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INTERNATIONAL CHEROKEE DEVELOPMENTS

HEATHER JOINT VENTURE (PN 224)

1987 EXPLORATION PROPOSAL AND BUDGET

NTS 92C/16

JANUARY 23, 1987
Revised March 17th, 1987

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INTRODUCTION

The Heather property, located 40 km southwest of Nanaimo (Figure 1), is underlain by the Paleozoic Sicker Group of the Cowichan-Horne Lake Uplift (Figure 2). The property was acquired to explore for VMS deposits within the Myra-Nitinat formations which host deposits at Buttle Lake and Mt. Sicker, and to assess the gold potential of a strong northwest-trending mega-shear zone that returned assays of up to 3.077 oz/T Au/1m.

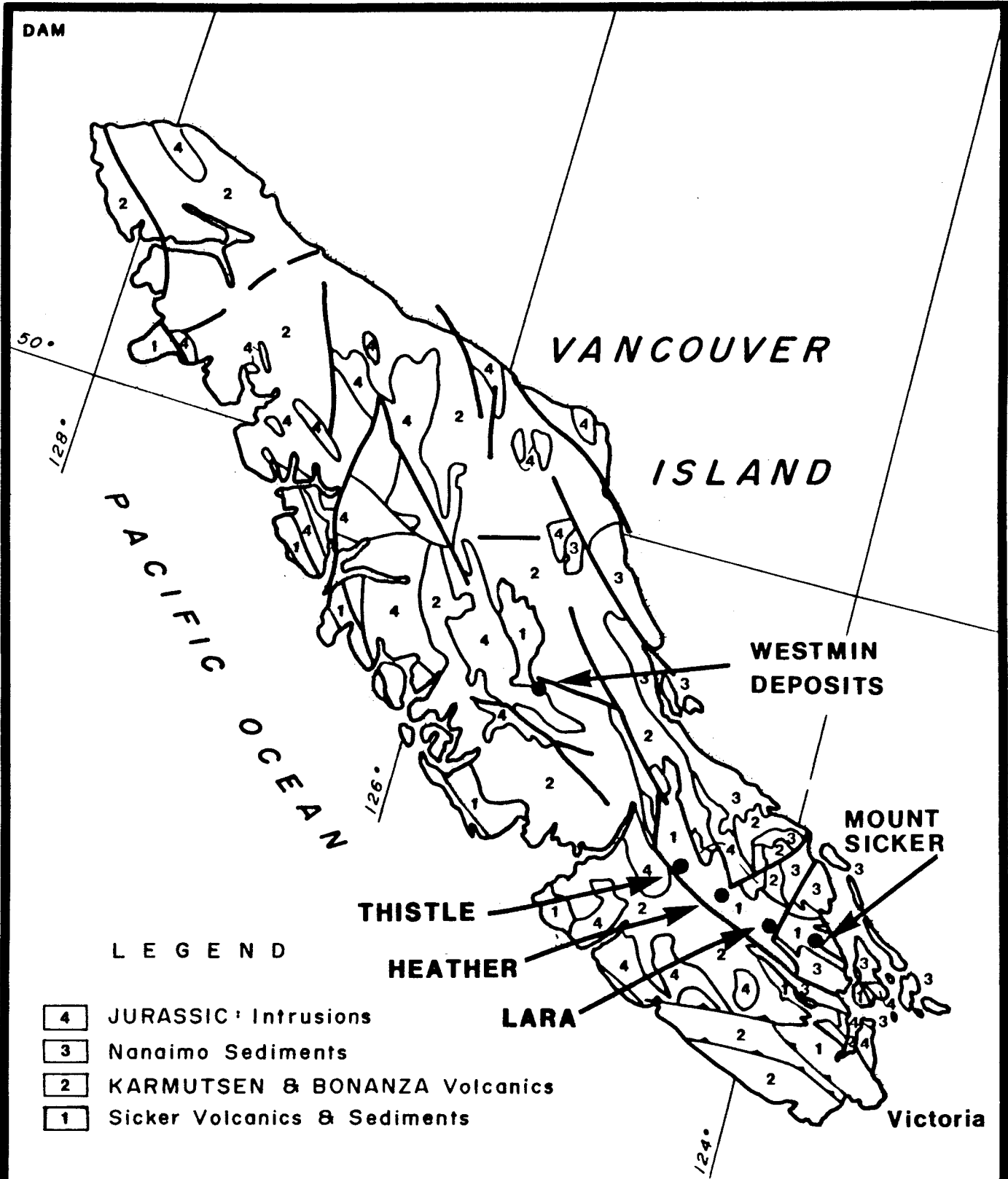
The Heather property was optioned from Canamin Resources in March, 1986. International Cherokee Developments, can earn a 45% interest in the Heather Property by spending \$300,000 by March 1st, 1988.

