			-----	

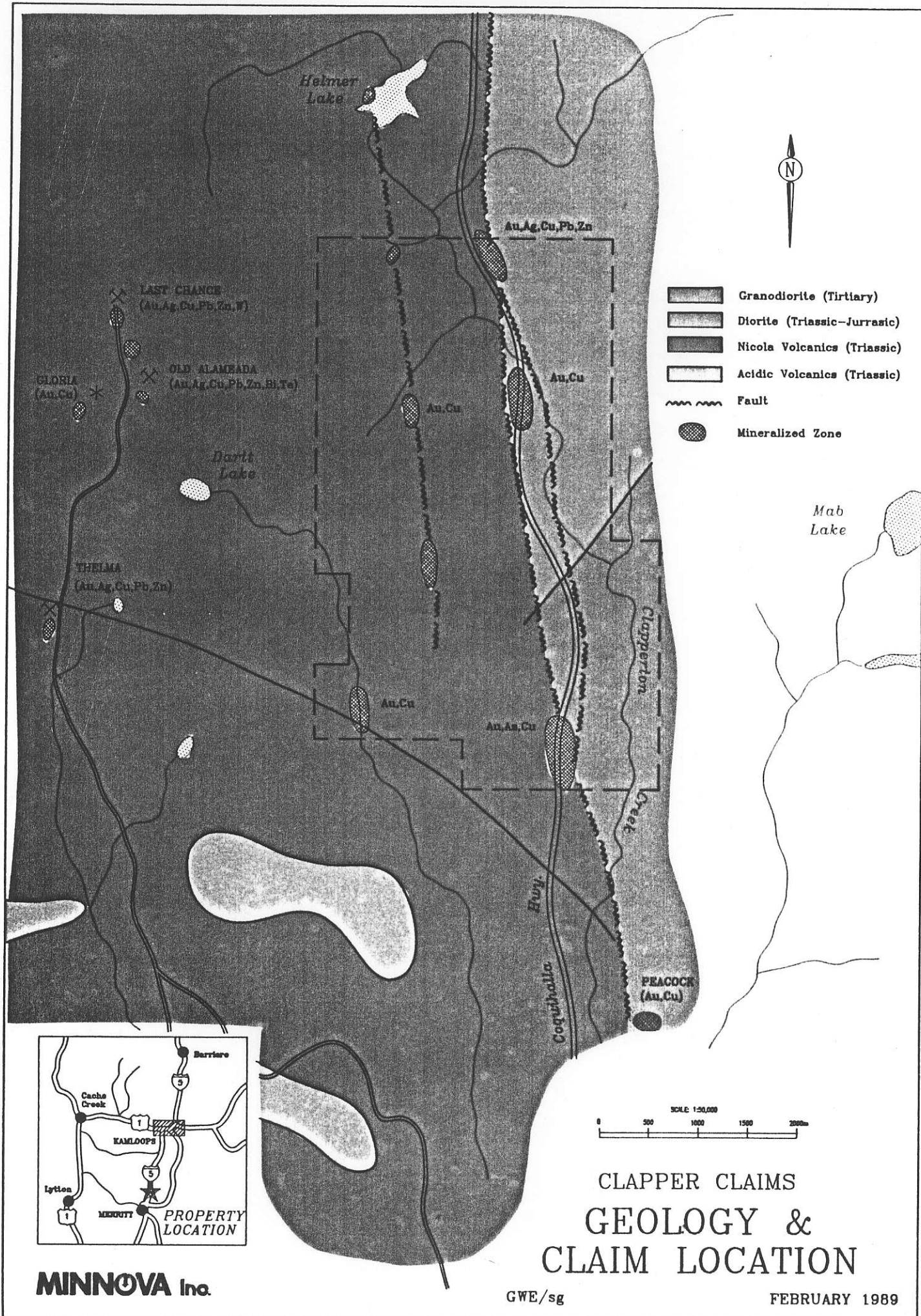
## DRILLING

	Salaries	\$0		
	Travel Expenses	\$0		
	Contract Payments	\$0		
	Field Expenses	\$0		
	Analyses	\$0	\$0	0%
			-----	

<i>Line Cutting</i>		\$0	0%
<i>Trenching</i>		\$0	0%
<i>Hotels and Meals</i>		\$1,500	5%
<i>Option Payments</i>		\$0	0%
<i>Property Maintenance</i>		\$0	0%
<i>Other</i>		\$0	0%

TOTAL DIRECT EXPENDITURES \$29,500





CLAPPER CLAIMS  
GEOLOGY &  
CLAIM LOCATION

**MINNOVA** Inc.

GWE/sg

FEBRUARY 1989

WART PROPERTY (PN 643)

1989 BUDGET PROPOSAL

BUDGET: \$10,000

OBJECTIVE:

To assess the potential of gold systems in defined fault zones.

