

DATE: November 10, 1989  
A  
TO: D. H. Watkins  
COPIES A  
COPIES TO: R. Weeks, I. D. Pirie  
DE  
FROM: A. J. Davidson  
SUJET  
SUBJECT: Brican's "Man" Property

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## Summary

Brican Resources Ltd.'s Man property consists of 30 units located near Missezula Lake north of Princeton, B.C. and 20 miles west of the Brenda Mine. Brican optioned the property in 1988 from a local prospector as a copper-gold alkaline porphyry prospect. Some previous work (including 12 holes) had been done on the property by Newmont in 1980. In early 1989 Brican carried out an IP survey and then drilled 8 holes on the property. Best values were 638' @ 0.29% Cu, 0.008 opt Au including 207' @ 0.76% Cu, 0.003 opt Au in one hole (321-1) and 92' @ 0.33% Cu, 0.017 opt Au in Hole 321-4. The mineralization occurs in true volcanic porphyry style that is, the values are contained in both narrow high grade (cpy-qtz) zones (1.52% Cu, 0.296 opt Au/3') and wide zones of disseminations and fracture fillings in andesitic rocks. The Brican drilling was centred on a large (500 m x +300 m) +15 msec chargeability anomaly that is open to the north off Brican's claims. Claims to the north are held by a Vancouver junior (Giant Pacific Petroleum) and apparently themselves contain a deposit estimated (MinDep) at 20M tonnes @ 0.2% Cu. Acquisition of these claims would be essential if we were to proceed on the Man property. I have attached Brican's latest and most comprehensive news release on the property for your information.

## Conclusions

The property appears to host a valid alkaline porphyry with significant gold and copper values and a truly strong widespread IP anomaly. The limited drilling done thus far has hit economic grade mineralization and only serves to indicate that the potential exists to make significant tonnes at an economic grade. Systematic grid drilling would be the next step and would cost \$350,000. The proximity of the Brenda Mine and their low cost porphyry Cu expertise can only be of great advantage to the project.

## Deal

Brican's suggested terms are as follows - Optionor to:

- 1) pay \$300,000 cash in 6 x 50,000 annual payments
- 2) spend \$3,000,000 / 6 years to earn a 100% interest
- 3) assume terms of underlying agreement \$20,000 March 90, \$10,000/yr advance royalty
- 4) give Brican a 30% NPI after recoupment and an interest in surrounding claims.

The terms are stiff but Brican is willing to negotiate if no-one accepts these (Placer Dome are the competition).

## Recommendation

Acquire the property under the best terms possible - but acquire it. It is an excellent candidate for the Minnova - Brenda JV and the 1990 proposed program (4500 m in 30 x 150 m holes on 100 m centres) will prove up the property one way or another. Potential is excellent for a near term large tonnage Cu-Au deposit close to Brenda.

# BRICAN RESOURCES LTD.

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NOVEMBER, 1989

## EXPLORATION UP-DATE

### \*\* MAN \* COPPER/GOLD \* ALKALINE PORPHYRY \* DEPOSIT \*

**SUMMARY:** Few Junior Resource companies have the **number, diversity and quality** of mineral rich exploration properties that offer as much **potential for success** as does Brican. This relates to a greater probability for success and offers the real excitement of discovery and potentially high returns for the risk INVESTOR who accumulates while the company is in the exploration stage. Through exploration, the MAN property (Fig. 1 to 4) offers the Speculative Investor potential for Share Value Appreciation. The geological setting of the Man is typical of **ALKALINE PORPHYRY** deposits, characterized by **large zones** of disseminated sulphide mineralization values in **copper and gold**. Gold's importance is its added value to the copper. Brican acquired the Man prospect after recognizing the potential for a **large tonnage copper deposit with significant gold values**, mineable by **OPEN PIT**. Brican's copper/gold **ore-grade** diamond drill results have significantly improved the potential of the property (Fig. 3 & 4 - Drill Results). Most notable is hole 321-1 which intersected a remarkable **638 feet (194 metres)** of copper/gold mineralization including **207 feet (63 metres)** of **0.76% copper and 0.003 oz/ton gold**. The **92 foot (28 metres)** intersection in hole 321-4 (**0.33% copper and 0.017 oz/ton gold**) adds significantly to the zone of mineralization (Fig. 3). To Brican's advantage this deposit is not located in a remote area on a mountain top but in an area of **easy access**. Needed **infrastructure** is available close by, where low-cost production ( Similco Mine ) is **already developed**. Grades do not need to be as high as in more remote areas to be profitably developed and mined.

