

LARA
827314

MINNOVA

MEMORANDUM

DATE: June 26, 1989
A TO: A.J. Davidson
COPIES A COPIES TO: I.D. Pirie, D.H. Watkins
DE FROM: G.S. Wells
SUJET SUBJECT: Progress Report - Vancouver Island Projects - June 1989

LARA PROJECT PN 242

The spring drill program was completed on the Lara Property in early June. One hole was drilled for a monthly total of 230.7m and a YTD total of 6714.1m.

Hole 89 - 255 tested a well-defined IP anomaly located northwest of the Coronation Zone. A sequence of interlayered felsic tuffs, intermediate tuffs and diorites was intersected. The IP anomaly is due to zones of finely disseminated pyrrhotite hosted in intermediate tuffs and lapilli tuffs. Finely disseminated reddish brown sphalerite is also associated with these mineralized zones (1836 ppm Zn over 2.6m: 1740 ppm Zn over 2.5m). Further testing of this IP anomaly will be done during the fall program.

All of the assay results for the Coronation zone have been received and results not previously reported are included in the attached table. All high grade values were reported last month.

Geological mapping and lithochemical sampling is continuing on the Mine and new exploration grids. Approximately 25km of the 60km of grid has been explored to date. Initial results indicate that there are intensely stretched coarse fragmentals in the western part of the property. Geochemically, these units are relatively unaltered, but the large fragment size may be indicative of proximity to a volcanic center.

In the central part of the Lara property, a zone of sodium depletion, barium enrichment and spotty copper and zinc enrichment has been located. These anomalies appear to be associated with the cherts and intermediate tuffs that overly the andesitic crystal tuffs in the Coronation Extension Zone. Some short drill holes have been drilled in the area by Abermin and

these are being relagged to check for possible mineralized horizons. Further drilling in this area will be considered for the fall program.

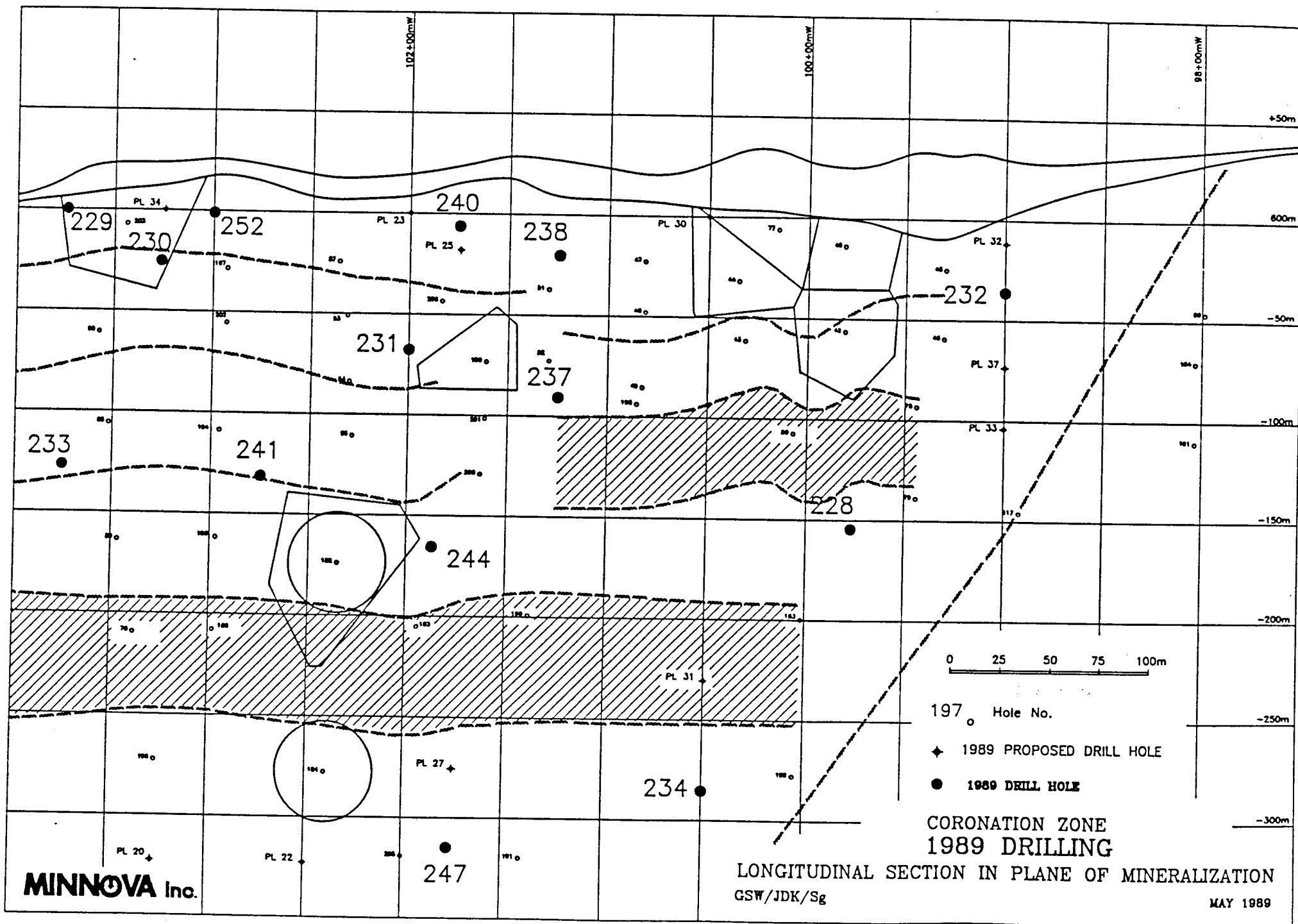
Other work done on the Lara property in June includes sampling of all of the rock piles from the underground program to test for their acid generating potential. This was done under the direction of John Villame^rse of Hatfield Consultants as part of a program to evaluate what we have to do to dispose of this environmentally sensitive problem.