SUMMARY:

The Wart Claims lie within the NTS map sheet 92H/16 and are located 36km southeast of Merritt, British Columbia. Excellent access will be provided by 1991 via phase III of the Okanagan connector highway.

There is no documentation of previous work on this property in the public records. However, the Elk property, which lies directly south of the Wart property has yielded significant precious metal values. Narrow quartz vein and quartz stockwork hosted within clay altered intrusives have returned up to 59.7g/t Au and 290g/t Ag over 0.24m.

During 1988 geological mapping (1:10 000) and sampling was performed on the property and 12.1 km of grid was soil sampled and mapped at 1:5000.

The Wart property is almost entirely underlain with intermediate porphyritic rocks of the Triassic Nicola Group. The Mugwamp and Brew are two intersecting fault zones. The Brew fault may be up to 40m wide. Both display significant alteration and have returned anomalous Au, Ag, As and Sb values.

Other fault structures with precious metal potential may exist on the property evidenced by the presence of other As and Sb anomalies and the abundance of fault structures observed.

This property came to us courtesy of Kerr Addison Mines Ltd. 1989 work will consist of a thorough geological evaluation and heavy mineral sampling.

PROPOSED PROGRAM:

1. Geological mapping and evaluation of previous work and property.
2. Lithochemical sampling and Heavy Mineral sampling.

PROPOSED SCHEDULE:

Program will be carried out in September.

PROPERTY STATUS

<u>Claim</u>	<u>Expiry Date</u>
Wart 1	November 27, 1990
Wart 2	November 27, 1990
Wart 3	November 27, 1990
Wart 4	November 27, 1990

# PROJECT BUDGET FORECAST

(To Dec 31st, 1989)

PROJECT NAME: **Wart**

PROJECT NO. **643**

## GEOLOGY

complete evaluation	Salaries	\$6,500		
geological mapping	Travel Expenses	\$250		
	Contract Payments	\$0		
	Field Expenses	\$250		
	Analyses	\$500	<b>\$7,500</b>	<b>75%</b>

## GEOPHYSICS

	Salaries	\$0		
	Travel Expenses	\$0		
	Contract Payments	\$0		
	Field Expenses	\$0	<b>\$0</b>	<b>0%</b>

## GEOCHEMISTRY

10 HM samples	Salaries	\$600		
	Travel Expenses	\$150		
	Contract Payments	\$0		
	Field Expenses	\$150		
	Analyses	\$1,000	<b>\$1,900</b>	<b>19%</b>

