

DATE: October 2, 1991
A TO: I. Pirie
COPIES A file
COPIES TO:
DE A. Hill
FROM:
SUJET FOGHORN PROPERTY EXAMINATION - 82M/12W
SUBJECT:

Summary

The Foghorn property was visited on Sept. 6, 1991 by A. Hill accompanied by the property owner, Randy Hogg. Three separate and distinct showing types exist on the property: 1. Eagle Bay felsic volcanic-hosted massive sulphides (Lydia), 2. Lower Fennell sediment-hosted massive sulphides (West Zone), and 3. Eagle Bay hosted Ag-Pb-Zn-Cu fissure veins (Foghorn, Fennell, Gopher, Chingren showings).

Worked almost continuously since the early 1900's, the property can be considered a "mature" mining property with all of the groundwork completed, and often duplicated by previous workers. The most notable campaigns were by Craigmont (1979-81), and Esso (1983-84), who completed geochemical and geophysical surveys over most of the property, and followed-up with limited drilling of the best targets. They both walked away from the property, convinced that they had sufficiently tested its economic potential.

During the property visit, the important core and still open trenches were examined, along with new exposures from recent logging activities. The previous workers' descriptions of the stratabound nature of the type 1 & 2 showings was examined along with the bulk tonnage potential of the type 3 vein deposits. There were no significant surprises and the descriptions from the available literature, for the most part, withstood close scrutiny.

RECOMMENDATIONS

There appears to be very little room to expand upon the work already done. The stratabound, yet sub-economic, Lydia and West Zone mineralization has been closed-off in all directions except locally at depth, but there is no geophysical or geological evidence to suggest any improvement in widths or grades downdip. The property is given a low rating based on these factors, and due also to its proximity to Rexspar, no work is recommended at this time.

PROPERTY INFORMATION

Claims: Foghorn 1-5,7, Lydia

Location: 11 km SW of Vavenby; 50% of property lies within a 5 km radius of the Rexspar uranium-flourite deposit.

Access: good logging roads and 4WD trails

Elevation: 400 - 2005 metres a.s.l., showings at 1675m

Ownership: 100% Goldspring Resources Ltd., Randy Hogg (president)

HISTORY

1913-18: George Fennell, prospector, discovered the Ag-Zn veins near the summit of Foghorn mountain ("Fennell" and "Foghorn" showings). Work performed consisted of:

- trenching
- 40 ft. shaft, 200 ft. adit, 40 ft. drift
- 73 tons shipped grading 1210g/t Ag, 7.8% Pb

1913-18: concurrently the "Lydia" showing was explored with 900 ft. of drifting on two levels (Anaconda).

1924: "Chingren" and "Gopher" vein showings discovered 0.6 km north and explored by deep trenching. Found to be very limited in size.

1958: Rexspar Uranium and Metals Co. performed geophysics and bulldozer trenching in area of Foghorn showings.

1968-69: Royal Canadian Ventures Ltd. conducted geological, MAG, EM, soil geochem and 700 ft. of bulldozer trenching on the Lydia.

1970: Imperial Oil performed 1002 ft. of surface and 1560 ft. of underground diamond drilling on the Lydia.

1972: Noranda Exploration Company ltd. did magnetic and soil surveys over parts of the property, and drilled 5 holes totalling 2294 ft. (best intersection at Lydia was 30 ft. grading 0.30% Cu).

1979: Craigmont and Barrier Reef Resources flew Dighem II airborne EM, and did ground resistivity and MAG surveys. Craigmont followed-up with 4 AQ holes (361 m) and discovered the West Zone.

1980-81: Craigmont drilled a further 16 holes (1250 m) to test airborne and/or soil anomalies property wide, including areas between the showings. All anomalies were explained.

1982: Esso Resources Canada Limited consolidated the claims within a larger property that stretched from the Birch

claims to the east to the Joeseeph claims to the west.

- 1983: Esso completed extensive road building, grid construction, took 1305 soil samples, 76.6 km of HLEM (Genie), and 68.9 km of MAG. They then drilled 3 BQ holes (401.5 m) on the Lydia.
- 1984: Esso drilled 2 NQ holes (173.7 m) on the West Zone.
- 1987: The ground was allowed to lapse and was subsequently staked by Randy Hogg (Goldspring Resources). They performed fill-in soils, VLF-EM, and MAG.
- 1988: Goldspring financed a 15 hole, 1675 metre drill program on the West Zone, which was carried out by Fox Geological Consultants.
- 1989-present: No further work.