**INTRODUCTION-GENERAL OVERVIEW:** Improved prices for most base metals, notably **copper** is providing the necessary incentive for exploration companies such as **BRICAN**. Known copper reserves are dwindling and without **new discoveries**, British Columbia's copper mining industry could soon be a shadow of its former self and lose its edge as a low-cost producer of copper. Initial discoveries of **porphyry deposits** made in the 1950's and 1960's enabled B.C. to move to the forefront as a low cost copper producer and attract International Investment. Once again exploration needs to be encouraged and supported to find the **mines of the future**. More exploration is needed to find new base metal reserves in order to sustain long term growth in British Columbia in the world economy.

**LOCATION/PROPERTY SIZE:** The Man Alkaline Porphyry copper/gold mineral property is located in the Missezula lake area of the Similkameen Mining Division, B.C. near Princeton (Fig. 2). The Man mineral claims lie within the **Nicola Group** of volcanic sedimentary and intrusive rocks which are known to be favourable host rocks for **Large Tonnage** porphyry copper deposits, with significant precious metal content. The claims are underlain by a complex assemblage of quartz-poor rocks of mainly andesitic composition. Copper/gold mineralization is associated with alteration zones in these rocks on the Man. The property is situated on a moderately sloping west facing, wooded hillside. Elevations range from 3200 to 5500 feet (975 to 1675 metres). Overburden depths are quite variable ranging from 0 to over 100 feet (30 metres) in the area tested by drilling. Rock outcrops comprise less than 5% of the surface area over the zone of known mineralization. The property is easily accessible by highway and allweather logging roads. Brican has the right to earn **100%** in **30 claim units**, covering **1,854 contiguous acres (750 hectares)**. The prospect started in 1988 with the 10 unit Man claims; by staking the Man 2 claims were added for protection and positioning Brican for future development in this exciting exploration area (Fig. 1). Of significance is the property **accessibility and closeness to any infrastructure** needed for its development. This would translate to lower costs and the potential to mine and process low grades that would not be economical elsewhere - a **big plus**.



GROWTH THROUGH EXPLORATION IN NORTH AMERICA

**BACKGROUND/PROPERTY HISTORY:** Intermittent exploration has taken place in the Man area between 1967 and the present time. Unlike grass root projects, the Man has seen basic, positive exploration carried out in the past. During 1979 to 1981 Newmont Exploration of Canada Limited carried out a program consisting of line cutting, soil geochemistry for copper (no gold geochemistry was done during this period), induced polarization and ground magnetic surveys, trenching, sampling, geological mapping and 8360 feet (2550 metres) of diamond drilling in 22 holes. Drilling cut substantial intersections of copper mineralization averaging approximately 0.40% copper with minor gold values averaging approximately 0.009 oz/ton gold. Their best copper intersection was 0.45% over 210 ft. (64 metres). The drilling also returned gold values ranging from 0.019 to 0.20 oz/ton over 30 to 118 feet (9. to 36 metres). The geology of the Man property is similar to other southern B.C. mines, where deposits are characterized by large zones of disseminated sulphide mineralization with values in copper and precious metals that are mined by low-cost open pit methods. Well known alkaline porphyry deposits in the region include the Afton Mine at Kamloops (383,000 oz of gold, 2,300,000 oz of silver and over 800,000,000 pounds of copper produced to date) and the Similco Copper Mine near Princeton (current reserves are 150,000,000 tons of 0.43% copper, plus precious metals, with 590,000 oz of gold and 7,300,000 oz of silver produced to date (Fig. 2). The opportunity to develop tonnage on the Man property is to Brican's advantage by carrying out the next stage of exploration drilling. Brican's geologists and consultants consider the Man Project to be an excellent copper/gold project with large tonnage potential.