SUMMARY AND RESULTS OF THE 1986 EXPLORATION PROGRAM

The 1986 program was designed to quickly assess the VMS potential of the Sicker Volcanics and specifically, to define and test areas of anomalous Au within the Shear Zone. The following work was completed:

- | | |
|--------------|---|
| Drilling | - 5 holes (H-1 to 5) for a total of 547.10m. |
| Geology | - 33 km of grid was cut and mapped in detail (1:2000) with reconnaissance (1:5000) mapping of areas immediate to the grid and in the North Shaw Creek area. |
| Geochemistry | - Approx. 366 rock samples were analyzed for 12 major elements plus Cu/Zn; 225 of the samples were also analyzed for Au, Ag. |
| Geophysics | - 28.28 km VLF/magnetometer survey to delineate structures and a 21 km dipole-dipole IP survey to outline areas of disseminated sulphides. |

Detailed mapping and lithochemical sampling clearly defined a northwest-trending mega-shear zone that bisects the southern part of the property and outlined localized areas of anomalous Au values within this structure (Figure 2). Anomalous Au values ranged from 30 to 5000 ppb and including the Main Showing (3.07 oz/T Au/1m) all occur within pyritic, quartz-veined zones which parallel the main shear.



LEGEND

- 4 JURASSIC Intrusions
- 3 Nanaimo Sediments
- 2 KARMUTSEN & BONANZA Volcanics
- 1 Sicker Volcanics & Sediments