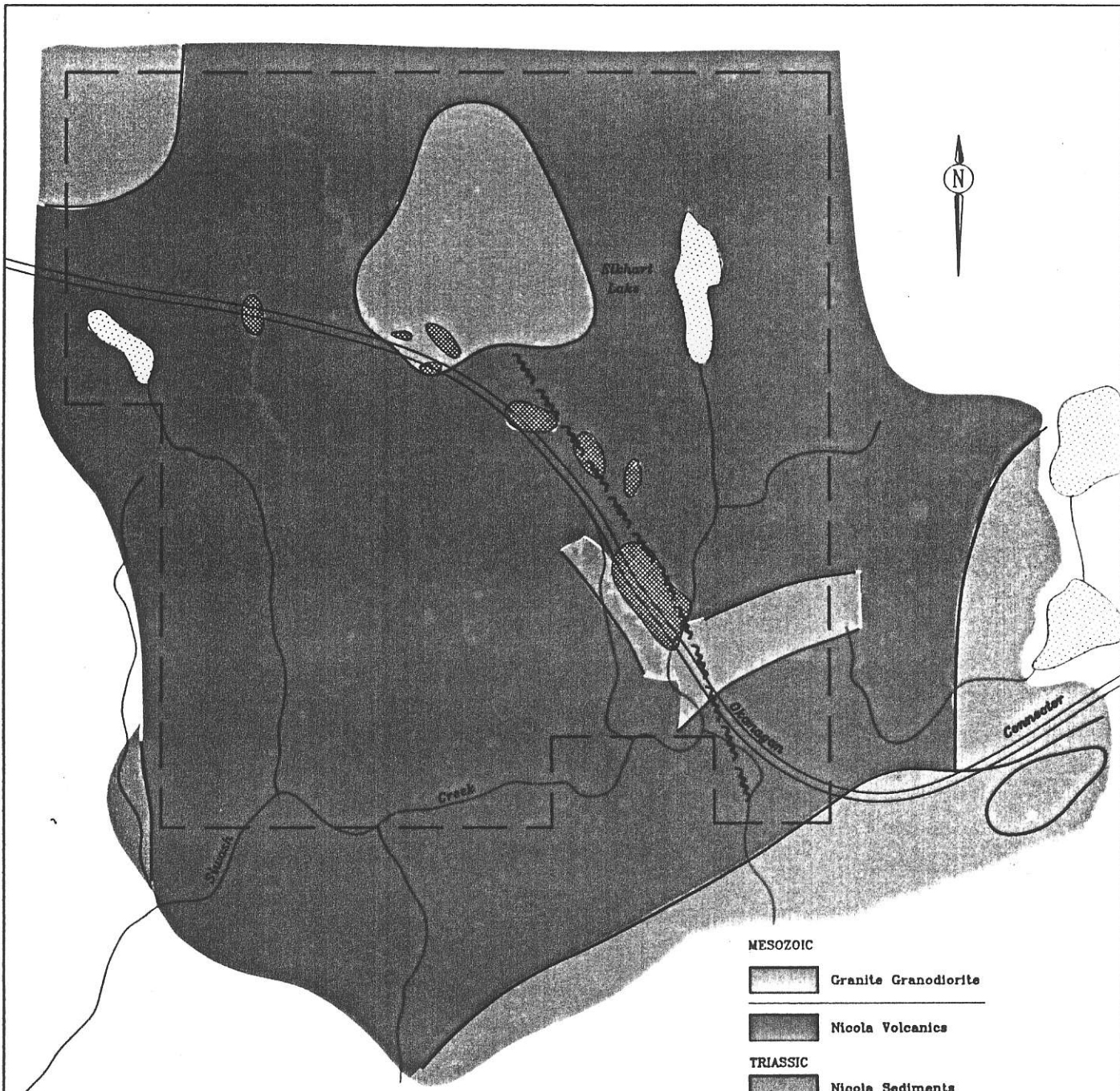
## DRILLING

	Salaries	\$0		
	Travel Expenses	\$0		
	Contract Payments	\$0		
	Field Expenses	\$0		
	Analyses	\$0	<b>\$0</b>	<b>0%</b>

<i>Line Cutting</i>		<b>\$0</b>	<b>0%</b>
<i>Trenching</i>		<b>\$0</b>	<b>0%</b>
<i>Hotels and Meals</i>		<b>\$600</b>	<b>6%</b>
<i>Option Payments</i>		<b>\$0</b>	<b>0%</b>
<i>Property Maintenance</i>		<b>\$0</b>	<b>0%</b>
<i>Other</i>		<b>\$0</b>	<b>0%</b>

**TOTAL DIRECT EXPENDITURES**

**\$10,000**



MESOZOIC

Granite Granodiorite

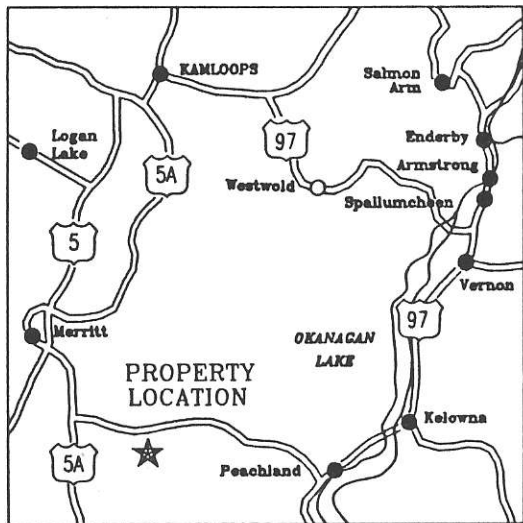
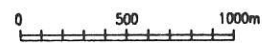
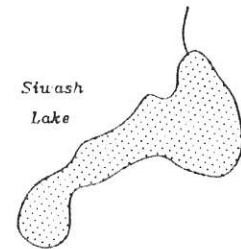
Nicola Volcanics

