

825477

CHEVRON/CFC JOINT VENTURE

BAR PROJECT

082M/4W, 82M/5W, 92P/1E, 92P/8E

Kamloops Mining Division

Summary of Work Performed in 1986

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December 20, 1986

INTRODUCTION

The purpose of this report is to provide a summary of all work carried out on the project in 1986, to make preliminary interpretative comments and to propose a work programme and budget for 1987. It is stressed that consolidation and interpretation of the 1986 data is ongoing and thus the conclusions and proposals herein are, of necessity, preliminary.

WORK DONE

Linecutting	93.4 km
Geophysics	
MaxMin II	64.2 km
VLF	11.0 km
Geochemistry	
Lithos	829 samples (12 element ICP Whole Rock + Cu, Zn)
Drillcore Lithos	187 samples (Cu, Pb, Zn, Ag, Au)
Soils	934 samples (Cu, Pb, Zn, Ag, Au)
Geology	86.4 km
Diamond Drilling	1027.44 m in 7 holes (NQ)

SUMMARY

SC Grid (Map 1,2)

The grid consists of 25.5kms of line. Four people worked from July 5th to August 8th mapping and sampling it, taking 295 rock samples which were analyzed for whole rock and Cu, Zn.

The grid covers two distinct QFP felsic centres (domes?) with submarine felsic flows and pyroclastics. The felsics are bounded on the east and west by a chert-argillite package and mafic volcanics respectively. Isoclinal folding is common in the region and the felsics may be forming the core of an anticlinal structure. The rock units strike between 160 - 180 , dip steeply to moderately east, and have undergone very little regional metamorphism.

The rocks exhibit several types of alteration including silicification, sericitization, albitization and potassic alteration. The volcanics are

geochemically anomalous in Ba, Na, K, Cu and Zn. A previous MaxMin survey shows several conformable MaxMin conductors occur on the grid usually in the chert argillite package.

Drill holes Bar 1 - Bar 4 tested a very small portion of the felsic stratigraphy adjacent to the felsic centres. Bar 3, which collared in the southern dome, intersected a quartz pyrite stockwork zone which returned very anomalous Au values.

Bar #3 5.01 - 7.53m (2.52m) averaged 4.45 g/T Au (0.13 opt Au)
6.88 - 7.18m (0.30m) assayed 25.2 g/T Au (0.735 opt Au)
20.81 - 34.98 (13.98m) averaged 242 ppb Au

This is the only hole to intersect an actual dome and the results warrant more work.

Anna Grid (Map 3)

Four people mapped and sampled this 16.2km grid from August 9th to August 19th taking 137 rock samples which were analyzed for wholerock + Cu, Zn.

The western portion of the grid is underlain by mafic flows and cherts which are folded in a broad syncline. The southeast portion of the grid is underlain by a series of felsic flows and pyroclastics interbedded with cherts and argillites. A felsic centre with quartz pyrite stockwork mineralization underlies the very eastern edge of the grid. Several of the felsic units in the area contain 5-25% disseminated pyrite and pyrrhotite. These should be sampled further. Units in this area strike 180 - 220 and can dip 40 - 90 to both the west and east.

Late in the season the FY claims were acquired and a 19.2 kilometre grid established over strongly folded and faulted felsic volcanics which contain anomalous base metal values. This is located immediately adjacent to the south east corner of the Anna claims.

Wikiup Grid (Map 4)

Four people mapped and sampled this 30km grid between August 20 and September 5. 198 rock samples were taken and sent for whole rock and Cu, Zn, Ag, Au analysis.

The rocks generally strike 110 - 130 and dip 40 - 50 NE. The northern portion of the grid is underlain by a sequence of felsic flows and pyroclastics intermixed with some sediments and is typical of sections proximal to felsic centres in the area. No felsic domes were seen but the thickening of the felsic package suggests that one is close.

The very southern portion of the grid covers mafic flows and breccias which appear similar to those in the Rea Gold environment. Some intense carbonate altered rocks containing green micas (fuchsite?) also return anomalous Au values up to 35 ppb.

Little Dixon Lake Grid (Map 5)

This grid was cut in July/86 to provide ground control over a felsic dome. It was mapped and sampled from Sept. 6 to Sept. 23 and 89 rock samples were taken and analyzed for whole rock and Cu, Zn, Ag, Au. Because outcrop is so rare on the grid, 565 soil samples were also taken and analyzed for Cu, Pb, Zn, Ag, Au.

The felsic centre appears very similar to those mapped on the SC claims. It also contains a well developed quartz pyrite stockwork which may be the source of a nearby 1100 ppb Au value from a stream sediment sample. Along strike felsic flows and pyroclastics, mafic flows and sediments outcrop on the southern end of the grid. The units strike 110 - 120 and dips vary from 90 to 30 north with some evidence that the units are overturned on the southern side of the grid. Regional metamorphism is greenschist facies here and a strong penetrative foliation is present.

