

EXCERPT From Don Tully's report for  
Cons. Cinola on May 16/77

GENERAL GEOLOGY

825960

The SPECOGNA gold prospect is situated astride the Sandspit fault zone. A pronounced west facing slope [or scarp] trends northwest through the claim group and may mark the locus of the Sandspit fault. Rock outcrops exposed east of this scarp on the property are mainly volcanic breccias of the rhyolitic composition.

Three lithological units are represented over the claim area as follows:

<u>Formation</u>	<u>Age</u>
Unconsolidated alluvium, till and sand.....	Quaternary
SKONUN - poorly consolidated sands and pebble conglomerates.....	Mio-pliocene
Gold=Mineralization [?].....	[Sandspit Fault ?] [Unconformity ?]
Masset - Volcanics.....	Tertiary [Paleocene] [Unconformity ?]
Queen Charlotte Group - argillites and siltstones.....	CRETACEOUS

Structurally the contact between SKONUN sediments and the Masset volcanics is marked by the Sandspit fault zone.

Examination of the drill cores suggests minor folding and faulting occurs in the mineralized rhyolitic volcanics.

Siliceous rhyolite breccias show incipient brecciation and carry fragments of chalcedonic silica, quartz, volcanic ash and silicified or silicated carbonaceous fragments. Some fragments show a porphyritic texture. Much of the rock is veined with fine quartz veinlets in a lace filigree pattern carrying numerous vugs and crystals.

Argillic and kaolin-like alteration occur in outcrops having a jarositic or limonitic surface stain.

#### THEORETICAL CONSIDERATIONS CONCERNING ORIGIN

The pervasive hydrothermal alteration of silicification, silication and pyritization in the host rocks is probably related to fumarolic activity associated with volcanism along the Sandspit fault. Fossil fragments in the mineralized area suggest a new-surface depositional environment possibly not unlike a strand locale and juxtaposition of the Sandspit fault could provide channelways for meteoric waters.

Free gold has been observed in surface exposures but as yet the affinity of the auriferous mineralization for quartz, iron sulphide or sericitic alteration is inferred but has not been demonstrated.

#### MINERALIZATION - ASSAYS, MINERAL RESERVE

Mineralization observed was pyrite and the pale variety marcasite. Fine spherules of pyrite called melnikovite were reported in the Cominco results as a possible

indicator for gold. Apparently the gold occurs in very fine form in varying amounts in most of the rock types that have undergone silicification.

The average assay results from drilling operations are itemized with each drill hole and shown above under the heading PREVIOUS DEVELOPMENT. Those drill holes showing the best values were Cominco diamond drill hole BABE 72-1 wherein 75 feet of core from a depth of 10 feet below the collar of the hole assayed an average of 0.12 oz gold/ton. Of this intersection the average of 20 feet of core between 20 - 60 feet assayed 0.30 oz gold/ton. Quintana Hole Q-75-1 assayed 0.631 oz gold/ton for a (43' length of inclined [-45°] hole. Quintana pecksack drill hole PS-4 assayed 0.084 oz Au/ton over the length of the hole which was 47 feet.

At the present time there is insufficient information to accurately compute any mineral or ore reserve estimate.

#### RECOMMENDATIONS

- 1] Obtain the necessary permits covering property exploration operations.
- 2] Drill approximately 4,000 feet of BQ core size diamond drill core in vertical or nearly vertical holes to depths of 150 - 200 feet depending upon results.
- 3] It is recommended the drill holes be spaced on a grid pattern of 100-foot centres trending northwest commencing in the area of Cominco diamond drill hole