TRIASSIC

Nicola Sediments

Fault

Alteration + Mineralization



WART PROPERTY  
GEOLOGY &  
CLAIM LOCATION

FERROUX PROPERTY (PN 655)

1989 BUDGET PROPOSAL

BUDGET: \$77,000

OBJECTIVES:

1. To locate the source of Heavy Mineral anomalies on the property.
2. To define the alkaline intrusive body in Ferroux Creek and assess its Au potential.
3. To examine the Tertiary Marama Formation and basalts for epithermal gold potential.
4. Prospect for Carmi and Beaverdell type veins.

SUMMARY:

The WT or Ferroux property is located approximately 4 km NW of Carmi, B.C. The property consists of 75 units (1875 ha) which were staked for Minnova by Discovery Consultants in the summer of 1988.

The 1987 Heavy Mineral sampling program defined moderate Au, Ag, Sb, As and W anomalies draining a confined area of Tertiary volcanics. On preliminary examination the basement rocks are dominantly Nelson granodiorites with minor Paleozoic Anarchist Group volcanics. These are intruded by alkaline Valhalla intrusives and later by dacite Marama feeder dykes. This sequence is overlain by Marama flows and columnar plateau basalts.

The few samples to date show the Marama feeder dykes to be anomalous in gold and silver. The best values to date come from a well-mineralized monzonite in the headwaters of Ferroux Creek which has been uncovered by recent logging. Samples run as high as 220 ppb and mineralization covers a large area presenting a good porphyry gold target.

Just to the SW of the property lies the Carmi deposit which is a porphyry Mo, Cu, Ag, Au deposit hosted in brecciated granodiorite. Reserves stand at 58,970,000 tonnes of .1% Mo. The intrusive in Ferroux Creek may be a gold rich phase of this complex. To the SE, the Carmi deposit, which mined 4,980 tonnes to produce 93,124 g Au, 300,922 g Ag with some Pb and Zn, is hosted in a shear zone near a Cu-Mo diorite.

The main producer in the area is Teck's still active Beaverdell mine. The mine has produced over 456,996 g Au, 952,859,723 g Ag with Cu, Pb and Zn by mining 793,948 tonnes since 1902. The mineralization is hosted in granodiorite and Paleozoic rocks similar to WT. Quartz veins are fault controlled and appears to be a zoned system of Tertiary age.

Exploration in 1989 will be geared to locating the source of stream sediment anomalies on the property, detailing the source areas and providing targets for 1990 drilling.

#### PROPOSED WORK

1. Geological Mapping and Sampling of the property.
2. Additional Heavy Mineral sampling.
3. Establish 30 km grid on outlined target.
4. 1500 Soil Samples
5. Magnetometer and VLF Survey of grid area.
6. Detailed Geological mapping and sampling of grid area.

#### PROPOSED SCHEDULE

1. Geological Mapping and Sampling on property -April to May
2. Linecutting -June
3. Magnetometer -VLF Survey -June
4. Grid Mapping, Soil Sampling -July

#### PROPERTY STATUS

<u>Claim</u>	<u>Expiry Date</u>
WT	June 2, 1989
WT 2	June 20, 1989
WT 3	June 20, 1989
WT 4	June 20, 1989
WT 5	June 20, 1989
WT 6	August 16, 1989

# PROJECT BUDGET FORECAST

(To Dec 31st, 1989)

PROJECT NAME: Ferroux (WT)

PROJECT NO. 655

## GEOLOGY

grid and recce mapping to determine anomaly source	Salaries	\$19,000		
	Travel Expenses	\$1,500		
	Contract Payments	\$0		
	Field Expenses	\$2,000		
	Analyses	\$1,000	\$23,500	31%

## GEOPHYSICS

30km mag/VLF	Salaries	\$0		
	Travel Expenses	\$0		
	Contract Payments	\$7,500		
	Field Expenses	\$0	\$7,500	10%

## GEOCHEMISTRY

10 HM follow up samples, 300 lithos, 1500 soils	Salaries	\$6,000		
	Travel Expenses	\$1,000		
	Contract Payments	\$0		
	Field Expenses	\$1,500		
	Analyses	\$24,000	\$32,500	42%

