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FROM: STEVE BLOWER  
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RE: 1993 RAINBOW-TAM O'SHANTER PRELIMINARY WORK PROPOSAL

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#### INTRODUCTION

Exploration on the Rainbow-Tam property in 1993 should focus on two objectives. The most important of these is to follow up on recent diamond drilling intersections in the general vicinity of the Deadwood zone. This would be done with more diamond drilling. The second objective is to complete a reconnaissance program over those portions of the Tertiary graben that have not been explored to date. A biogeochemical survey would accomplish this task quickly and cheaply.

#### DEADWOOD ZONE FOLLOW-UP

Detailed geological mapping and diamond drilling at the Deadwood zone during the fall of 1992 have resulted in a better understanding of the geology and its relationship to gold mineralization.

Significant concentrations of gold have been found to occur in the hanging wall of steeply dipping northwest trending thrust faults. Occurrences of gold may also have a spatial relationship to zones of intense silicification in cherty tuffs of the Knob Hill Gp..

Property scale mapping on widely spaced grid lines in 1991 shows several untested areas that are underlain by zones of intense silicification and large northwest trending structures. These areas all occur within two kilometers of the Deadwood zone.

It is suspected that the gold values at the Deadwood zone are uneconomic due to the impermeable nature of the hanging wall diorites and cherty tuffs. Gold bearing hydrothermal fluids utilizing the thrust fault as a conduit were unable to permeate the overlying country rock and deposit large quantities of gold. Therefore a particularly interesting geological target would be a permeable sediment located in the hanging wall of a parallel fault. This situation has also been noted to occur within two kilometers of the Deadwood zone.

Both of these types of targets must be tested in 1993.

### TERTIARY GRABEN RECONNAISSANCE

Most of the Toroda Creek graben remains unexplored by Minnova personnel. Almost all of the work within the graben was concentrated around the Midway mine/Picture Rock quarry areas. As well, a small amount of soil sampling was completed in the Bengal shaft area and a heavy mineral stream sediment survey was carried out on streams draining the graben.

While the results of the work in the Midway mine area were disappointing, the soil survey at the Bengal shaft produced substantial gold anomalies that have yet to be followed up.

The stream sediment survey did not adequately test any area. Problems such as sample site variability and a lack of sample representitivity render this exploration technique useless for epithermal gold exploration.

It is proposed that a biogeochemical survey utilizing lodgepole pine tree bark would be an effective means of reconnaissance exploration. This technique is fast, inexpensive, and useful in areas of thick till and alluvium (which covers much of the graben). Samples could be collected at spacings of up to 200 meters on east-west lines 500 meters apart.

### CONCLUSION

Now that recent diamond drilling at the Deadwood zone has obtained significant intersections of wide, low grade gold mineralization, it is important to test other areas with similar geological characteristics.

It is equally important to use the current model to predict other geological targets that may be more suitable to gold deposition.

A program of diamond drilling should be undertaken in 1993 to test these two types of targets.

As well, one of the initial aims of the Rainbow-Tam joint venture remains to be completed - a reconnaissance program over the entire Toroda Creek graben. This could be effectively accomplished in 1993 with a biogeochemical survey.