PROPERTY GEOLOGY

The Foghorn claims are centered on the N-S trending fault contact between the Eagle Bay and lower Fennell formations. The Cretaceous Baldy Batholith forms much of the southern property boundary. Outcrop distribution is scarce, although overburden depths rarely exceed 10 ft., so trenching has been used widely across the property. Recent road building by logging companies has uncovered additional bedrock exposures of predominantly Fennell basalts.

Lydia Showing

Metavolcanic quartz-sericite, chlorite, and chlorite-sericite schists of the Eagle Bay Formation (EBF-Rea equivalent?) host a conformable semi-massive to disseminated layer of sulphides. Overall percentages of sulphides range from 15-90%, but average about 30%. Pyrite is by far the dominant sulphide comprising 95-100% of the total sulphide content.

Two adits were put in on the surface showings from 1913-18, with a total of 900 ft. of workings. One of these is reported to have "drifted on schist mineralized with iron and copper pyrites for 100 feet before encountering a fault zone". The best intersection reported was from a Noranda drillhole in 1972 which cut 30 feet (9.1 m) grading 0.30% Cu.

A total of 4856 feet (1480 m) has been drilled at the Lydia by three companies. Although hosted by felsic tuffs(?) the showing is considered a pyrite rich body with little potential as a base or precious metal carrier. Strike extensions have also been well explored with negative results.

On the Birch claims, 2 km to the east, a similiar pyrite body

up to 10 m thick occurs near the top of a 250 m thick felsic volcanic/arenaceous sedimentary sequence. This package of rocks is in turn a subordinate member of a very thick and dominantly andesitic to basaltic volcanic pile.

During the site visit the vicinity of the Lydia showing was found to be entirely reclaimed, with adits and trenches filled-in and contoured with dump rock. Two dump samples were collected and found to be only weakly anomalous in base metals.

Foghorn/Fennell Showing

Near the centre of the property a mineralized zone (150x400m) contains about 20 narrow, discontinuous, steeply dipping quartz veinlets and silicified breccia zones. The veins are vuggy and contain disseminated to semi-massive, coarse grained pods of galena and sphalerite with lesser amounts of pyrite and chalcopyrite. During the visit, an impressive sample of vein material found on the dumps was collected (Fennel-1), and it assayed 176 g/t Ag, 0.7% Cu, 6.5% Pb, 15.1% Zn and 51 ppb Au.

The veins, (generally only 1 foot wide), are surrounded by a broad sericite-carbonate +/- pyrite alteration zone (300x700m), comprised of buff to orange tuff and metasediments. A sample of this material (Fennel-2) was collected immediately adjacent to a vein and contained only low base and precious metal values.

The showing area has been extensively stripped, trenched, and pitted. About 73 tons of the best hand sorted material was shipped in 1917 grading 1210 g/t Ag and 7.8% Pb. In 1983 Esso retested the showings with rock geochem, IP, and gravity surveys. They even drilled a 100 m hole on a co-incident IP/gravity anomaly beneath an existing 40 ft. shaft. The hole contained no mineralization.

The Fennell showings consist of narrow veins and discontinuous lensoidal breccias that are the only base metal-silver carriers in the Foghorn alteration zone (300x700m). Drill results (Esso, Craigmont) indicate that the veins are of very limited dimensions, too limited for even a small scale lode type mining operation. As a source of Sam mill feed, the showing also falls short, as the majority of the mineralization is not high enough grade.