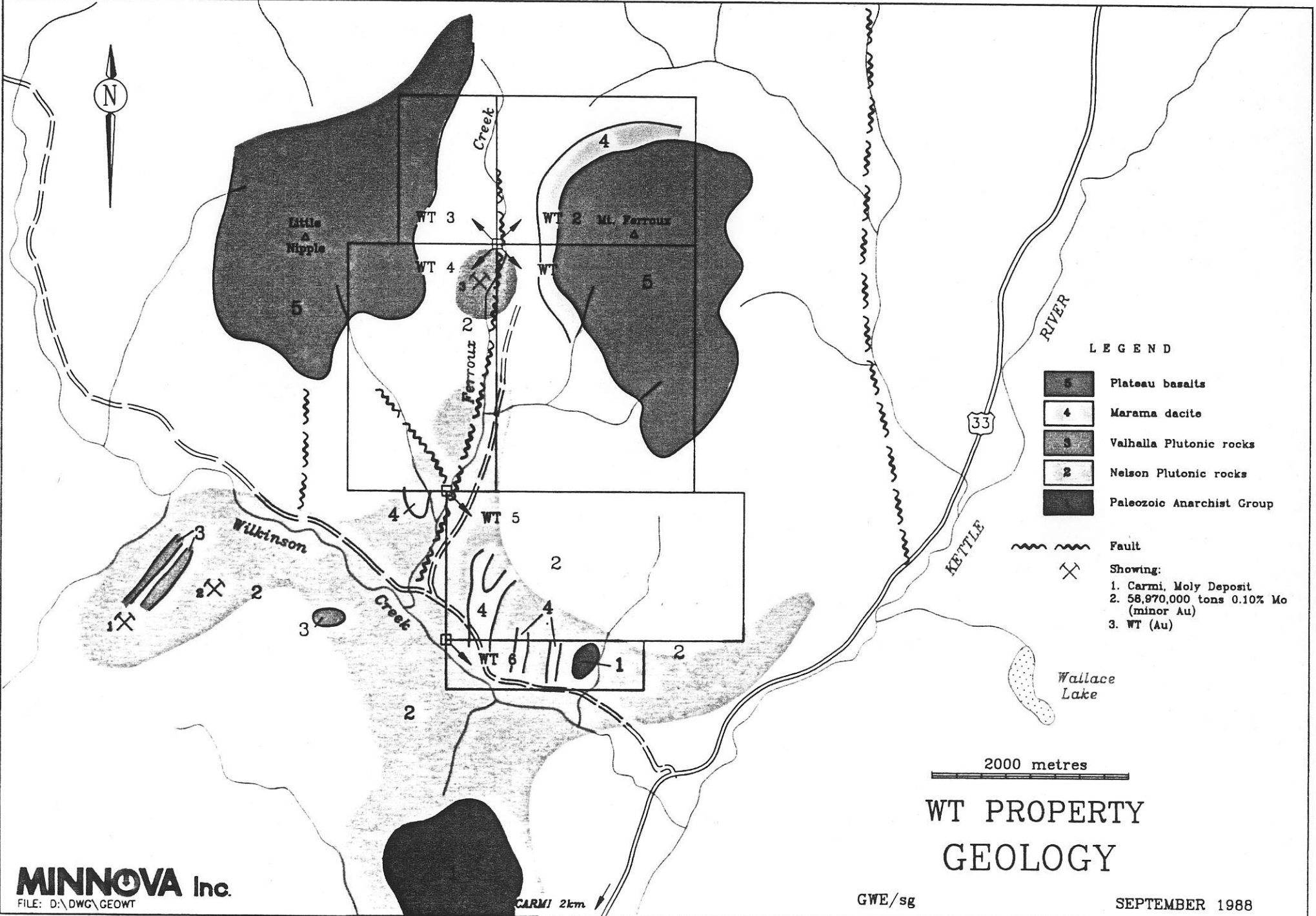
## DRILLING

	Salaries	\$0		
	Travel Expenses	\$0		
	Contract Payments	\$0		
	Field Expenses	\$0		
	Analyses	\$0	\$0	0%

