

# WESTPINE METALS LTD.

## Production Potential from the Taseko Copper - Gold Property

826429

VSE: WM

1991/1992

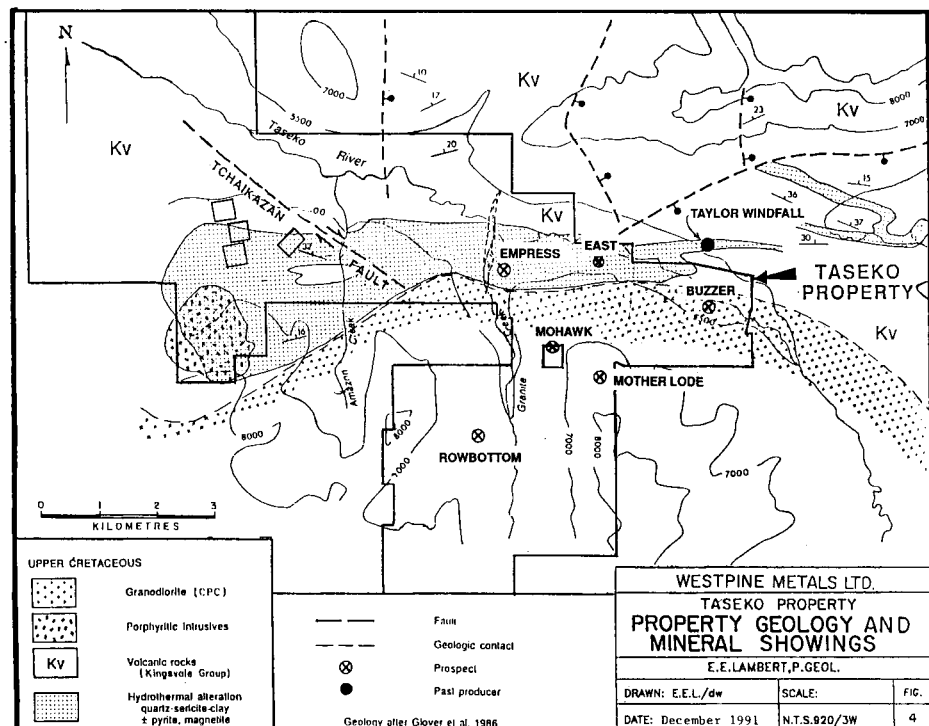
### Preliminary Pre-Feasibility Report

In less than three years since it was founded, Westpine Metals Ltd. has achieved several of its key goals as a junior natural resource company. It has arranged financing, established an ongoing relationship with one of North America's most successful mining companies, and it has delineated a geological mineral inventory on its Taseko copper-gold property.

A March 1991 preliminary pre-feasibility study by James Askew & Associates, Inc. of Denver, Colorado, calculated in situ resources within the Empress area on the Taseko property to be 11,078,000 tons grading 0.61% copper and 0.023 ounce per ton gold using a cut-off of 0.40% copper (not copper equivalent). The Askew report recommends an open pit operation as recovered reserves are optimized and operating costs are lower. The report calculates 10,474,000 tons of mineable reserves grading 0.582% copper and 0.022 ounce per ton gold with a stripping ratio of 5.9:1. This figure was arrived at using a 10% dilution of in situ resources with a grade of dilution estimated to be 0.20% copper and 0.015 ounce per ton gold.

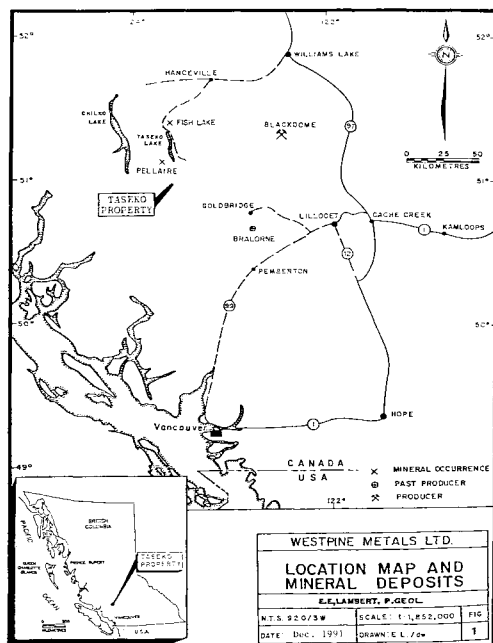
A Bacon Donaldson metallurgical study completed in May of this year indicates that mineralization can be treated by conventional milling. Initial testing of the copper-gold core from Hole W90-21 resulted in a recovery of 97.1% copper and 69.3% gold. Bacon Donaldson recommends a microscopic examination of the tailings to determine processing options to recover the rest of the gold which is either free or in pyrite.

Results from this study and 1990 and 1991 drilling confirm the exploration potential of the property. Drilling in 1991 discovered two significant new zones. The focus of the 1992 program will be to outline these two zones as well as to continue to define the mineral inventory in the Empress area.