West Zone

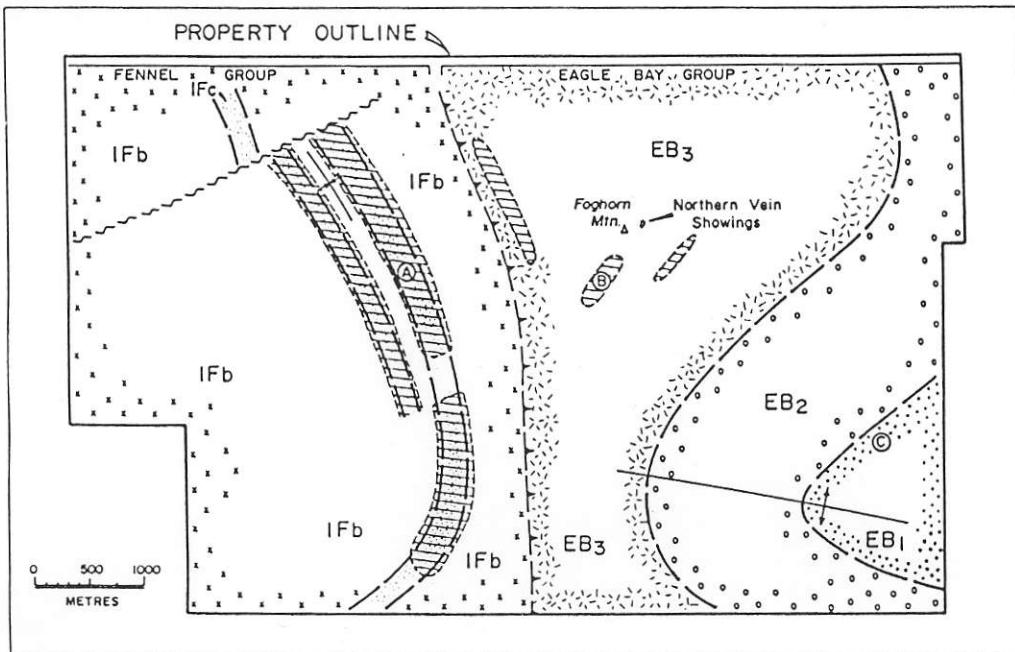
This area was discovered in 1979 during follow-up to an airborne Dighem II survey. Portions of a strong linear conductor (+5 km long) were found to have co-incident Pb-Zn-Cu-Ag soil anomalies. A total of 2200 m of drilling (19 holes) by Craigmont, Esso, and Goldspring has been directed at the showing.

The conductor was found to correspond with interflow argillite and chert of variable thickness, within a pile of monotonous basalt

belonging to the lower Fennell Formation. For about 500m of its strike length, the chert is highly brecciated, folded into a synform, and contains tr.- 10% fracture filling pyrite, galena, and sphalerite. This portion of the sedimentary package represents a facies change from predominantly argillite capped by 5-30m of chert to a thinner package of sediments with proportionately more chert.

The 7.5-20.5 metre wide chert breccia zone has been well tested by drilling. The best intersection returned 9.2% Pb, 1.56% Zn, 0.02% Cu, 2.74 oz/t Ag, and 5 ppb Au over 2.7 metres. The majority of intersections, however, contained <3% combined Pb-Zn and <1 oz/t Ag over similar widths, and were very inconsistent. During the visit a sample (West-1) of well mineralized chert breccia float was collected and ran 11.2% Pb, 0.1% Zn, 0.02% Cu, 126 g/t Ag and 520 ppb Au.

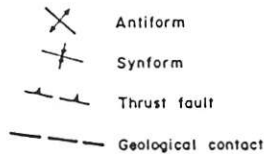
Texturally, the sulphides are contained in quartz veinlets, or as fracture fillings within the chert breccia. The underlying argillite is commonly anomalous in Ba and Ag, and there is evidence of silicification in parts of the footwall mafics. The zone probably represents a weak exhalative deposit that has been folded, (wavelength of 400-500 m), with remobilization of sulphides and silica into the pore spaces created by brecciation in the brittle cherts. The zone has been closed-off by drilling to the north and south, but locally remains open at depth. The presence of a syncline has yet to be proven, since drilling has not been deep enough to penetrate the fold nose (+400m?). The low copper-gold levels in the system, and the lack of geological or geophysical indicators suggesting improvements in width or grade at depth, combine to make this an unattractive target.



(A) DIAMOND DRILL INTERSECTIONS
STRATABOUND Lead - Zinc - Silver
N^o 1 2.7 m - 10.8% Pb+Zn, 2.74 opt Ag
N^o 2 1.8 m - 3.34% Pb+Zn, 0.76 opt Ag