<i>Line Cutting</i>	30km @ \$350	\$10,500	14%
<i>Trenching</i>		\$0	0%
<i>Hotels and Meals</i>		\$3,000	4%
<i>Option Payments</i>		\$0	0%
<i>Property Maintenance</i>		\$0	0%
<i>Other</i>		\$0	0%

TOTAL DIRECT EXPENDITURES \$77,000





LEGEND

- Plateau basalts
- Marama dacite
- Valhalla Plutonic rocks
- Nelson Plutonic rocks
- Paleozoic Anarchist Group

Fault

Showing:

- 1. Carmi, Moly Deposit
- 2. 58,970,000 tons 0.10% Mo (minor Au)
- 3. WT (Au)

2000 metres

WT PROPERTY  
GEOLOGY

RICHTER PROPERTY (PN 656)

1989 BUDGET PROPOSAL

BUDGET: \$142,700

OBJECTIVE:

To test this large unexplored property for sources of widespread heavy mineral precious metal anomalies.

SUMMARY:

The Richter Property consists of 212 units (5,300 ha) in an area with little past exploration to the west of Oliver and Osoyoos. Many showings and past producers surround the property in the same geologic environment.

Major nearby properties include the Dankoe Mine to the southwest which produced 300,593 g Au and 119,898,954 g Ag from 388,475 tonnes as well as significant Zn, Pb and Cu. The host is a syenite body in which a shear zone with quartz veins contains the mineralization.

To the north lies the Fairview Camp which has had several producers, the largest being the Stemwinder and Fairview itself which produced 53,000 oz Au and 580,000 oz Ag. Again veins in shear zones adjacent to intrusive bodies are the hosts of the mineralization. To the southeast, the Dividend-Lakeview property mined 111,252 tonnes to produce 504,396 g Au, 87,244 g Ag as well as appreciable Cu. The mineralization is a skarn in Kobau group limey units adjacent to an intrusive.

The Richter property has a very similar environment to all of these areas and very limited past exploration. The Paleozoic Kobau group consists of upper greenschist "chlorite phyllites" and quartzites with minor but widespread limestone units. These are intruded by several igneous bodies with widespread alteration zones and numerous quartz veins.

During a 1987 heavy mineral program the area was found to be strongly anomalous in Au, Ag, Cu and As, as well as moderately anomalous in Ba, Zn, Pb and W.

In 1988 more samples were taken to better define targets and the area was visited and found to be geologically favorable. In August of 1988, the ground was staked for Minnova Inc.

The area has many similarities to rocks of the Eagle Bay Assemblage at Adams Lake and there may therefore be massive sulphide potential, although showings in the area indicate that

the likely sources of anomalies are quartz veins related to intrusives or skarns in the Kobau group. With such diverse targets over a large area, the potential for a discovery is very good.

The 1989 program will consist of an Airborne Resistivity/Mag Survey accompanied by reconnaissance mapping and sampling. Highlighted areas will be prioritized and at least one target will be brought to a drilling stage for 1990, by carrying out detailed exploration.

#### PROPOSED PROGRAM

1. Airborne E.M. Survey
2. Geological Mapping and Sampling of the property.
3. Soil sampling to define Heavy Mineral Sources
4. Establish 30 km of grid over outlined targets
5. Map and Sample grid area.

#### PROPOSED SCHEDULE:

1. Airborne Survey -May
2. Geological Mapping and Sampling -June
3. Soil Sampling -June
4. Linecutting -July
5. Geological Mapping and Sampling of grid area -August

#### PROPERTY STATUS

<u>Claim</u>	<u>Expiry Date</u>
Rich 1	August 26, 1989
Rich 2	August 26, 1989
Rich 3	August 26, 1989
Rich 4	August 26, 1989
Rich 5	August 26, 1989
Rich 6	August 26, 1989
Rich 7	August 26, 1989
Rich 8	August 15, 1989
Rich 9	August 26, 1989
Rich 10	August 26, 1989
Rich 11	August 26, 1989
Rich 12	August 26, 1989
Rich 13	August 29, 1989

# PROJECT BUDGET FORECAST

(To Dec 31st, 1989)

PROJECT NAME: Richter

PROJECT NO. 655

## GEOLOGY

grid and recce mapping	Salaries	\$17,500		
to determine anomaly source	Travel Expenses	\$1,500		
	Contract Payments	\$0		
	Field Expenses	\$1,000		
	Analyses	\$1,250	\$21,250	15%
			-----	