VANCOUVER ISLAND

GEOLOGY

SCALE: 1:2,000,000

December 1986

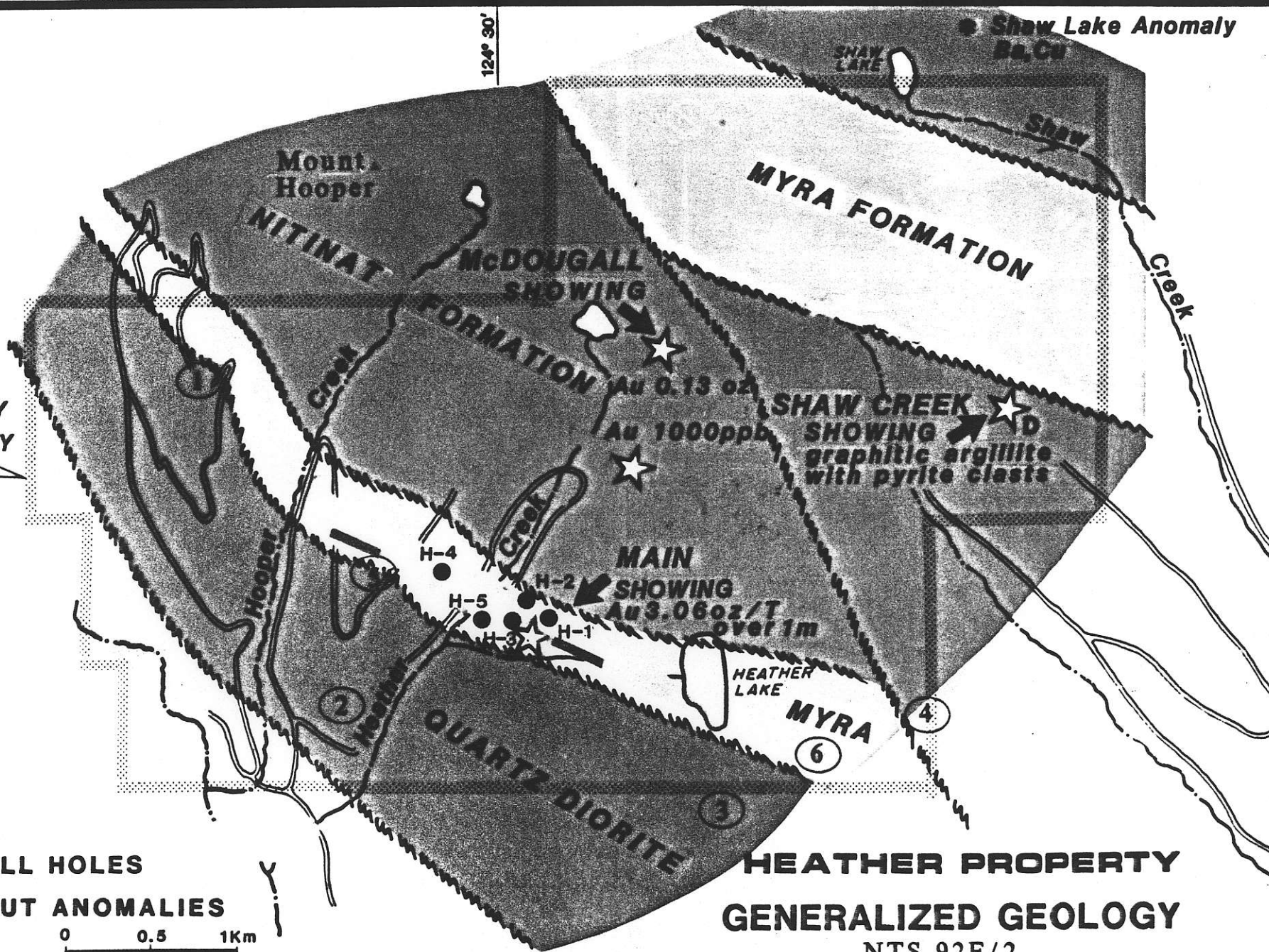
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FIGURE 1



124° 30'

PROPERTY
BOUNDARY



H-5 ● DRILL HOLES

⑥ INPUT ANOMALIES

0 0.5 1Km

**HEATHER PROPERTY
GENERALIZED GEOLOGY**
NTS 92F/2

Drilling was directed at testing areas of anomalous Au values coincident with IP and/or VLF conductors. No significant Au or base-metal values were intersected in the drill program. The mineralization encountered was chiefly fine disseminated and fracture pyrite (1-25%) with trace chalcopyrite; Au values ranged from 5 to 210 ppb. The discrepancy between surface Au values and those obtained in drilling prompted re-examination and sampling of the drill core and known Au-mineralized areas. The main results of this work indicate:

- 1) The surface values are real and in some cases higher values were returned with re-sampling.
- 2) Au tenor is not proportional to percentage sulphides or base-metal content.
- 3) Au values > 1000 ppb typically occur within a grey andesitic tuff. This "lithologic control" may be primary or it may reflect the massive nature of this competent unit which allows it to deform in a brittle manner facilitating later quartz-veining.
- 4) Au-bearing quartz veins do not dip uniformly north parallel to the Main Shear Zone but are variable in attitude and locally dip south parallel to local shears containing mylonitized ultramafic rocks. Re-sampling of the Main Showing suggests that some Au-bearing quartz veins are confined to the axial regions of folds and may have a rod-like form parallel to the fold axes.