(B) FENNEL SHOWING
Lead - Zinc - Silver Veins
0.4 m - 33.2% Pb+Zn, 16.0 opt Ag

(C) LYDIA SHOWING
STRATABOUND Copper
Diamond Drill Intersection
9.1 m - 0.30% Cu



SOIL GEOCHEMICAL ANOMALIES

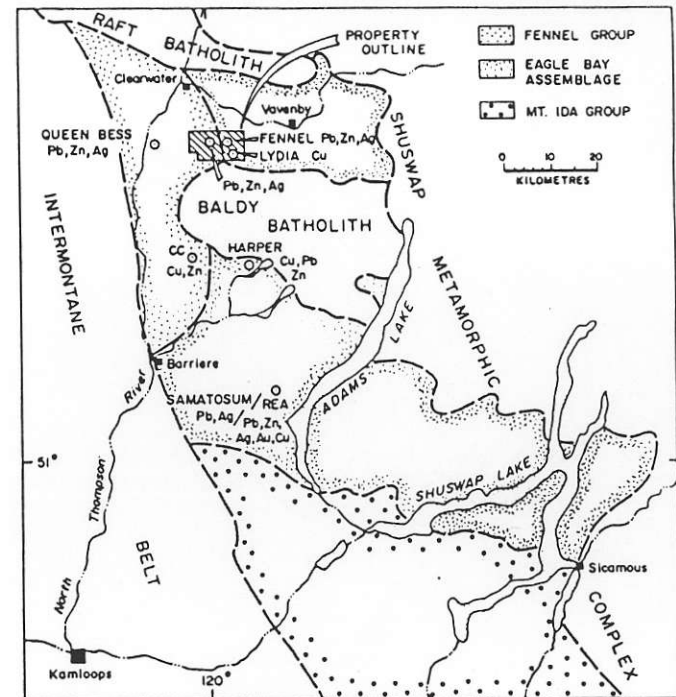
Silver > 2.0 ppm
Lead > 100 ppm
Barite > 300 ppm
Zinc > 200 ppm

FENNEL GROUP

IFc Interbedded chert-barite-argillite
 IFb Mafic/intermediate volcanic rocks

EAGLE BAY GROUP

EB3 Phyllite, siltstone, limestone, quartzite
 EB2 Mafic schists and pyroclastic rocks
 EB1 Intermediate to felsic schists and cherty quartzite.