**PROPERTY DEVELOPMENT:** With today's improved prices, attractive drill targets and today's developed technology properties such as the Man offer great potential for exploration development and financial rewards. We have once again been witnessing the resurgence of risk taking, where stocks suddenly jump from pennies to dollars. In June and July of 1988 Brican completed line cutting and a new, more detailed induced polarization survey. The IP survey was successful in delineating a large anomaly in the area of known copper/gold mineralization. This anomaly presents an attractive drill target only partially tested by previous drilling (Fig. 4). In January 1989 a program of diamond drilling was conducted in the central part of the large IP anomaly to test, confirm and extend the mineralization reported by Newmont. Brican's program of eight diamond drill holes totalling 4,950 feet (1510 metres) confirmed ore-grade mineralization within the large IP anomaly. Brican's results are generally higher than those reported by Newmont, probably due to better core recovery. Hole 321-1 was remarkable in that it averaged near ore-grade over its entire length of 638 feet of 0.29% Copper and 0.008 oz/ton gold, including 207 feet of 0.76% copper and 0.003 oz/ton gold (Fig. 3). The 92 foot intersection in hole 321-4 (0.33% copper and 0.17 oz/ton gold) adds significantly to the zone of mineralization encountered in holes 321-1 and the grade of this intersection compares favourably with the grade of gold bearing alkaline porphyry deposits that are in production, e.g. Ajax-Monte Carlo deposit near Kamloops. The 168 foot intersection in hole 321-4 (0.19% copper and 0.014 oz/ton gold) is the bottom section of the hole and the last sample in this hole graded 0.010 oz/ton gold. Hole 321-6 intersected six feet of strong chalcopyrite-chalcocite mineralization grading 1.15% copper and 0.27 oz/ton gold. Hole 321-8 was a step out hole 600 feet to the southwest of the area where the other holes were drilled, but still within the large IP anomaly. This hole intersected copper-gold from 292 feet to bottom at 517 feet and ended in 0.13% copper. The occurrence of copper-gold in all these holes provides a reasonable expectation that the entire IP anomaly is related to copper/gold mineralization. This anomaly covers an area 1,300 by 1,600 feet (400 x 500 metres) and is more than large enough to contain a mineable ore deposit. Encouraged by the positive results indicating the potential for a large copper/gold zone, the Exploration Group has recommended the next stage of exploration, an exciting Risk-Win situation.

— Rick Wynne's brother

**RECOMMENDATION:** The next stage of exploration proposed by Brican's Exploration Team is a \$150,000 to \$300,000 grid drill program. This grid drilling will require about 10,000 feet (4570 metres) in 30 holes distributed on 330-foot (100 metre) centers on a square grid (Fig. 4) and will further enhance the Man project's viability, potential and to attract a Major partner.

**CONCLUSION:** Grades encountered on the property compare favourably with the grade of copper/gold bearing alkaline porphyry deposits that are in production. The Ajax Monte Carlo deposit near Kamloops was recently brought into production by Afton Mines, with ore reserves of 27,000,000 tons grading 0.46 copper and 0.010 oz of gold per ton. Positive exploration results on the Man at this early stage encourage and justify the next stage of development. Especially encouraging is the occurrence of ore-grade drilled results (Fig. 3) in the IP anomaly combined with a reasonable expectation that the entire IP anomaly is related to copper/gold mineralization. The anomaly covers an area 1,300 by 1,600 feet (400 by 500 metres) and is more than enough to contain a mineable ore deposit. The property has other favourable zones yet to be explored and tested. This copper/gold project has an excellent potential to make an open pit mine, adding dramatically to Brican's share value.

**SOURCE/REFERENCES:** Discovery Consultants; Kenneth L. Daughtry, P.Eng.; Robert H. NyDokus & Associates; David C. Miller, P.Eng.; Frederick L. Wynne, P. Eng.; V. A. Preto-B.C. Ministry of Energy Mines and Pet. Resources; D. Visagie, Newmont Exploration of Canada; Industry & Mining Journals; BRI-NR 89-2,4&7; BRI-NR 88-6&11.

