

MINNOVA INC.

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DATE: November 1, 1990
TO: I. Pirie
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FROM: Tiro Clarke
SUBJECT: Mosquito King/Spar property compilation
of remaining (untested) targets.

As a follow-up to a recent meeting with Cecil Kane, owner of the Mosquito King, Spar, BC, and other claims, a partial compilation of untested targets on these claims has been prepared from the data available.

One of the problems with an "untested target" compilation of the Mosquito King/Spar property is the abundance of untested (or inadequately tested) targets. The database is large and rather disjointed. Several generations and types of geophysical surveys exist, each indicating many anomalies which both coincide with known massive sulphide occurrences and occur in areas with no outcrop. Some sulphide occurrences have been inadequately drill tested (ex. collared right on the showings, based on an inaccurate understanding of structural considerations, or hastily done as in the case of Noranda when drilling on the BC claims).

The compilation is broken down into two map sheets, the Spar/Mosquito King (north) sheet and the Bowler Creek sheet (south). The compilation attempts to develop an idea of the better quality target areas, "quality" being a combination of geophysical anomalies and sulphide showings. Also considered were previous drilling efforts and the potential for Minnova to fairly quickly develop reserves (i.e. emphasis on targets in the more advanced stages of exploration).

Spar/Mosquito King

Target Area 1 on the Spar/Mosquito King sheet contains the Spar adit, several 200-1500m long Max-Min conductors, and an IP anomaly. Cec Kane reports limited drill testing southwest of the adit, which contains a 3.0m thickness of 8.26% Zn, 36.6% Pb, 24.4 opt Ag, and 0.08 opt Au. Of particular interest is the excellent quality, untested Max-Min conductor north of the Spar adit; this conductor may represent a northeast trending volcanic-sedimentary contact. The northern part of Target Area 1 around the contact was being logged in August, 1990. Immediate potential for Target Area 1 lies in its easily drill-tested geophysical anomalies.

Target Area 2 on the Spar/Mosquito King sheet contains the Hiltec, Ballpark, and Main showings. These are large areas which have been completely stripped to expose flat lying to gently dipping massive sulphides. A bulk sample from near the Ballpark

showing returned 8.5% Zn, 10.1% Pb, 7.09 opt Ag, and 0.07 opt Au. Geophysical anomalies include several northeast trending Dighem anomalies, Crone shootback EM anomalies, and IP anomalies. Cominco and Craigmont have conducted extensive drilling around the showings, although Cominco collar locations are not available. The field exam revealed that many holes were collared on or very close to the showings. Potential for Target Area 2 lies in detailed (probably 1:1000) structural mapping, along with evaluation of previous drill data.

Target Areas 1 and 2 very likely lie on the same stratigraphic horizon within an isoclinally folded sequence. Untested geophysical anomalies and sulphide showings lying between the two areas will become better quality targets once structure and stratigraphy are better understood.

Bowler Creek

The Bowler Creek and Zinc 1-16 claims lie south of the Mosquito King/Spar claims. The initial discovery was a massive galena-sphalerite outcrop in China Creek.

The Bowler Creek area was drilled by Craigmont (1977-78), Killick (1979), and Noranda (1985). At least 36 holes were drilled during this time, although very few of the holes appear to have tested the Max-Min conductors on the compilation map. Several of the holes intersected anomalous Pb-Zn values up to a combined 2.88% (DDH Dick-85-1). Two target areas have been defined on the compilation map.

Target Area 3 is a 350m long northeast trending Max-Min conductor with a maximum width of 25m. Diamond drill holes I-79-6, 7, and 8 were all collared southeast of, and drilled away from the conductor. One hole was drilled through the conductor, but neither the hole number nor the drill log is available (isn't that convenient). Hole Dick-85-1, located 150m southwest of the conductor, intersected stockwork sulphides containing 1.69% Pb and 1.19% Zn. The conductor remains unexplained, unless we can track down details of the aforementioned "mystery hole".

Target Area 4 is comprised of several Max-Min conductors of 100-450m length. A detailed survey may reveal that some of the conductors connect to form greater lengths. There is one known northeast trending sulphide horizon which was intersected by DDH's Harry-85-2 & 3 (semi-massive to massive pc, py, cp, minor sp). This horizon was not tested to the southwest where the Max-Min conductor widens to 30⁺m. DDH BC-11 tested a 70m wide Max-Min conductor and intersected up to 25% sulphides containing 0.004% Cu and 0.2% Zn. No further testing of this conductor was done. Potential in Target Area 4 lies in testing these conductors.

Summary/Recommendations

Both the Mosquito King/Spar and Bowler Creek areas of Kane's property have targets which can readily be drill tested.

Presently defined "skinny" (<1.5m) massive sulphide horizons have excellent potential to thicken in isoclinal fold hinges. This is seen in the Spar adit where a 3m thick horizon contains 8.26% Zn, 36.6% Pb, 24.4 opt Ag, and 0.08 opt Au. In addition to the best quality targets described in this compilation, there are many others deserving of more work in the form of detailed mapping, soil geochemistry, and geophysical surveys.

All told, the area north and northeast of the Spar adit appears to have the best exploration potential. I highly recommend that Minnova option the entire 222 unit property with the following priorities as a rough exploration guide:

1. test anomalies north and northeast of the Spar adit, initially by more detailed mapping, soil sampling, and geophysics and then by diamond drilling.
2. exploring the Ballpark/Hiltec/Main showings; this is probably best done by detailed structural mapping followed by geophysics. Geophysical surveys should be chosen to best suit the flat lying stratigraphy.
3. Obtain complete drill records for the Bowler Creek area and thoroughly evaluate previous drilling efforts.

Additional Notes

1. The Red, Jim, Fir, and Mike claims totalling 21 units are located approximately 11km east-northeast of the Spar adit. The claims are not contiguous with the main claim block and would require separate assessment work. There are two showings on the property. The first, located on the Red claim, is galena replacement in limestone and assayed 10.4% Pb, 3.53% Zn, 20.4 opt Ag, and 0.013 opt Au. The second showing, located on the Jim claim, is massive, very fine grained ("gun-metal") galena which contained 59.01% Pb, 2.65% Zn, 113.10 opt Ag, and 0.05 opt Au. Preliminary HLEM and magnetic surveys have been conducted on the claims, but no follow-up work has been done.

2. The ASL 100 claim located at the northeast corner of the Mosquito King claims expires in November. This might be strategic ground worth acquiring.