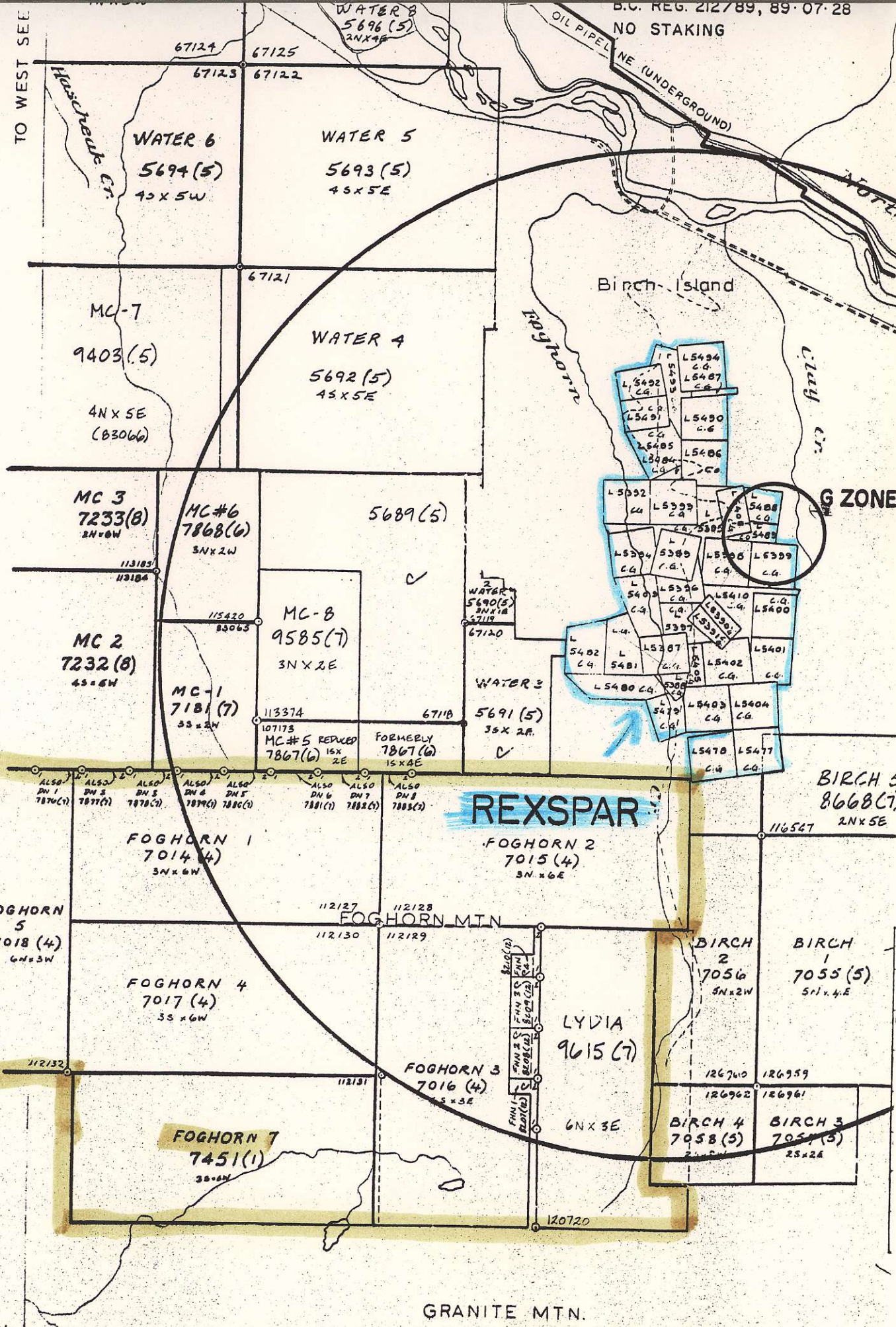
GENERALIZED GEOLOGIC SETTING OF THE ADAMS PLATEAU AREA



**Goldspring
Resources Ltd.**
VSE Symbol GSJ

Foghorn Mountain Property Summary

2660-650 West Georgia Street
Vancouver, B.C. V6B 4N8
Phone (604) 685-8600/669-0052
Fax (604) 685-8475



BIBLIOGRAPHY

- British Columbia Dept. of Mines: Annual Reports 1913, 1915, 1916, 1917, 1923, 1924; GEM 1970, 1974; Exploration 1983, 1984; Minfile 82M/8 FH (Foghorn, Lydia), 29 Foghorn, 30 Shamrock (FH), 40 Chidgrin, 41 Kelly's (FH?), 108 Gopher; Assessment Reports 1597, 1624, 1924, 3820, 4876, 7404, 7757, 7758, 7813, 7990, 8530, 9008, 9537, 9716, 11381, 11503, 12904, 13054, 14054.
- Campbell, R.B., 1963. Adams Lake. Geol. Surv. Can., Map 48-1963.
- Cartwright, Paul A., 1981. Report on I.P. and Resistivity Survey, Foggy 11 Claim. Assessment Report 9537 for Barrier Reef Resources dated Oct. 1, 1981.
- Dawson, J.M., 1979. Report on Diamond Drilling on the Foghorn Mountain Property, Kamloops Mining Division, British Columbia. Assessment Report 7758 for Barrier Reef Resources Dated November 1979.
- Dawson, J.M., 1980a. Geological, Geochemical and Geophysical Report on the Foghorn Showings. Assessment Report 7813 for Barrier Reef Resources Dated Jan. 4, 1980.
- Dawson, J.M., 1980b. Geological, Geochemical and Geophysical Report on the Foggy No. 11 Claim. Assessment Report 7990 for Barrier Reef Resources dated April 15, 1980.
- Dawson, J.M., 1981. Geochemical and Geophysical Report on the Foggy #11 Claim, Kamloops Mining Division, British Columbia. Assessment Report 9008 for Barrier Reef Resources Dated Jan. 4, 1980.
- Everett, C.C. and Cooper, W.G., 1983a. Geochemical and Geophysical Report on Foggy B, Foggy C, Foggy D, Foggy E Groups. Assessment Report 11,381 for Esso Resources Canada dated November 7, 1983.
- Everett, C.C. and Cooper, W.G., 1983b. Geochemical and Geophysical Report on Foggy A Group. Assessment Report 11,503 for Esso Resources Canada dated August 25, 1983.
- Fraser, D.C. and Dvorak, Z., 1979. Dighem Survey Foghorn Mountain. for Barrier Reef Resources, Assessment Report 7404 dated June 15, 1979.
- Heim, R.C., Knauer, J.D., Walker, J.T., and Belik, G.D., 1972. Geochemical Survey, Geophysical Survey and Geological Survey on the FH 1-6, FH 9-10, FH 14-18, FH 20, FH 22 and Foghorn Fraction Mineral Claims. For Noranda Exploration Company, Limited, As. Report 3820.
- Marr, J.M. and Everett, 1984. Drilling Assessment Report on the Foggy A Group. Assessment Report 12,904 for Esso Resources Canada Ltd. dated November 10, 1984.
- Marr, J.M., 1984. Drilling Assessment Report on Joseph 84 Group. Assessment Report 13,054 for Esso Resources Canada Ltd. Nov. 8, 1984.