MPH Consulting Ltd. was contracted to conduct a MaxMin survey over the grid. Several conformable conductors which require more work were delineated.

Dixon Lake Grid

An additional 11kms of grid was established in the Dixon Lake area to fill a gap on a geophysical/geochemical anomaly. A VLF survey was carried out on it and 369 soil samples taken. Data is currently being compiled.

A total of 11.4km of MaxMin was run over parts of the old Dixon Lake grid to confirm VLF anomalies. Subsequently Bar 5, 6 and 7 were drilled to test

coincident MaxMin/soils targets. They all intersected basalts and sediments identical to those found on the Rea Gold property to the southeast but no mineralization was found to explain the anomalies.

PRELIMINARY INTERPRETATION

The Bar Project area was originally acquired because of potential for a) Rea Gold - type, precious metal rich massive sulphide deposits associated with basalts and sediments; b) Homestake (Kamad Silver) - type barite-precious metal rich deposits associated with felsic volcanics; and c) Chu Chua - type volcanogenic massive sulphide deposits hosted by submarine basalts.

Work in 1986 focussed on areas considered favourable for type a) and b). It has confirmed the existence of a series of felsic volcanic centres over some 25km of strike length. It has also confirmed the presence of the Rea Gold stratigraphic package in the Dixon Lake area. Most importantly, it has pointed to the existence of a fourth, potentially significant, style of mineralization namely Au and Ag in quartz-pyrite stockworks associated with silicification and albitization of felsic domes.

It is a distinct possibility that as our work progresses we shall find a link between this new style of mineralization and the Homestake-type. Regardless of this the potential is unmistakable. Five felsic centres have already been identified all with attendant quartz-pyrite mineralization and the only one tested has proven auriferous. Additional centres are likely in unexplored areas of the property.

Work in 1987 must focus heavily on the known felsic centres. Trenching, stripping, detailed sampling and detailed mapping will be necessary to establish where the Au-Ag mineralization is and what controls it. IP surveys may also be useful.

Other centres are likely in the area south of Dixon Lake down to Johnson Creek, between the Anna and SC grids and on the recently acquired FY claims. One is known to exist on the Zone/Tylox ground, negotiations on which are underway and should be vigorously pursued.

Having confirmed the presence of the Rea Gold stratigraphy through the Dixon Lake area, albeit unmineralized where tested, it will be necessary to

assess all available data for additional targets. Further soil sampling over poorly exposed portions of the favourable package will be considered.

Finally, as our understanding of the rocks of the Eagle Bay and Fennell formations improves it is apparent that approximately 1 to 1.5km of stratigraphy lies between the felsic centres and the proven massive sulphide hosting Chu Chua package to the west. Given the large volume of felsic volcanics and sediments available as metal source rocks on the Bar Property relative to the footwall rocks at Chu Chua, obvious potential exists for a massive sulphide deposit of economic grade. A portion of 1987's programme will be geared to examining this area.

BAR JOINT VENTURE
PROPOSED 1987 WORK PROGRAMME AND BUDGET

1. Stripping, trenching and detailed sampling of known felsic domes. IP where necessary. 1125m of drilling.
2. Drill test additional targets from 1986 work (200m).
3. Examine unexplored areas of the property with high potential for additional mineralized felsic centres.
4. Examine stratigraphy between mineralized felsic centres and the Chu Chua massive sulphide deposit horizon.

COST SUMMARY

Proposal	Cost	Proportion of Budget
1.	195,000	62.4%
2.	24,000	7.7%
3.	84,750	27.1%
4.	- 8,725	2.8%
Total Diamond Drilling	\$159,000	50.9%

BAR JOINT VENTURE
PROPOSED 1987 BUDGET
EXPENDITURE DETAILS

GEOLOGY		
Salaries	28,750	
Travel	1,250	
Contract (trenching)	10,000	
Field Expenses	<u>3,500</u>	43,500
GEOPHYSICS		
Salaries	2,000	
Contract	<u>30,000</u>	32,000
GEOCHEMISTRY		
Salaries	20,425	
Travel	2,000	
Field Expenses	6,950	
Analyses	<u>27,600</u>	56,975
DRILLING		
Salaries	15,000	
Travel	1,000	
Contract 1325m @ \$100	132,500	
Field Expenses	3,000	
Assays	<u>7,500</u>	159,000
LINECUTTING 60km @ 350/km	-	21,000
	DIRECT EXPLORATION COSTS	\$312,475
	+ 12%	<u>37,497</u>
	TOTAL	<u>\$349,972</u>

