

824722

MINNOVA INC.

Date: August 24, 1989

To: Ian Pirie

Copies To: Alex Davidson, Bob Friesen, Dave Heberlein

From: Kerry Curtis

Algo Option PN 239

1989 DRILL PROPOSAL

Work commitments for the Algo option during 1989 will be centred on the OK 1 claim. Mapping during the 1988 field season identified correlative stratigraphy to that which hosts the Homestake Mine some 3 kms to the south - east. Lithogeochemical sampling combined with previous soil geochem and Pulse - EM geophysics has outlined numerous anomalies confined within Homestake Schists.

The major objective of the proposed drill program is to test the potential of a sequence of highly sheared and altered felsic volcanics which host the barite/sulphide lenses of the Homestake Deposit. Two horizons will be tested during the program. Horizon 1 has been defined on the basis of anomalous trace metal values and consists of a sequence of highly schistose felsic volcanics (Quartz-sericite schists) with anomalous Au, Ag, Ba, Zn, and Pb values (see Fig. 1). Horizon 2 has been defined by the occurrence of massive pyrite lenses in a series of highly schistose intermediate and felsic volcanics. Horizon 2 lies structurally below Horizon 1 (see Fig.1).

In order to gain access to drill targets a skid road approximately 2 kms in length has been constructed. Switchback trails facilitate access to specific pads. Unfortunately, due to topographic constraints pads are located where possible. Four pads have been constructed with two located on line 10+00 E and one on line 9+00 E and 8+00 E respectively. Drill cuttings and returns will be ponded or sumped in order to reduce possible contamination of Johnson Creek.

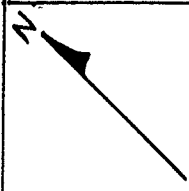
Relatively long holes are planned for this project in order to cover the entire stratigraphic section for the purposes of formulating economic and structural models for the area.

SUMMARY OF PROPOSED DRILL HOLES

DDH	EASTING	NORTHING	AZIMUTH	DIP	DEPTH
P1	10+00	4+75	227	-87	365m
P2	8+00	6+25	227	-80	350m
P3	9+00	6+25	227	-80	350m
TOTAL					1065m

Modifications may be made to this proposal as drilling commences in order to maximize coverage. If a significant amount of footage remains at the end of the program a fourth hole is planned near the junction of Agate Bay and Johnson Lake Road.

OK
 ALGO OPTION
 GEOLOGY 1:2500



TIE LINE 8+00E

L7E

P₂

P₃

L9E

L10E

S2.1

2.1

2.1 42

1.1

1.1

1.1, magnetite

2.3

2.3

45

2.4

2.1

Sc. - Chl. Phyllites

2.3, Chl. Schist

36

2.3

2.3, Chert lam.

2.3

6.5

Ank. Phyll.

45

3.1

?

Fe crete

3.1

py stringers

Qtz - Dol. vn.: Pb = 0.1
 Ag = 36
 Zn = 1.1

nk. Phyll.

osite alt.

Chl. Schist
 py string.

3.3 / 2.3, Qss /

2.3, Ank. Phyll.

45

6.5

2.3, Chl. Schist

45 CLIFFS
 (50 m)

2.3 / 1.3?
 Chl. Schist

massive py

3.3 / 2.3, intercalated, st. Jc

H86-3

2.1, Chl. Phyll.

42