- McMillan, W.J., 1980. CC Prospect, Chu Chua Mountain, B.C. Min. Energy Mines & Pet. Res., Geological Fieldwork, 1979, paper 1980-1, pp. 37-48.
- Okulitch, A.V., 1979. Thompson-Shuswap-Okanagan. Geol. Surv. Can. Open File 637.
- Preto, V.A., 1978. Rexspar Uranium Deposit (82M/12W), B.C. Min. Energy Mines & Pet. Res., Geological Fieldwork, 1977, Paper 1978-8, pp. 19-22.
- Preto, V.A., 1979. Barriere Lakes - Adams Plateau Area (82L/13E; 82M/4, 5W; 92P/1E, 8E). B.C. Min. Energy Mines & Pet. Res., Geological Fieldwork, 1978, Paper 1979-1, pp. 15-23.
- Preto, V.A., 1981. Barriere Lakes - Adams Plateau Area (82M/4, 5W; 92P/1E). B.C. Min. Energy Mines & Pet. Res., Geological Fieldwork, 1980, Paper 1981-1, pp. 15-23.
- Preto, V.A., McLaren, G.P., and Schiarizza, P.A., 1980. Barriere Lakes - Adams Plateau Area (82L/13E; 82M/4, 5W; 92P/8E, 9E). B.C. Min. Energy Mines & Pet. Res., Geological Fieldwork, 1979, Paper 1980-1, pp. 28-36.
- Sampson, Chris J., 1987. Report on Geology and Exploration Potential Foghorn Claims, Kamloops Mining Division Near Birch Island, British Columbia. For Gold Spring Resources Ltd.
- Schiarizza, P.A., 1981. Clearwater Area (82M/12W; 92P/8E, 9E). B.C. Min. Energy, Mines & Pet. Res., Geological Fieldwork, 1980, Paper 1981-1, pp. 159-164.
- Schiarizza, P.A., 1982a. Clearwater Area (82M/12W; 92P/8E, 9E). B.C. Min. Energy, Mines & Pet. Res., Geological Fieldwork, 1981, Paper 1982-1, pp. 59-67.
- Schiarizza, P.A., 1982b. Geology of the Barriere River - Clearwater Area (82M/4, 5, 12 ; 92P/1, 8, 9). B.C. Min. Energy, Mines & Pet. Res., Preliminary Map No. 53.
- Singhai, G.C., 1974. Report on Foghorn Mineral Claims. for Sandy and Marston Fennell dated Sept. 1974.
- Vollo, N.B., 1979. Diamond Drilling, Foggy 2 and 3 Claims. Assessment Report 7757 for Craigmont Mines Limited dated Dec. 17, 1979.
- Vollo, N.B., 1980. Diamond Drilling, Foggy 2 and 3 and Joseph 7. Assessment Report 8530 for Craigmont Mines Limited dated Oct. 3, 1980.
- Vollo, N.B., 1981. Diamond Drilling, Foggy 2 and 3 and Joseph 7. Assessment Report 9716 for Craigmont Mines Limited dated Sept. 16, 1981.

Vollo, N.B., 1968a. Geophysical Report on an EM-16 Survey of the 82M/12 FH Group. for Royal Canadian Ventures Ltd. As. Report 1597 dated Aug. 19, 1968.

Vollo, N.B., 1968b. Geophysical Report on a Magnetometer Survey of the 82M/12 FH Group. for Royal Canadian Ventures Ltd. As. Report 1624 dated Aug. 10, 1968.

Vollo, N.B., 1969. Geochemical Report on the 82M/12 FH Group at Birch Island, B.C. for Royal Canadian Ventures Ltd. As. Report 1924 dated May 28, 1969.

White, G.E., undated, Geophysical Responses Chu Chua Massive Sulphide Deposits, Barriere Area, B.C.