**AUTHORIZED CAPITAL:** 20,000,000  
**SHARES ISSUED:** 5,414,937

**Trading Range:** 1989 1988 1987  
 .90-.20 1.95-.40 1.00-.26

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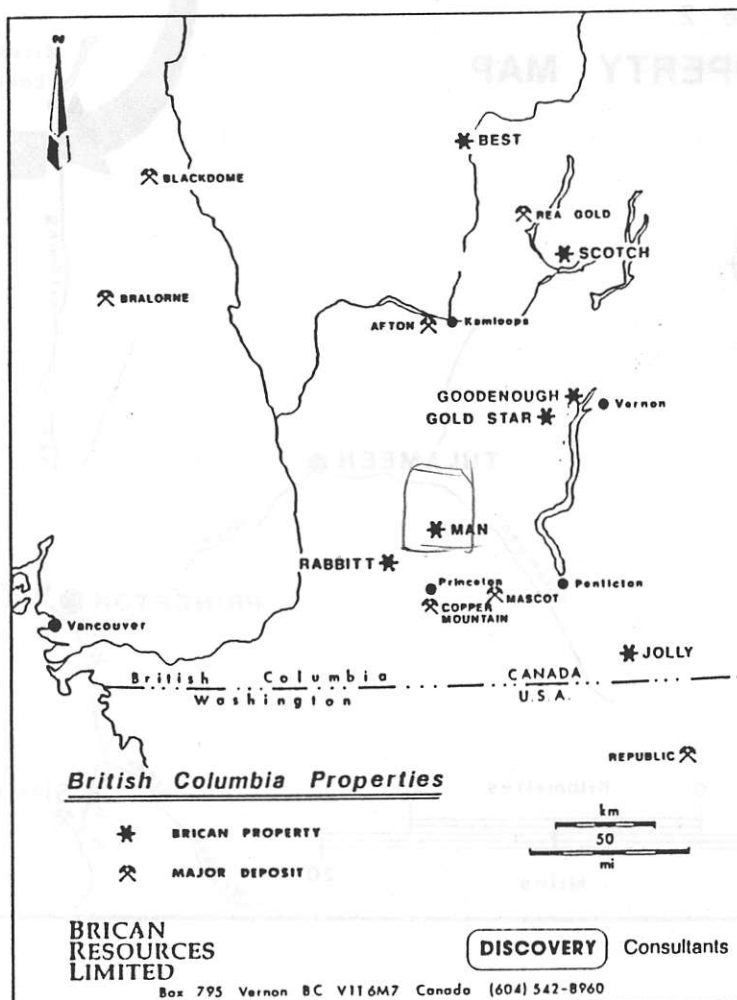
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**Director of Corporate Affairs**

**BRICAN MINERAL PROPERTIES**

- MAN** \* Copper/Gold  
Alkali-Porphry
- GOLDSTAR** \* Gold/Silver  
Epithermal
- JOLLY** \* Gold/Silver  
Volcanic
- SCOTCH** \* Gold/Silver  
Polymetallic  
Massive Sulphide
- RABBITT** \* Gold/Silver  
Polymetallic  
Massive Sulphide
- BEST** \* Gold  
Epithermal
- GOODENOUGH** \* Gold/Silver  
Polymetallic  
Massive Sulphide