## GEOPHYSICS

600km AEM survey	Salaries	\$0		
	Travel Expenses	\$0		
	Contract Payments	\$56,000		
	Field Expenses	\$0	\$56,000	39%
			-----	

## GEOCHEMISTRY

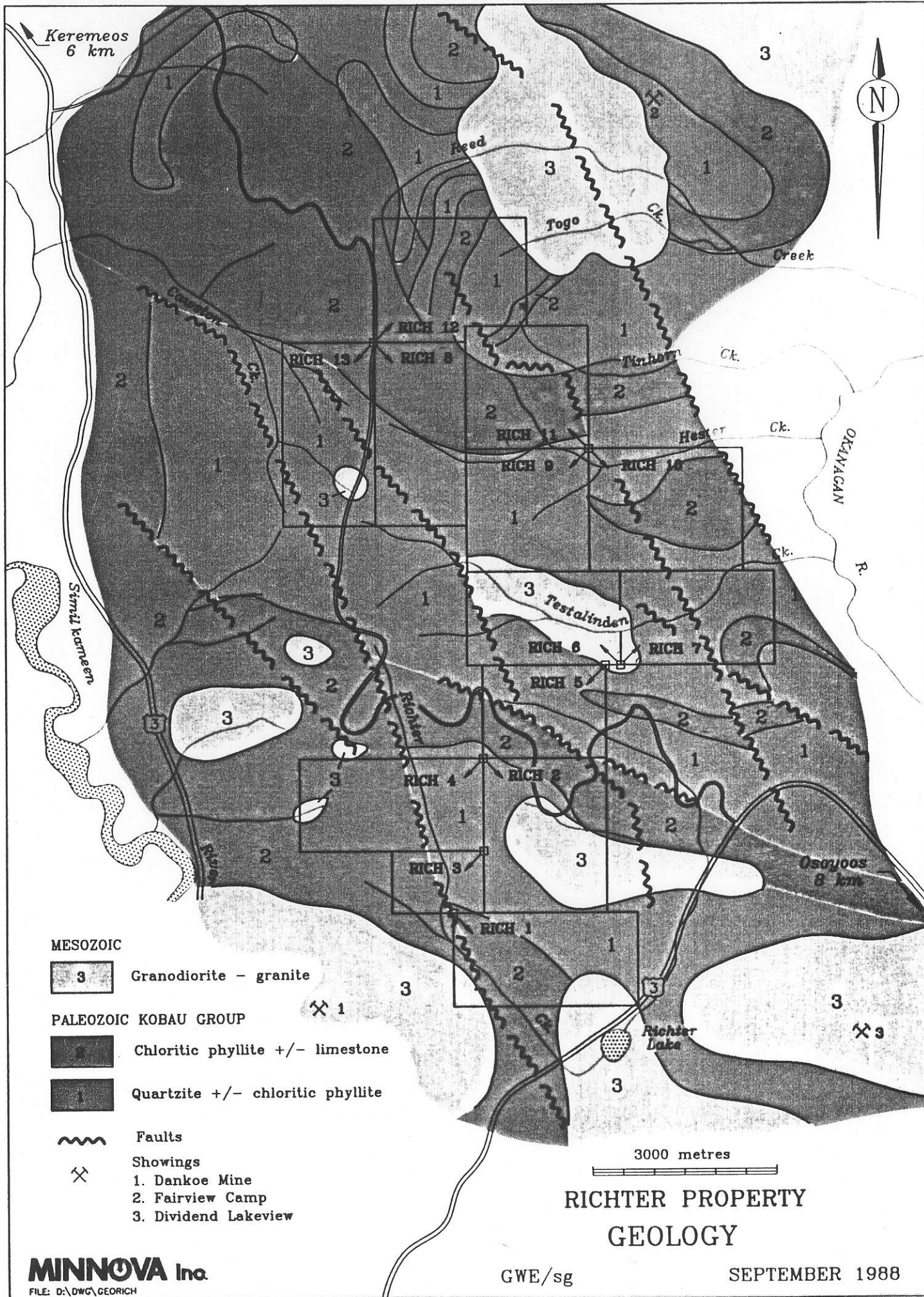
3000 soils, 250 lithos	Salaries	\$5,500		
	Travel Expenses	\$1,000		
	Contract Payments	\$0		
	Field Expenses	\$1,200		
	Analyses	\$39,800	\$47,500	33%
			-----	

