

LARA PROJECT (PN 242)

827234

1990 BUDGET PROPOSAL

BUDGET: \$1,000,000 (Minnova 100%)

OBJECTIVE:

To evaluate the massive sulphide potential of mineralized horizons and geophysical anomalies that occur near or within hydrothermal alteration zones.

SUMMARY:

The 3725 hectare Lara project is located immediately west of Minnova's Mt. Sicker projects. Minnova obtained the exclusive exploration rights to the property in late 1988 by acquiring an interest in Laramide Resources - the 100% owner of the claims. After acquiring the claims, a recalculation of the mineral inventory using a \$50 NSR over 2.0 meter cutoff indicated that the Coronation zone contained 324,860 tonnes with a grade of 0.91% Cu, 1.26% Pb, 6.01% Zn, 111.1 g/T Ag and 4.70 g/T Au (NSR = \$101.67/T). If a \$30 NSR over 2 meter cutoff is used, the estimated tonnage increases to 551,295 tonnes with a grade of 0.51% Cu, 0.62% Pb, 3.10% Zn, 68.6 g/T Ag, and 2.85 g/T Au (NSR = \$58.70/T). The open pit potential of this mineralization is being evaluated.

The present interpretation is that the Coronation Zone is a stringer zone associated with a volcanogenic massive sulphide deposit. An early phase I folding event resulted in an intense stretching (up to 10 to 1) and shallow easterly plunge (10 - 15°) to the zone. A regional late thrust faulting event has locally repeated both the mineralization (ie. Hanging Wall Zones) and the stratigraphy to the north of the Coronation Zone. The implication of this interpretation is that any one of the mineralized and

cherty horizons that occur on the property may be correlative with the VMS horizon that overlies the Coronation Zone.

Geological, geophysical (IP, VLF, Mag) and lithogeochemical surveys were carried out along strike and to the north of the Coronation Zone. Several IP and VLF anomalies were identified and 2 zones of hydrothermal alteration were located. An elongate, east-west trending zone of Ba enrichment, Na<sub>2</sub>O depletion and spotty Cu and Zn enrichment occurs to the north and east of the Coronation Zone. The other area of alteration is associated with the Randy Zone which occurs near the transition between Sicker volcanics and Sicker sediments.

In 1990, geological, geophysical (IP, VLF and Mag) and lithogeochemical surveys will be completed in the eastern part of the claim group. The bulk of the budget is devoted to diamond drill testing of specific horizons and geophysical targets in areas of anomalous geochemistry. Since 1984, 80% of the drilling on the property has been directed at evaluating the Coronation trend. The 1990 program is a start at evaluating some of the other excellent VMS targets on the Lara property.

### SPECIFIC PROPOSALS

1. Ground Surveys

-25km linecutting, IP, VLF, Mag, geology, lithogeochemistry - to complete coverage in eastern part of property.

2. Drilling (10,000 m)

-test specific horizons and geophysical anomalies in the following areas:

a. Randy Zone

b. IP, VLF anomalies in Ba, Cu, Zn enriched, Na<sub>2</sub>O depleted zone north and east of Coronation Zone

c. extension of 214 - 216 Zn horizon (1.05% Zn/1.55m)

d. extension of barite - pyrite "vein"

e. pyritic cherts overlying andesite crystal tuffs located north of Coronation Zone

3. Other

- a. Environmental monitoring of creeks and streams in area (especially around underground workings)
- b. further metallurgical/mineralogical work on Coronation Zone

TENTATIVE SCHEDULE:

- 1. Linecutting, geophysics - April - May
- 2. Geology, lithogeochemistry - June, July
- 3. Drilling - April - June; September - November

# PROJECT BUDGET FORECAST

## 1990

PROJECT NAME: **LARA**

PROJECT NO. **242**

### GEOLOGY

Salaries	\$100,000		
Travel Expenses	\$1,000		
Contract:environment	\$3,000		
Field Expenses	\$15,000		
Analyses:environment	\$4,000	<b>\$123,000</b>	<b>12%</b>