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Figure 1  
**LOCATION MAP**

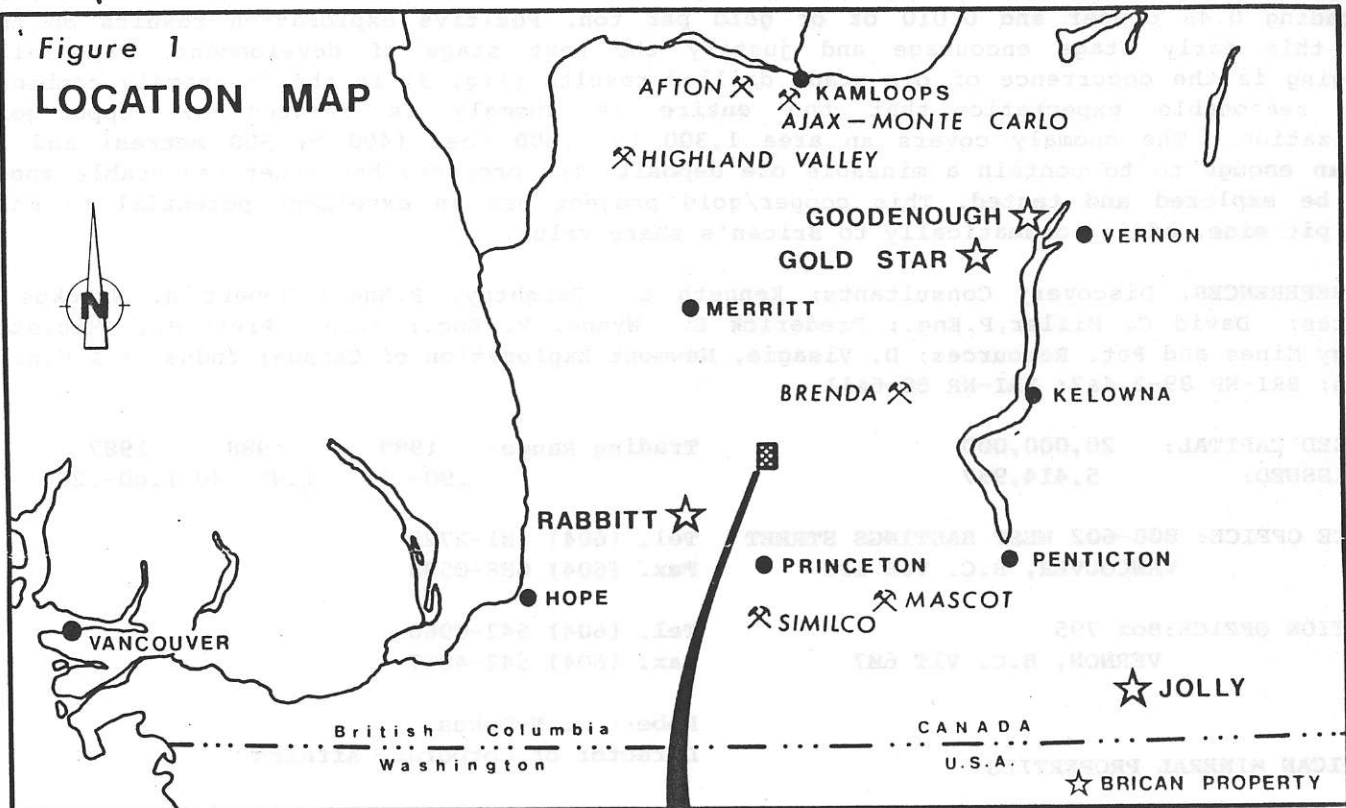
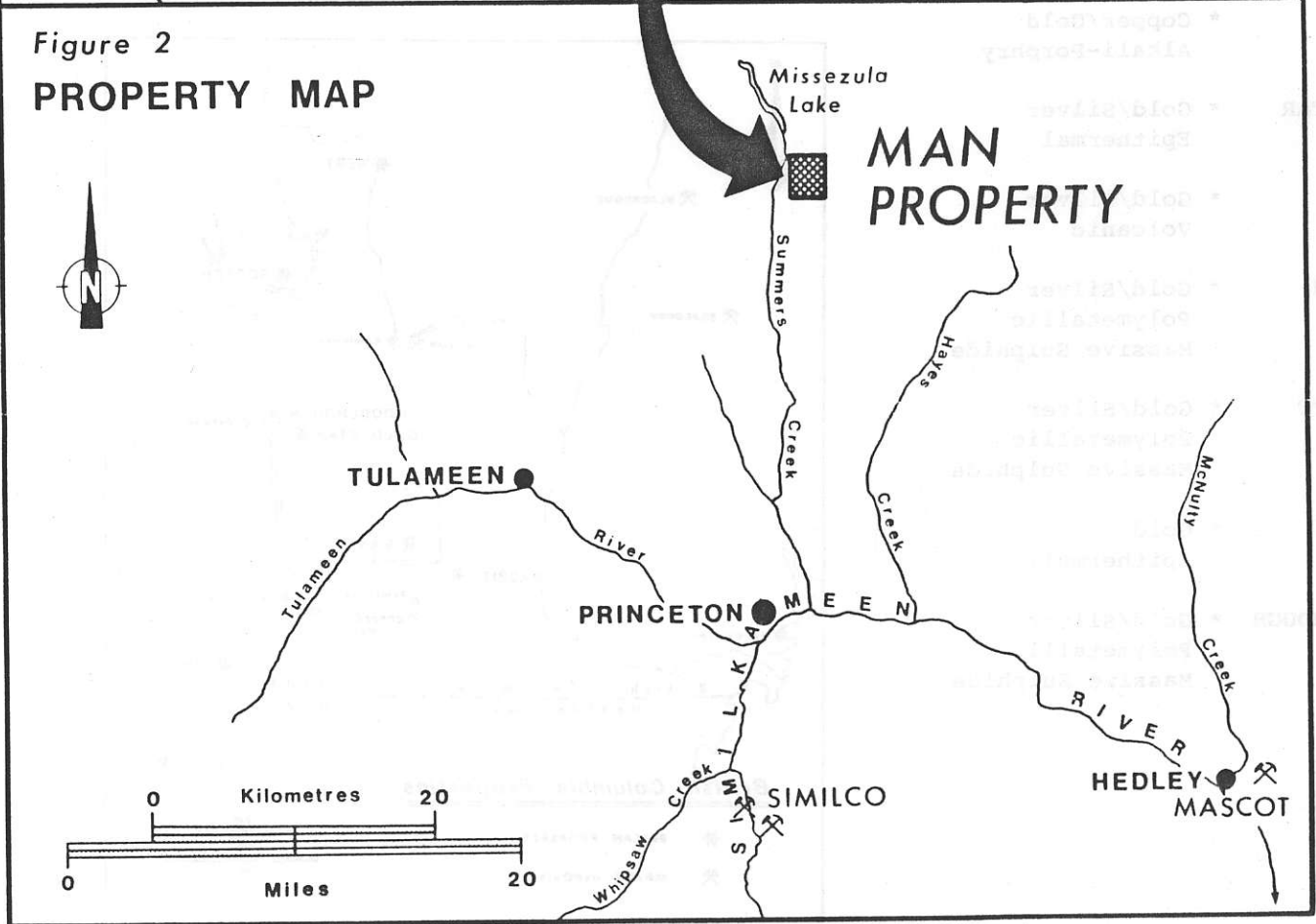


