

Date: Sept. 3, 1991

To: AJD

Copies to: IDP, DHW

From: G.S. Wells

Subject: Progress Report - August, 1991

1. Chu Chua PN 616

Drilling continued on widely spaced (200+m) centers

located north of the Chu Chua deposit. Three holes

were completed for a monthly total of 1345.05m and a

YTD total of 2019.25 meters. Details and significant

results of this drilling are presented in the attached table.

A wide zone of silicification and py-cp stringer

mineralization has been defined at depth to the north

of the main Chu Chua massive sulphide lens. (holes CCF-63, 64

and 66). The northern extension of this alteration system

is dissected by several thick diorite dikes as seen in

hole CCF-65. Downhole PEN surveys have been completed

in hole CCF-66 and there is no off-hole response associated

with the intense silicification seen in the bottom of the hole. The other 3 holes are presently being surveyed with the PEM equipment.

The geophysical data and drill holes located north of the main massive sulphide lens suggest that there is no large massive sulphide zone associated with the large silicified alteration system defined by the 1991 drilling. Drilling is now being directed at the southern extension of the Chu Chua massive sulphide horizon.

2. Plateau PN 668

A small (2000 m) diamond drill program has been proposed to test some of the best geophysical, geochemical and geological targets on the Plateau property. The drill contract was awarded to Frontier Drilling and the program will start on September 4th.

3. Hoodoo PN 632

The Hoodoo property, located in the Skutumpah area,

was visited in August. Previous work on the property in the

early '80's ^{by Ken Addison} consisted of reconnaissance mapping and

detailed sampling of 5 geosonous areas. Although anomalous

Ag values are present in the Discovery zone, no economic

mineralization was discovered.

The argillites on the Hoodoo property were sampled

and prospected to evaluate their massive sulphide potential.

This work was undertaken in light of Prime Resources'

recent Rock and Roll massive sulphide discovery which

is hosted in similar lithology. Sixty-two chip and panel

samples were taken and results are awaited. No

significant ^{sulphide} mineralization was discovered during this

program.

4. Adams. Barriere General PN 608

Two properties were examined by Paul Baxter in

August:

1. Axel claims - owner: Martin Peter

- 33 units located N of former Honeymoon claims
- underlain by Fennel basalts
- disseminated po-py-cp in basalts
- float of massive po. - small pieces - vein or horizon?
- still grassroots - may require re-examination if Peter finds source of po float.

2. Noble property - owner: Placer Dome 80%, Denison 20%

132 units located adjacent and east of our Zoo claims.

- 3 showings - Sunrise, Snow, Redtop - strike length 3km
- massive sulphides at Sunrise - grabs - 35.1% Zn, 4.14% Pb, 230.2 g/t Ag, 1.34 g/t Au.
- further field examination and review of data warranted & planned for Sept.

5. General

A visit to the Hawk property was done in August.

Hawk - owner: Bob Yorke-Hardy.

- 14 units - located 19 km northwest of Vernon.
- shear zone - up to 2m wide.
- high Au values associated with qtz-sph veins in

shear: 8.8% Zn, 25.3 g/t Au.

- narrow widths, numerous late faults cutting up Au-rich shear and erratic grades = no further action.

6. Iskut River Area.

In late August, Alex, Iain and I had

the chance to visit some of the more exciting prospects
(see attached map)
in the Iskut River area. These included:

1. Estrey Creek - VMS - target with obscure Au & Ag grades. (2 opt Au, 300 opt Ag in MS). - operator - Corona.

2. Galore Creek - Cu-Au porphyry located N of Iskut camp - 135 mT @ 1.06% Cu, 0.45 g/T Au + several smaller peripheral zones. - operator - Kennecott & HudBay.

3. Snip - Au-rich qtz vein - 930,000 tonnes @ 28-30 g/t Au operator - Cominco - 40% interest to Prime.

4. Rock & Roll - VMS - target - MS in argillites - hosted in mafic volcanics with silicified footwall - tested over 700 m strike length - open to S; untested N of Iskut River operator - Prime Res.

5. Avondale - located N of Istkut River, west of Forest Kerr Creek.
 - Au-rich qtz veins in Andesite flows.
 operator - Prime Resources, owner - Pamicon.

6. Inel - located SE of Snip along Branson Creek structure.
 - Au in bx zones; numerous massive sulphide (py) veins
 + py-cp stockwork in rhyolite debris flow (Zn knob).
 - work on 2 adits driven on Au-qtz veins -
 essentially ignoring rest of property
 operator - Gulf Resources

7. Hector Resources - east of Snip on S side of Istkut R.
 - Au in qtz-py vein - 15 DDH's no significant results.

8. SeaGold - NE of Snip.
 - massive pyrite / barite boulders + Au-bearing shear zones.

Despite the town D type weather, we were impressed by the potential of the area. Most of the showings have been found by basic prospecting or followup of soil surveys. Rock in the area has dropped off considerably ^{this year} due to the poor investment climate and consequently most properties are available. Access to the area is

improving as a result of the road being constructed between Bob Quinn Lake and Eskay Creek. We are looking at acquiring ground in the area which meet the following criteria:

1. proximity to the new road.
2. low elevation - which gives us a longer field season
3. Eskay type stratigraphy - presence of felsic volcanics is one of the keys to an Eskay-type target.

ChuChua Drilling - August 1991.

hole	Location	Collar Dip	Collar Azimuth	Final Depth	Results.
CCF-64 (P-2)	106+15N, 98+56E	-60°	093°	346.25 (201.15 in Aug)	160.6-188.7 - 5-15% py stringers 185.6-188.7: 0.23% Cu over 3.1 m. - strong silicification throughout
CCF-65 (P-3)	108+00N; 98+50E	-69°	090°	427.3	CC horizon diked out - Screens of silicified basalt
CCF-66	101+30N; 97+41E	-68°	090°	716.6	470.9-479.65 - 7-15% py as stringers 483.4-489.5 - 7-15% py as stringers 584.7-587.5 - 15% py stringers 534.6-716.6 : strong pervasive silicification

3 holes. 1345.05 m.

YTD 4 holes 2019.25 m

previous drilling results

CCF-63 : 387.5-399.2 = 0.12% Cu - py-cp stringers.