### GEOPHYSICS

25 km IP,Mag,VLF

Salaries	\$0		
Travel Expenses	\$0		
Contract Payments	\$35,000		
Field Expenses	\$0	<b>\$35,000</b>	<b>4%</b>

### GEOCHEMISTRY

Salaries	\$3,000		
Travel Expenses	\$0		
Contract Payments	\$0		
Field Expenses	\$500		
Analyses	\$4,000	<b>\$7,500</b>	<b>1%</b>

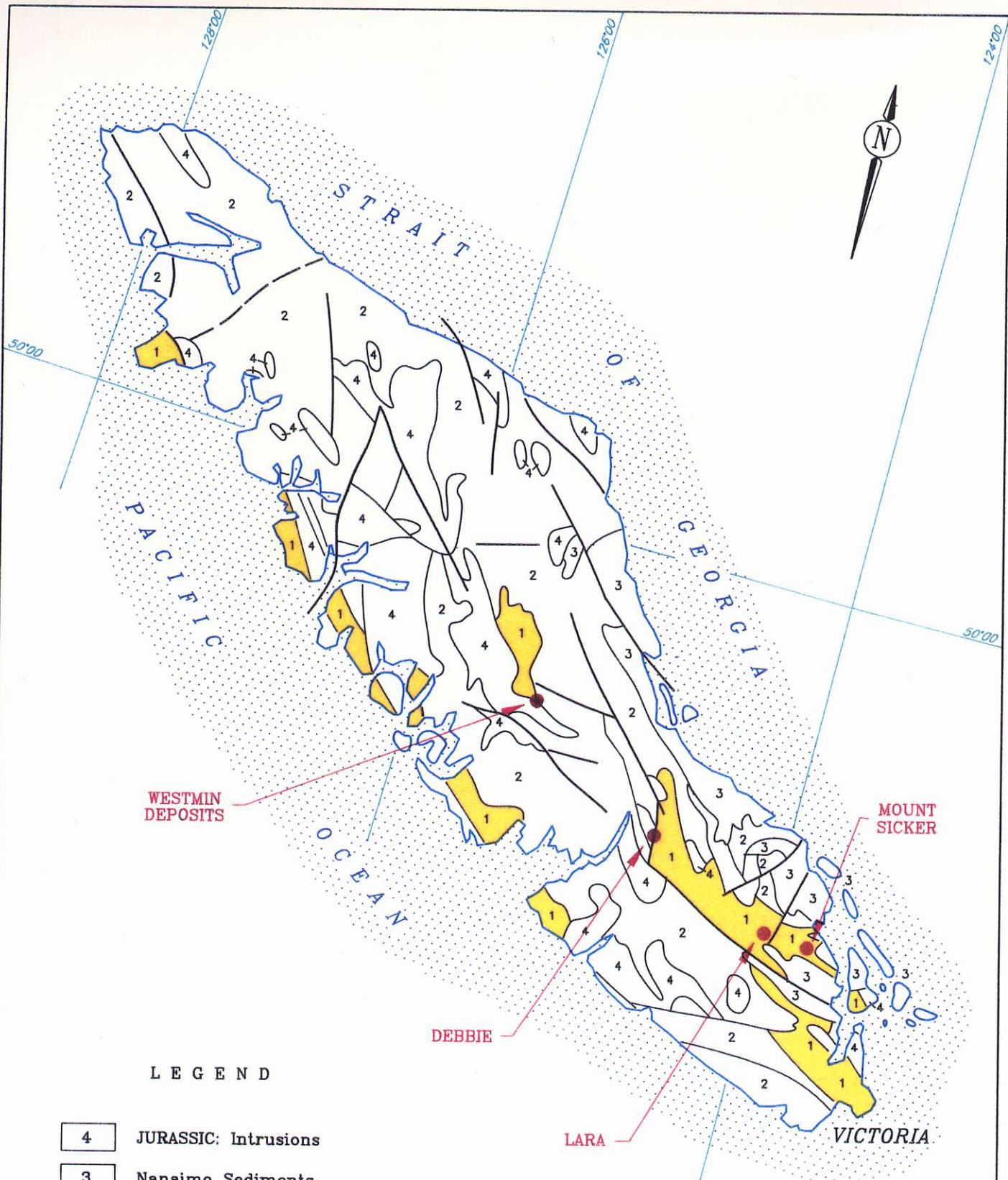
### DRILLING

10000m @ \$65

Salaries	\$82,500		
Travel Expenses	\$1,000		
Contract Payments	\$650,000		
Field Expenses	\$11,500		
Analyses	\$20,000	<b>\$765,000</b>	<b>77%</b>