## DRILLING

	Salaries	\$0		
	Travel Expenses	\$0		
	Contract Payments	\$0		
	Field Expenses	\$0		
	Analyses	\$0	\$0	0%
			-----	

<i>Line Cutting</i>	30km @ \$350	\$10,500		7%
<i>Trenching</i>		\$0		0%
<i>Hotels and Meals</i>		\$4,500		3%
<i>Option Payments</i>		\$0		0%
<i>Property Maintenance</i>		\$3,000		2%
<i>Other</i>		\$0		0%

TOTAL DIRECT EXPENDITURES \$142,750



Keremeos  
6 km



MESOZOIC

**3** Granodiorite - granite

PALEOZOIC KOBANU GROUP

**2** Chloritic phyllite +/- limestone

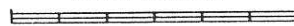
**1** Quartzite +/- chloritic phyllite

Faults

Showings

- 1. Dankoe Mine
- 2. Fairview Camp
- 3. Dividend Lakeview

3000 metres



RICHTER PROPERTY  
GEOLOGY

**MINNOVA** Inc.

FILE: D:\DWG\GEORICH

GWE/sg

SEPTEMBER 1988

BRENDA GENERAL (PN 658)

1989 BUDGET PROPOSAL

BUDGET: \$50,000      -Reconnaissance and Property Evaluation  
                              -JV acquisition contingency

OBJECTIVE:

To examine properties and promising geological environments in the Joint Venture area, with the goal of obtaining high quality properties.

SUMMARY:

This program is crucial in allowing us to keep an active involvement in the region. Discoveries are increasing in the Okanagan area as recognition and attention are drawn there.

With this budget we are able to examine the numerous property submissions and mineral occurrences surrounding our existing properties. It also will allow us to continue our follow up of the regional Heavy Mineral anomalies.

With a regional program we can put our properties in a regional perspective and generate new ideas both within and outside the property boundaries. In particular we will focus on examining areas with a high potential for Tertiary Epithermal Systems and focus in the

1. White Lake Basin (Skaha Lake Area)
2. Rock Creek -Grand Forks area -Republic Graben extension
3. Kelowna area

Of the \$100,000 total general budget, \$50,000 will be directed to reconnaissance and property evaluation. At least some of this work may be contracted out to Discovery Consultants who have carried out all of our previous Heavy Mineral sampling in the area and who are on alert for significant developments and potential acquisitions on our behalf. The value of this is enhanced by their presence in the area (Vernon based) and their numerous working contacts.

The remaining \$50,000 is a contingency for acquisitions. If a significant opportunity comes along this may be drawn on for option payments and/or work commitments.

PROPOSED PROGRAM:

1. Property Examinations as submittals are brought in
2. HM sampling program in Tertiary belts in conjunction with geological reconnaissance.

# PROJECT BUDGET FORECAST

(To Dec 31st, 1989)

PROJECT NAME: Brenda General

PROJECT NO. [REDACTED]

## GEOLOGY

property evaluations and examinations	Salaries	\$15,000		
	Travel Expenses	\$2,000		
	Contract Payments	\$5,000		
	Field Expenses	\$1,000		
	Analyses	\$1,000	\$24,000	48%

## GEOPHYSICS

	Salaries	\$0		
	Travel Expenses	\$0		
	Contract Payments	\$0		
	Field Expenses	\$0	\$0	0%

## GEOCHEMISTRY

rece HM sampling in existing and new target areas	Salaries	\$4,000		
	Travel Expenses	\$500		
	Contract Payments	\$10,000		
	Field Expenses	\$500		
	Analyses	\$10,000	\$25,000	50%

## DRILLING

	Salaries	\$0		
	Travel Expenses	\$0		
	Contract Payments	\$0		
	Field Expenses	\$0		
	Analyses	\$0	\$0	0%

<i>Line Cutting</i>		\$0	0%
<i>Trenching</i>		\$0	0%
<i>Hotels and Meals</i>		\$1,000	2%
<i>Option Payments</i>		\$0	0%
<i>Property Maintenance</i>		\$0	0%
<i>Other</i> (property acquisition)		\$50,000	100%

TOTAL DIRECT EXPENDITURES	\$50,000
ACQUISITION CONTINGENCY	\$50,000