Figure 2  
**PROPERTY MAP**

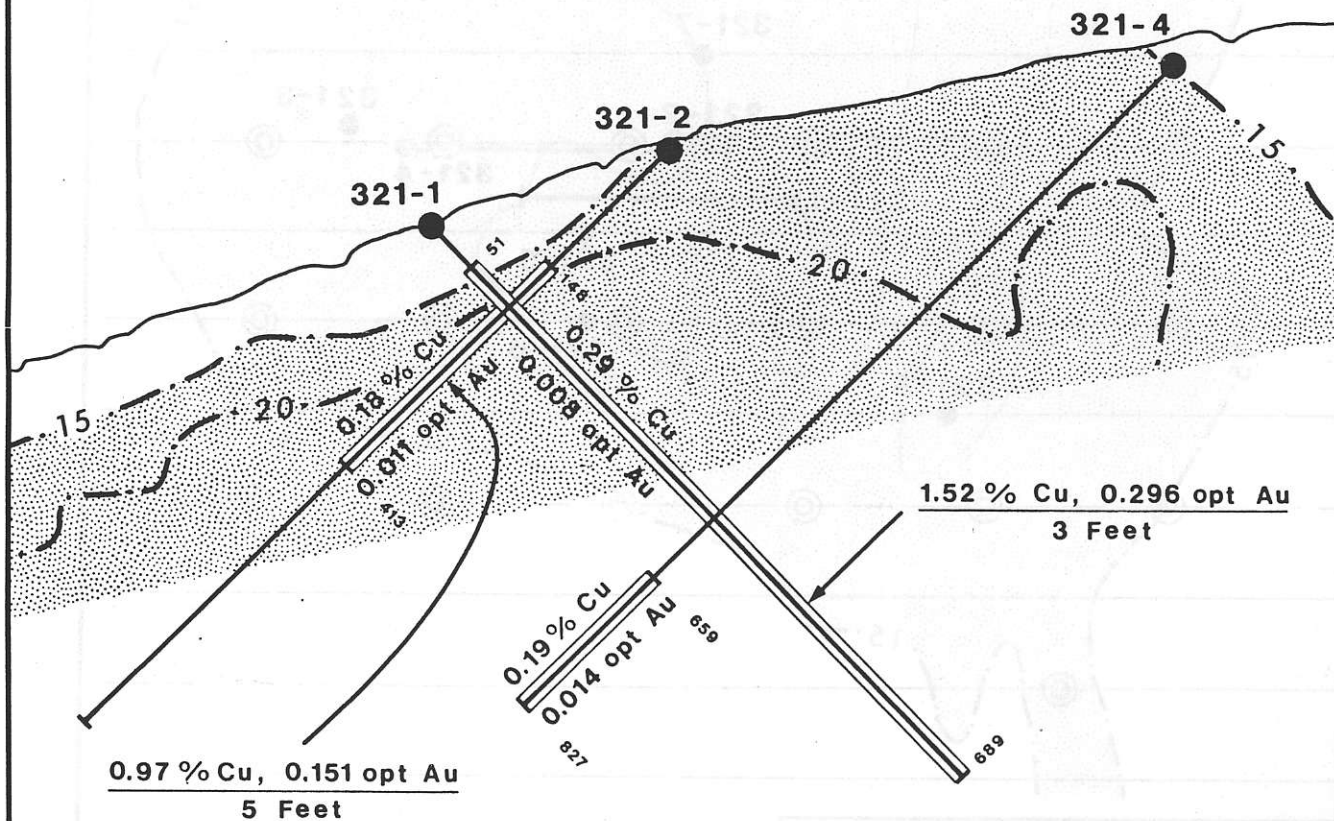


**DISCOVERY**  
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Figure 3

## COMPOSITE SECTION LOOKING NORTH



Hole No.	From (ft)	To (ft)	Length (ft)	%Copper	oz/ton Gold
321-1	51	689	638	0.29	0.008
	65	272	207	0.76	0.003
	92	125	33	1.39	0.006
	131	148	17	1.26	0.002
	476	479	3	1.52	0.296
	610	613	3	0.57	0.145
321-2	148	413	265	0.18	0.011
	289	294	5	0.97	0.151
321-4	659	827	168	0.19	0.014
	659	751	92	0.33	0.017
	675	695	20	0.73	0.030