## Property Geology & Development History

The 25 square-mile Taseko property, which has an exploration history dating back to the 20s, is located 140 miles north of Vancouver, British Columbia and is accessible by road via Williams Lake.



The area was explored for porphyry copper-molybdenum in the 60s and 70s and again in 1985 for its epithermal gold potential. In the two years prior to the joint venture with the Canadian subsidiary of Asarco Incorporated, Westpine Metals Ltd., Alpine Exploration Corporation (VSE:AXC) and Westley Mines Limited (TSE:WTY) compiled all of the available data on the Taseko property and conducted an exploration program of geochemistry, prospecting and 23 diamond drill holes.

There are at least eight mineralized showings in the area, four of which -- the Empress, Rowbottom, Buzzer and Motherlode-- occur within the Taseko property. The Empress consists of copper-gold mineralization with disseminated chalcopyrite, pyrite, magnetite, pyrrhotite and minor molybdenite in volcanic rock adjacent to the Coast Range batholith. These host rocks have been altered variably to quartz-plagioclase-andalusite and pyrophyllite. The Buzzer and Rowbottom Showings consist mainly of disseminated chalcopyrite and molybdenite within the granodiorite.

## Funding the Taseko Project

Westpine Metals financed its own work on the property to May, 1990 when it signed a joint venture agreement with ASARCO Exploration Company of Canada, Limited. Under this agreement ASARCO was granted an option to earn a 60% interest in the property by funding \$3.65 million in work through 1993 and completing option payments to Westpine totalling \$344,000 by January 15, 1994.

The agreement with ASARCO calls for minimum yearly work commitments as follows:

<u>Year</u>	<u>Work Commitment</u>
1990	\$ 300,000
1991	750,000
1992	1,000,000
1993	<u>1,600,000</u>
<b>Total</b>	<b>\$3,650,000</b>

ASARCO has fulfilled its work commitment of \$1,050,000 for 1990 and 1991. Westpine owns the Taseko Property subject to a 2.5% royalty from production and the ASARCO earn-in agreement.

## 1990 Exploration Program

Work in 1990 consisted of a drill program in the Empress area, and an airborne geophysical survey. A total of 11,490 feet of drilling (19 holes) was completed, and significant mineralization was encountered in 12 of the 19 holes.

Three copper-gold zones have been identified within the Empress area: the Upper and Lower North Zones and the 76 Zone. Key drill-hole intersections within the 76 Zone and Upper North Zone (W89-8) include:

W76-3:	180 feet of 1.20% Cu, 0.055 opt Au
T88-7:	149.5 feet of 0.53% Cu, 0.015 opt Au
W89-8:	342 feet of 0.35% Cu, 0.012 opt Au

Much of the high-grade Lower North Zone was defined during this program. Below are results from selected holes from this zone:

<b>Lower North Zone Selected Assay Results</b>				
<b>Hole</b>	<b>Interval</b>	<b>Width</b>	<b>Cu(%)</b>	<b>Au(opt)</b>
W90-17	472-652'	180'	1.41	0.054
including	581-629'	48'	2.27	0.105
W90-18	163-512'	349'	0.53	0.019
including	363-494'	131'	0.96	0.027
W90-21	503-718'	215'	0.90	0.036
including	509-569'	60'	1.78	0.061
and	599-627'	28'	1.92	0.087
W90-22	472-647'	175'	1.03	0.036
including	511-599'	88'	1.52	0.056

## 1991 Discovery of Two New Zones

The main objective of the 1991 program was to drill targets outside of the Empress defined by "Empress look-alike" geophysical anomalies as well as copper soil anomalies and results from previous drilling. Two potential new zones were discovered:

- **The East Zone:**  
3400 feet east of the Empress area, which is similar geologically to the Empress;
- **The Granite Creek Zone:**  
800 feet north of the Empress, which has characteristics similar to porphyry copper-type mineralization.

In addition, a number of other areas of lower grade mineralization were identified.

Results of the 1991 program are as follows:

### 1991 Drill Results

<b>Hole</b>	<b>Width</b>	<b>Cu(%)</b>	<b>Au(opt)</b>	<b>Zone or Distance from Empress</b>
W91-39*	72'	0.53	0.022	East
	224'	0.35	0.009	
W91-49	291'	0.23	0.008	Granite Ck.
W91-40	205'	0.23	0.008	5600' E
W91-41	273'	0.16		2300' E
W91-44	101'	0.14	0.004	1000' W
W91-47	26'	0.22	0.003	8000' W
	36'	0.22	0.002	

\* These two intervals are cut by two and four unmineralized dikes, respectively.

In spite of the relatively low copper-gold values in some of the drill holes, all are considered worthy of follow-up investigations in subsequent programs.

## Objectives of the 1992

The key objectives for 1992 will be to:

- Define the extent of the new East Zone
- Define the extent of the new Granite Creek Zone
- Explore areas of lower grade mineralization intersected in Holes W91-40, 41, 44 and 47
- Continue to expand the mineral inventory in the Empress area
- Explore for new zones

If you would like to follow Westpine's progress over the coming months, please fill out this card and return it to our offices in Vancouver.