1987 EXPLORATION PROGRAM

The high Au values obtained during the 1986 program, their occurrence within a strong regionally extensive structure and association with zones of intense carbonate and quartz-pyrite alteration warrant further work. The 1987 program will define the location and controls on Au mineralization within the shear and drill test priority targets. The following work is recommended.

- 1) Further mapping and sampling in conjunction with extensive trenching is required to define the limits of Au-enriched areas and controls (structural/stratigraphic/chemical) on their location.
- 2) A soil geochem survey over the shear zone from Line 4+00W to Line 21+00W to further define areas of anomalous Au mineralization.
- 3) Delineate and systematically sample the McDougall quartz veins which returned values of up to 0.52 oz/T Au from grab samples. Old workings on these veins will be mapped and sampled.
- 4) Extend detailed mapping/sampling of the shear zone to the west and re-sample and map in detail zones of strong carbonate alteration.
- 5) Initiate detailed mapping/sampling of pyritic siliceous ash and argillite units in the Shaw Creek area. These units may mark an exhalative horizon at the Myra-Nitinat transistion (H-W Horizon).
- 6) Drill priority targets generated from the 1986/87 programs.
Obvious targets include:
 - a) Au mineralization (3.077 oz/T Au) in the Main Showing may dip shallowly to the south. Two shallow-angle, short holes are required to test the down-dip extent of this mineralized zone.
 - b) a series of shallow-angle, short holes across the shear zone in vicinity of H-3, H-4 and at 14+50 West where surface samples returned values of up to 5000 ppb Au.

HEATHER JOINT VENTURE
 PROPOSED 1987 BUDGET
 QUARTERLY FORECAST OF EXPENDITURES

	JAN-MAR	APR-JUN	JULY-SEPT	OCT-DEC	TOTAL	
GEOLOGY	\$4,100	\$29,900	\$3,650	\$5,000	\$42,650	
GEOPHYSICS						
GEOCHEMISTRY		\$16,800	\$2,200		\$19,000	
DRILLING				\$43,600	\$43,600	
OPTION PAYMENT	\$10,000				\$10,000	
HOTELS AND MEALS		\$200	\$3,200	\$1,400	\$4,800	
ADMINISTRATION	\$492	\$5,628	\$1,086	\$6,000	\$13,206	

TOTAL NON FLOW	\$10,000				\$10,000	CFC
TOTAL FLOW THRO	\$4,592	\$52,528	\$10,136	\$56,000	\$123,256	CHEROKEE

TOTAL PROJECT	\$14,592	\$52,528	\$10,136	\$56,000	\$133,256	PROJECT

PROJECT BUDGET FORECAST
1987

PROJECT NAME: HEATHER JOINT VENTURE

PROJECT NO. 224

GEOLOGY

Salaries	\$25,600		
Travel Expenses	\$500		
Contract Payments	\$10,000		
Field Expenses	\$6,550		
Analyses	\$0	\$42,650	32%

GEOPHYSICS

Salaries	\$0		
Travel Expenses	\$0		
Contract Payments	\$0		
Field Expenses	\$0	\$0	0%

GEOCHEMISTRY

Salaries	\$2,500		
Travel Expenses	\$0		
Contract Payments	\$0		
Field Expenses	\$1,500		
Analyses	\$15,000	\$19,000	14%

DRILLING

Salaries	\$4,000		
Travel Expenses	\$1,000		
Contract(400m @ \$80)	\$32,000		
Field Expenses	\$1,950		
Analyses	\$4,650	\$43,600	33%

Line Cutting	\$0		2%
* Property Acquisition	\$0		
Hotels and Meals	\$4,800		
Computer Usage	\$0		
* Option Payments	\$10,000		7%
* Property Maintenances	\$0		
* Share of Regional Office	\$0		
Other	\$0		
Participants Share	\$0		

* Non Flow-Through Expenditures:	\$10,000		8% CFC
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Flow-Through Expenditures:	\$110,050		83% CHEROKEE
Administration	\$13,206		CHEROKEE

Total CHEROKEE	\$123,256		
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TOTAL PROJECT	\$133,256		
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