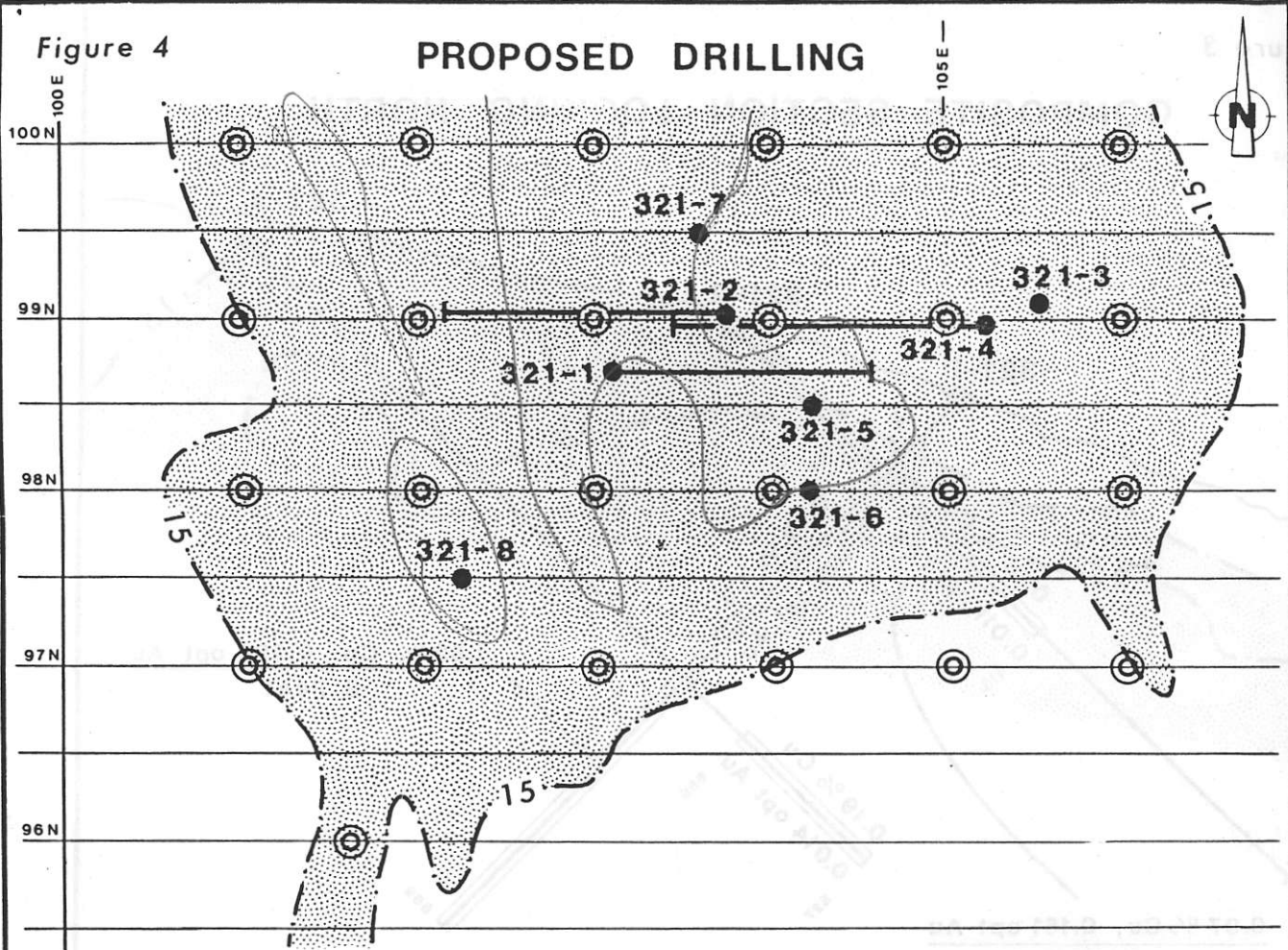
**DISCOVERY**

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Figure 4

## PROPOSED DRILLING



Hole No.	From (ft)	To (ft)	Length (ft)	%Copper	oz/ton Gold
321-1	51	689	638	0.29	0.008
	65	272	207	0.76	0.003
	92	125	33	1.39	0.006
	131	148	17	1.26	0.002
	476	479	3	1.52	0.296
	610	613	3	0.57	0.145
321-2	148	413	265	0.18	0.011
	289	294	5	0.97	0.151
321-4	659	827	168	0.19	0.014
	659	751	92	0.33	0.017
	675	695	20	0.73	0.030
321-5	133	141	28	0.28	0.021
321-6	392	398	6	1.15	0.270
321-7	37	75	38	0.43	0.006
	144	213	69	0.11	0.019
321-8	292	517	225	0.18	0.003
	292	312	20	0.32	0.012
	302	312	10	0.51	0.023
	390	400	10	0.50	0.033

### MAN PROPERTY



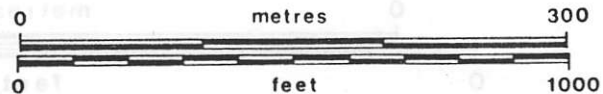
Proposed Drill Hole



Diamond Drill Hole (1989)



I.P. Response (milliseconds)  
n = 3



Note: DDH 321-3 no significant intersections

**DISCOVERY**

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