**Please add my name to Westpine Metals Ltd.'s mailing list:**

Name: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ State/Prov.: \_\_\_\_\_

Postal/Zip Code: \_\_\_\_\_ Telephone: \_\_\_\_\_

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January 6, 1992

VSE: WM

SEC 12g3-2(b): 82-3116

FOR IMMEDIATE RELEASE:

## WESTPINE TO PROCEED WITH TASEKO PROJECT WITHOUT ASARCO

VANCOUVER, B.C. -- Willis W. Osborne, Chief Executive Officer of Westpine Metals Ltd., announces that ASARCO Exploration Company of Canada, Limited will not be continuing to finance work on the Taseko Property in 1992. ASARCO had an option to acquire 60% of the property over a four year period. To date ASARCO has funded over one million dollars of exploration and paid Westpine \$89,000. Westpine now holds 100% of the property subject to a 2.5% net smelter return royalty capped at 1.5 million dollars.

During the two years that ASARCO funded exploration, the Taseko Property has been considerably enhanced. In 1990, drilling was concentrated in the Empress area where three copper-gold zones occur. These are the 76, Upper North and Lower North zones. Drilling delineated the Lower North Zone which, prior to 1990, had been intersected by only two holes.

Following the 1990 drill program, two mineral reserve estimates were completed. The first, by Gilles R. Peatfield, calculated the reserves in the Lower North Zone. Using a cut-off of 0.15 percent copper, the study calculated a mineral inventory of 7,455,100 tons grading 0.73 percent copper and 0.024 ounces per ton gold. This included a high-grade core of a probable 476,600 tons of 2.33 percent copper, 0.081 ounces per ton gold and 0.23 ounces per ton silver.

The second mineral reserve estimate was run by James Askew and Associates, Inc. of Denver. Using a cut-off of 0.40 percent copper (not copper equivalent) the Askew group calculated in situ resources within the Empress area to be 11,073,000 tons grading, 0.61 percent copper and 0.023 ounces per ton gold.

In 1991, the focus of the program was to drill outside of the Empress area in order to discover new zones and not just to continue off-set drilling in the Empress. The program was very successful in that two potential new zones were discovered. The first, referred to as the East Zone, is located 4300 feet east of the Empress Area and appears to be similar to it in geological setting as well as the nature of mineralization. Three holes were drilled on two-hundred foot spacings, and it is open in all directions.

The second new zone, the Granite Creek Zone, is located 800 feet north of the Empress. Here Hole W91 - 49 intersected 291 feet of 0.23 percent copper and 0.008 ounces per ton gold. This is located in a porphyry copper type environment.


The main criticism of the property to date has concerned the depth of the zones. The reported top of the Lower North Zone, for example, is 450 to 550 feet from the surface and excludes lower grade mineralization found above. The James Askew study calculated a stripping ratio of 1 to 5.9 based on 0.40 percent copper. If the cut-off grade was reduced to 0.40 percent copper equivalent, it is thought that a substantial tonnage would be added in the higher 76 and Upper North Zones, thus lowering the stripping ratio.

Westpine intends to continue with exploration on the Taseko Property in 1992. Of many areas to be tested, the following are priority targets:

1. The East Zone: Step-out drilling is required in all directions from the three holes drilled in 1991,
2. The Granite Creek Zone: Step-out drilling is required to the north, northeast and west,
3. The Empress Area: The 76, Upper North and Lower North Zones are open to the east, where drilling is required, and
4. The Buzzer Zone: (5.5 million tons of 0.35% copper and 0.031% molybdenum). The area to the northwest must be tested.

Exploration is also planned on the large copper soil anomalies (greater than 200 ppm copper) which extend east from the Buzzer Zone through the Empress area to Amazon Creek, a distance of 19,000 feet.

Management of Westpine believes that the potential for both new discoveries and expansion of reserves is high. In the next few months Westpine will be considering its options for financing the 1992 phase of exploration. Depending upon the source of financing, Westpine is planning a \$500,000 to \$1,000,000 program for this coming season.

  
Willis W. Osborne, C.E.O.

The Vancouver Stock Exchange has neither approved nor disapproved the information contained herein.

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## CORPORATE INFORMATION

### SHARE INFORMATION

Authorized: 20,000,000  
Issued: 2,940,400  
Options: 269,000  
Escrow: 1,200,000  
Exchange:  
Vancouver Stock Exchange

Symbol: WM

12g3-2(b) Exemption #82-3116

Standard and Poor's Listed

Largest Shareholders:

Westley Mines Limited (TSE: WTY)

1,000,000 shares, 34%

Alpine Exploration Corporation

(VSE: AXC)

1,000,000 shares, 34%

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Willis W. Osborne, Chief Executive Officer  
& Director

D. Neil Hillhouse, Director

Thomas A. Richards, Director

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