

826861

ISLAND COPPER MINE

92L/11W, 12E

LOCATION:

Located at the northeast end of Vancouver Island between sea-level and 300' elevation close to Port Hardy approx. 354 Km NW of Vancouver. Nanaimo Mining Division

OWNERSHIP:

UTAH MINES LIMITED, 412, 510 West Hastings Street, Vancouver
175 claims.

GEOLOGY:

The Island Copper mine lies in the lower part of the Bonanza volcanic pyroclastic sequence of Lower to Mid-Jurassic age which was intruded by a digitating QFP dyke, a differentiate of Island Intrusions. Emplacement and crystallization of the dyke was accompanied by a complex history of brecciation, fracturing, metasomatism, hydrothermal alteration and mineralization in a subvolcanic environment. Copper and molybdenum mineralization occurs as disseminations and veinlets in the andesite/basalt lapilli tuffs adjacent to the QFP contact.

RESERVES:

Total pre-production reserves:
257,000,000 Tonnes 0.52% Cu and 0.017% Mo.

PRODUCTION:

Began in 1971 from an open pit.
Milling 34,500 tonnes per day.

REFERENCES:

GEM 1970 Pg. 267
GEM 1972 Pg. 293
GSC Rpt. 31, 1977 - Geophysics and Geochemistry in the Search for Metallic Ores.

VALUATION: Island Copper Mine

Assumptions: 193,700,000 0.43% Cu, 0.017% Mo, 0.009oz/T Au, 0.06oz/T Ag.

Recovery 80% Cu, 75% Mo, 75% Au and Ag.

Production 14,900,000 Tons/Yr.

Productive Life 13 years

Capital Cost: assume this has been recovered

Cu = \$0.80/lb. CAN

Mo = \$9.50/lb. CAN

Au = \$450/oz CAN

Ag = \$12/oz CAN

Operating Costs ? \$10/Ton*

Annual Revenue	\$141,700,000
Operating Costs	\$149,000,000
NPV	NIL

* this may be slightly high

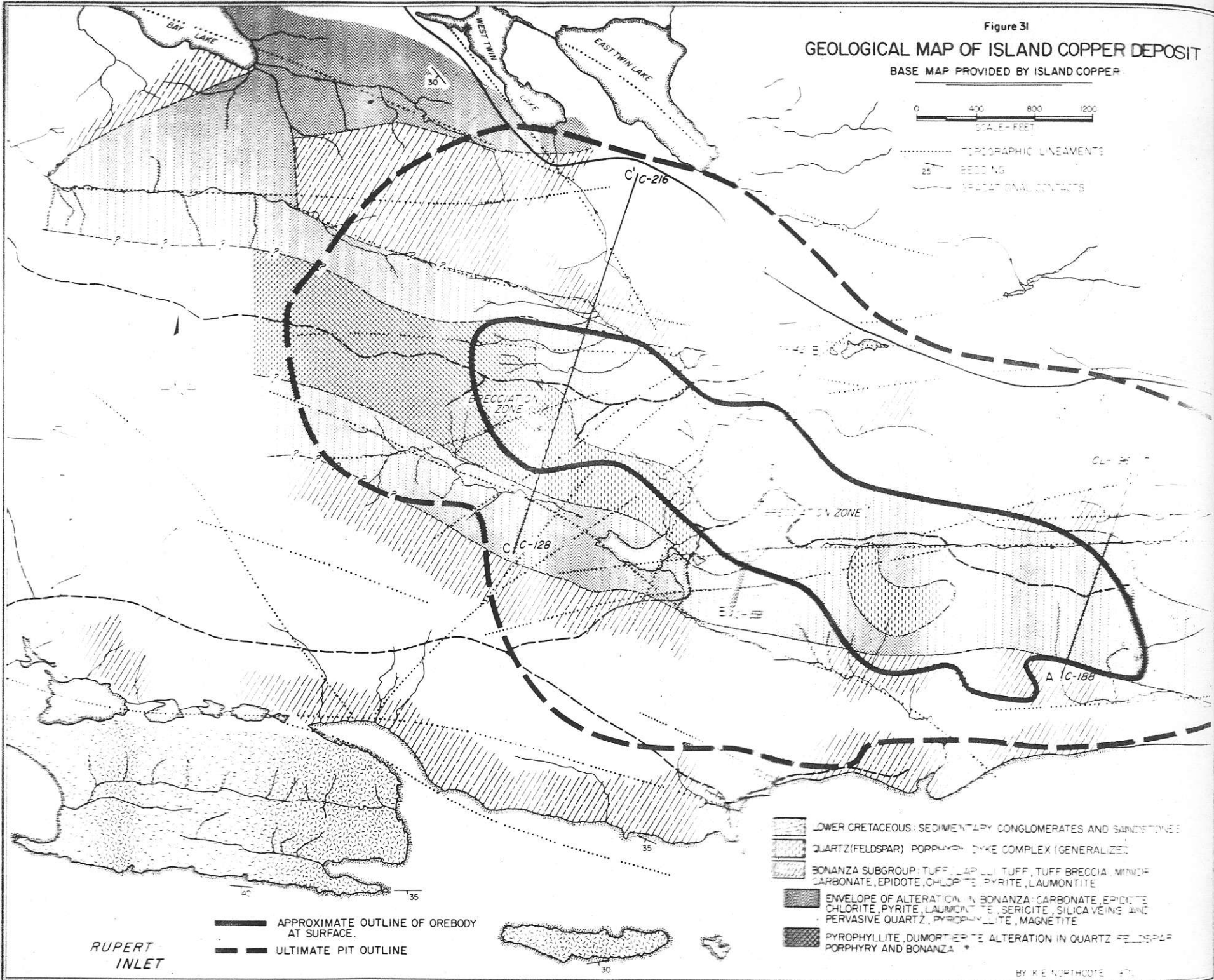
Figure 31

GEOLOGICAL MAP OF ISLAND COPPER DEPOSIT

BASE MAP PROVIDED BY ISLAND COPPER



- TOPOGRAPHIC LINEAMENTS
- 25' BEDDING
- SEDIMENTAL CONTACTS



- [Pattern] LOWER CRETACEOUS: SEDIMENTARY CONGLOMERATES AND SANDSTONES
- [Pattern] QUARTZ(FELDSPAR) PORPHYRY DYKE COMPLEX (GENERALIZED)
- [Pattern] BONANZA SUBGROUP: TUFF, LAPILLI TUFF, TUFF BRECCIA, MINOR CARBONATE, EPIDOTE, CHLORITE, PYRITE, LAUMONTITE
- [Pattern] ENVELOPE OF ALTERATION IN BONANZA: CARBONATE, EPIDOTE, CHLORITE, PYRITE, LAUMONTITE, SERICITE, SILICA VEINS AND PERVASIVE QUARTZ, PYROPHYLLITE, MAGNETITE
- [Pattern] PYROPHYLLITE, DUMORTIERITE ALTERATION IN QUARTZ FELDSPAR PORPHYRY AND BONANZA *

- APPROXIMATE OUTLINE OF OREBODY AT SURFACE
- - - ULTIMATE PIT OUTLINE

RUPERT INLET