<i>Line Cutting</i>	25 km @ \$500	<b>\$12,500</b>	<b>1%</b>
<i>Trenching</i>		\$0	0%
<i>Hotels and Meals</i>		\$27,000	3%
<i>Option Payments</i>		\$0	0%
<i>Property Maintenance</i>		\$0	0%
<i>Other</i>	Metallurgical	\$30,000	3%

**TOTAL DIRECT EXPENDITURES** **\$1,000,000**



L E G E N D

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

VANCOUVER ISLAND

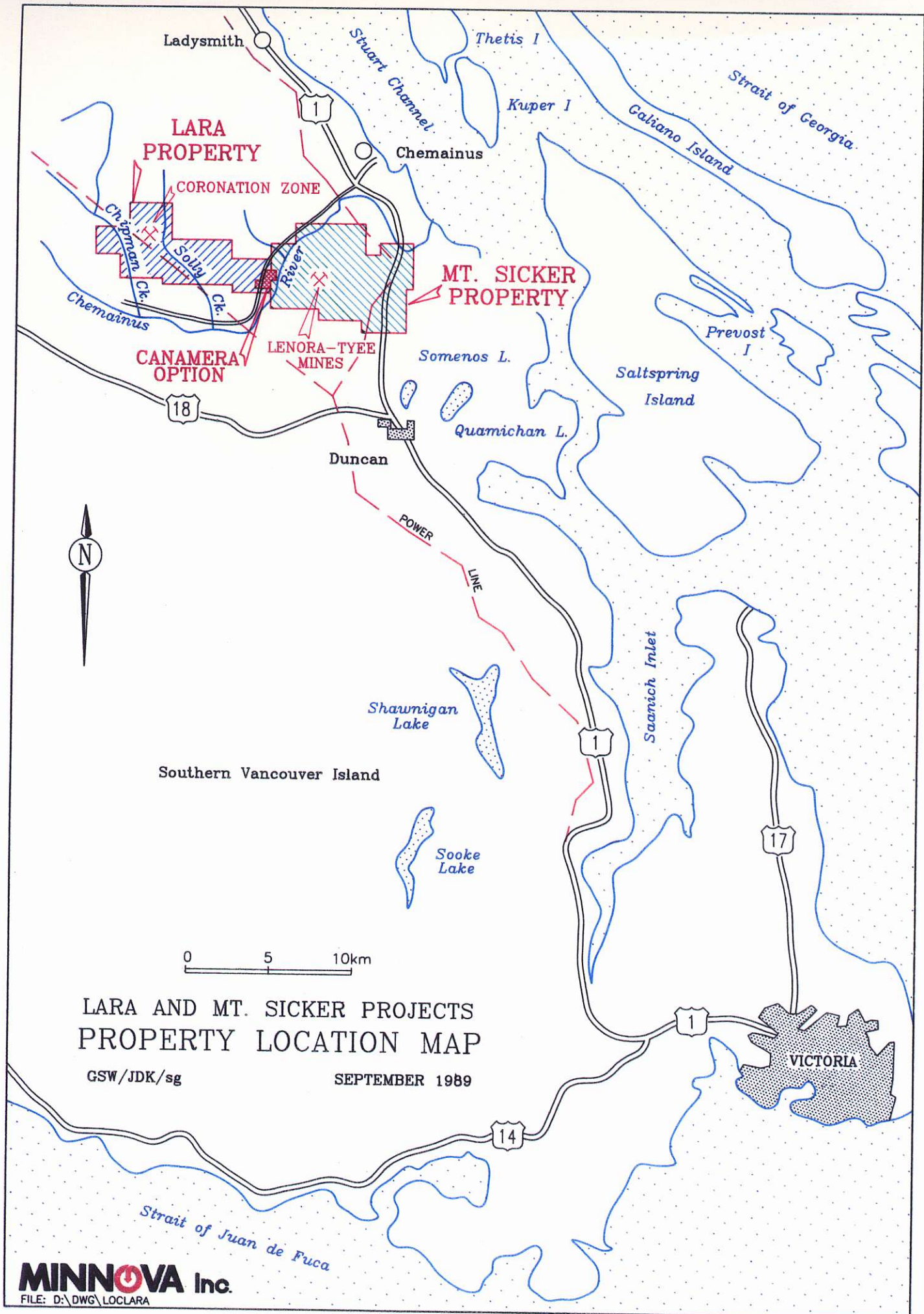
GEOLOGY

SCALE: 1:2,000,000

**MINNOVA** Inc.  
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GSW/sg

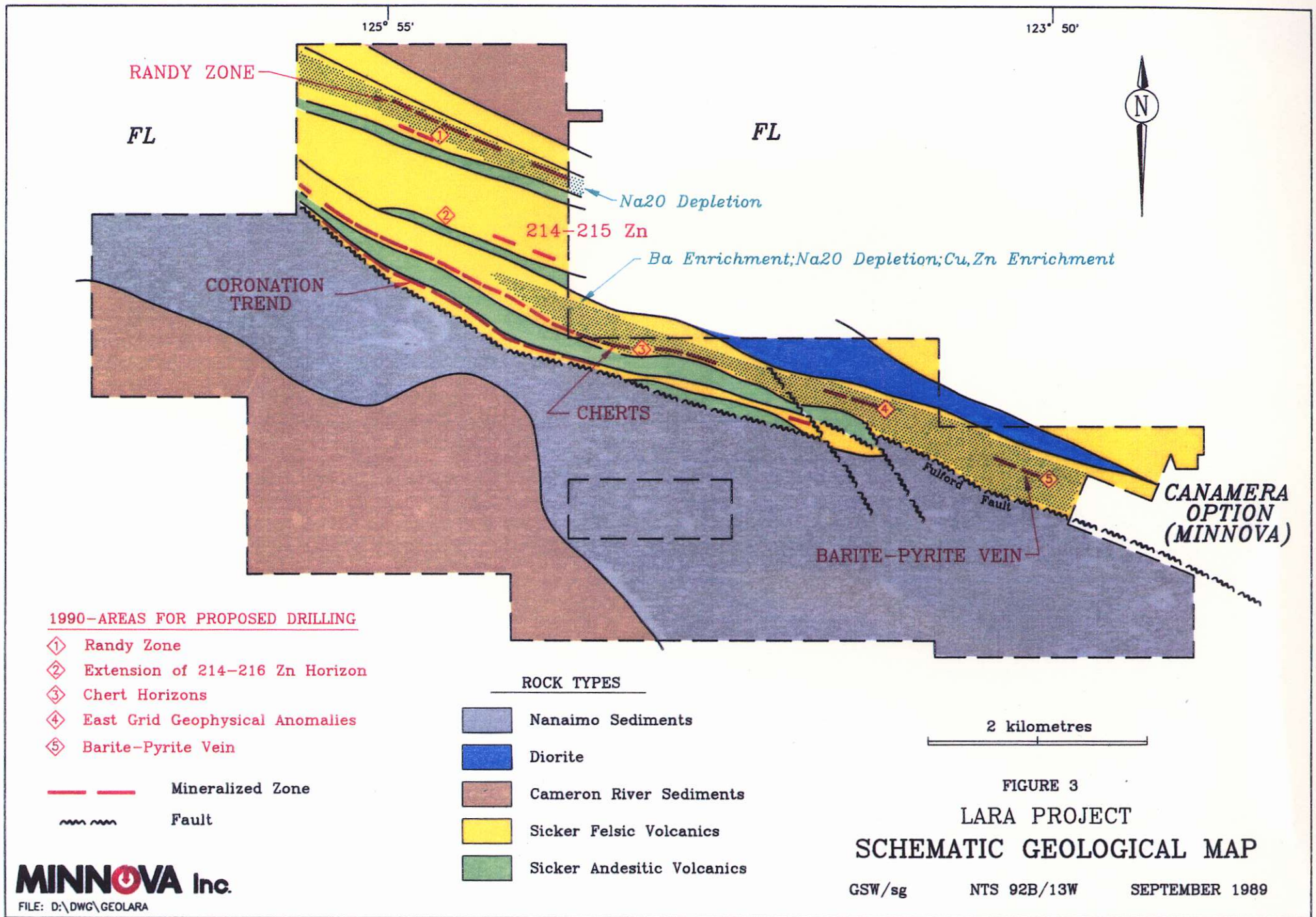
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LARA AND MT. SICKER PROJECTS  
PROPERTY LOCATION MAP