BAR JOINT VENTURE
PROPOSED 1987 BUDGET
QUARTERLY FORECAST OF EXPENDITURES

JANUARY - MARCH

Geology (salaries, expenses)	5,000
Geochem (analyses)	1,000
Administration	<u>720</u>
	6,720

APRIL - JUNE

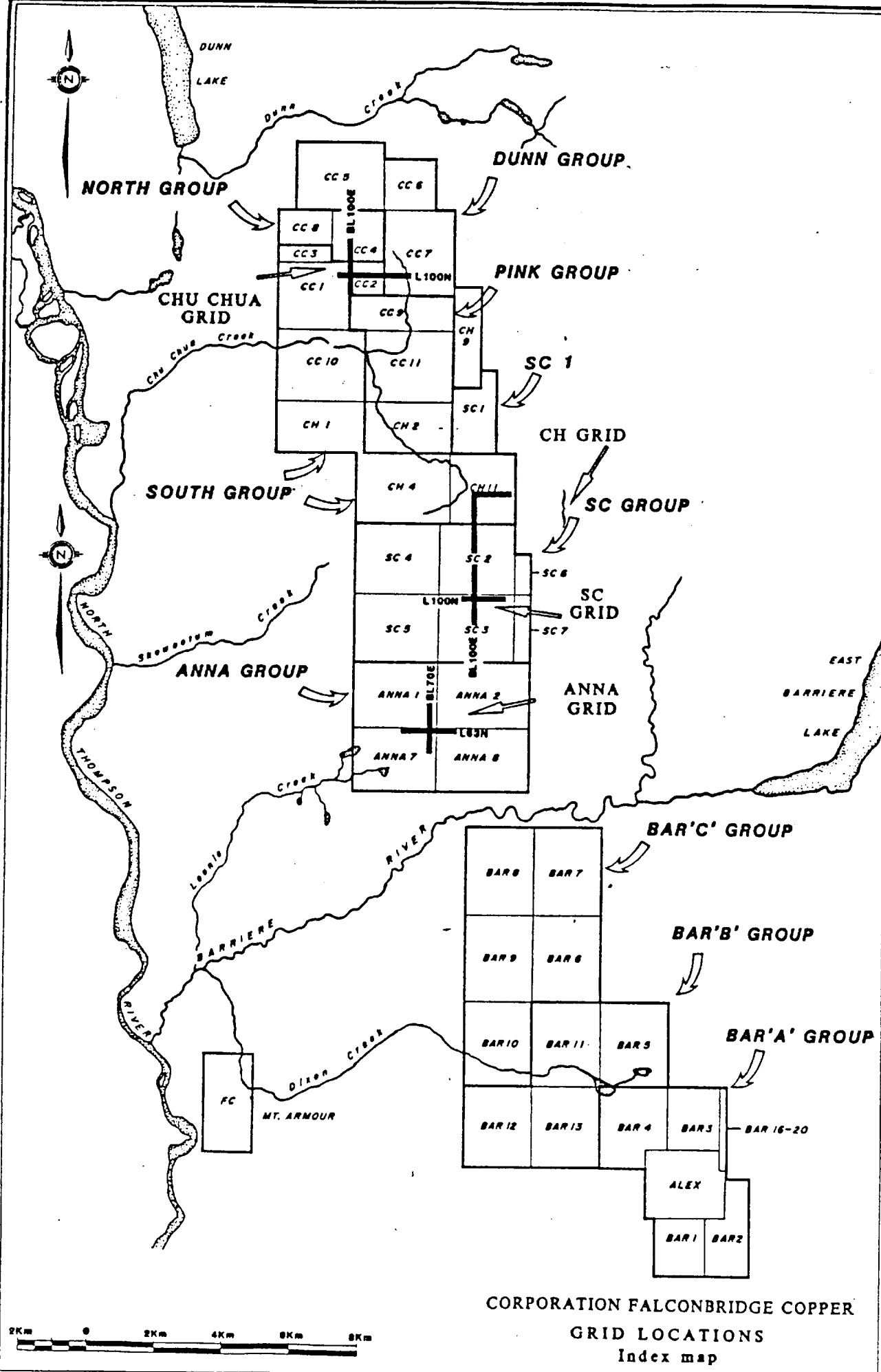
Geology	12,500
Geophysics	6,000
Geochem	16,500
Linecutting	10,500
Administration	<u>5,460</u>
	50,960

JULY - SEPTEMBER

Geology	16,000
Geophysics	26,000
Geochem	39,475
Linecutting	10,500
Drilling	80,000
Administration	<u>20,637</u>
	192,612

OCTOBER - DECEMBER

Geology	10,000
Drilling	79,000
Administration	<u>10,680</u>
	99,680



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 GRID LOCATIONS
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