GSW/JDK/sg

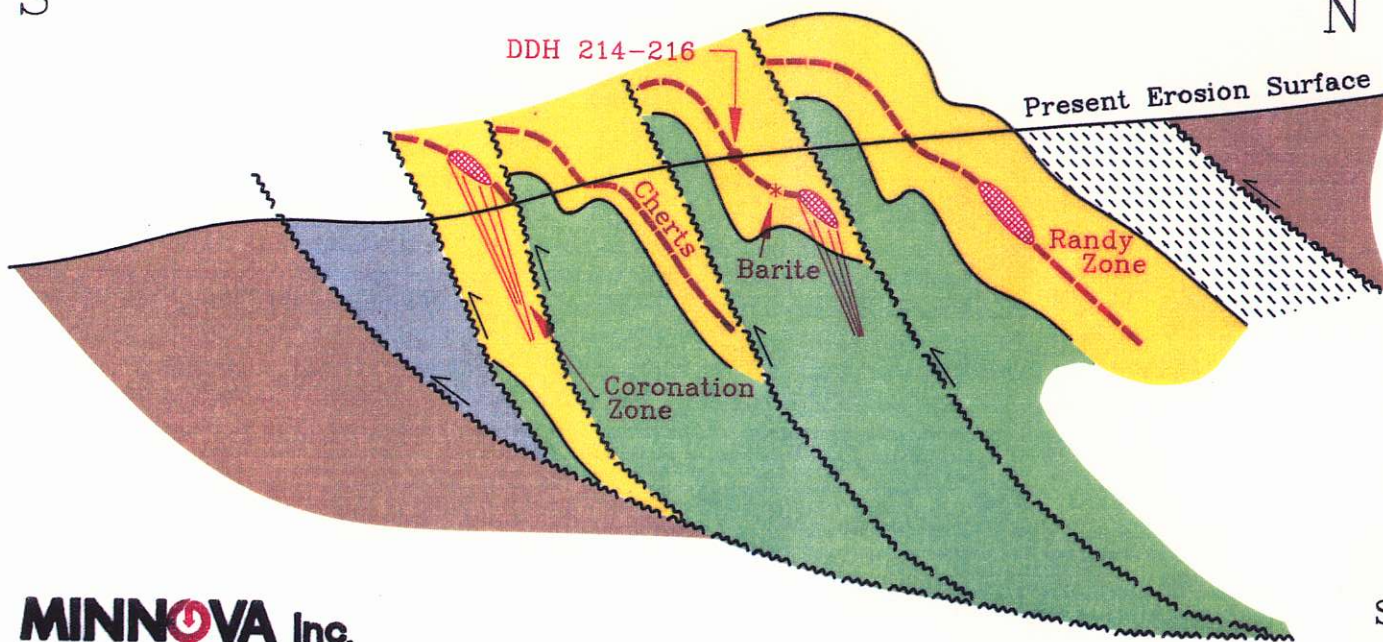
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ROCK TYPES

-  Nanaimo Sediments
-  Cameron River Sediments
-  Sicker Volcanogenic Sediments
-  Sicker Felsic Volcanics
-  Sicker Andesitic Volcanics
-  Volcanogenic Massive Sulphides
-  Stringer Zones

LARA PROJECT  
SCHEMATIC CROSS-SECTION

GSW/sg

SEPTEMBER 1989

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