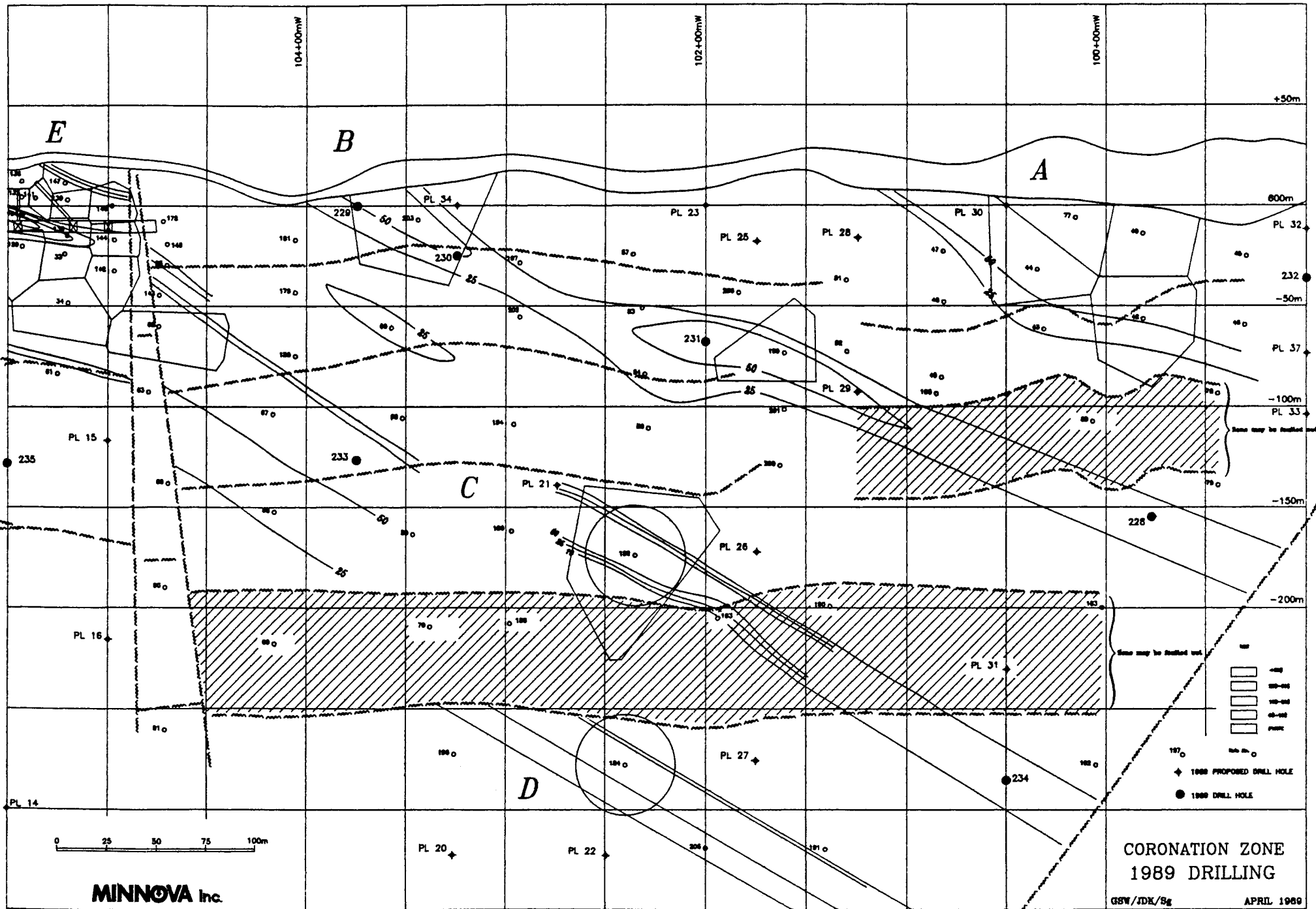
ASSAYS FROM MAY DRILL HOLES

Hole #	Mineralization
243	116.54 - 122.1 - 0.05% Cu, 0.09% Pb, 0.18% Zn; 20.31g/t Ag; 0.47g/t Au over 5.57m = Hanging Wall 171.6 - 186.4 = 0.23% Cu; 0.03% Pb; 0.48% Zn; 4.74 g/t Ag 0.34g/t Au over 14.8m = Coronation Zone
244	256.0 - 256.5: 44 ppm Cu; 27 ppm Pb; 82 ppm Zn; 1.2 ppm Ag; 1.21g/t Au over 0.5m = <u>Coronation Zone</u>
245	Assays reported in May monthend
246	63.1 - 69.2 = 206 ppm Cu; 409 ppm Pb; 1012 ppm Zn; 2.9 ppm Ag; 83 ppb Au over 6.1m = <u>Hanging Wall Zone</u> 115.31 - 123.67: 0.20% Cu, 0.18% Pb, 2.25% Zn; 10.99 g/t Ag; 0.41 g/t Au over 8.36 m = <u>Coronation Zone</u> includes 115.31 - 120.12: 0.29% Cu; 0.13% Pb; 3.10% Zn; 13.19 g/t Ag; 0.33 g/t Au over 4.81m
247	Assays reported in May monthend
248	No significant assays
249	149.13 - 157.43: 51 ppm Cu; 87 ppm Pb; 135 ppm Zn; 2.6 ppm Ag; 61 ppb Au over 8.3m = <u>Coronation Zone</u>
250	200.85 - 232.7: 107 ppm Cu; 323 ppm Pb; 980 ppm Zn; 1.6 ppm Ag; 60 ppb Au over 31.85m = <u>Coronation Zone</u> includes 200.85 - 207.7: 200 ppm Cu; 606 ppm Pb; 2021 ppm Zn; 3.2 ppm Ag; 52 ppb Au over 6.85m
251	No significant assays
252	No significant assays
253	No significant assays
254	192.4 - 193.65: 6100 ppm Cu; 18 ppm Pb; 815 ppm Zn; 3.7 ppm Ag; 900 ppb Au over 1.2m = disseminated py -

LARA DRILLING - JUNE 1989

<u>Hole #</u>	<u>Location</u>	<u>Azimuth</u>	<u>Col.Dip</u>	<u>F. Depth</u>	<u>Results</u>
255	119 + 00W; 104 + 38N	208°	-52°	230.7m	57.9 - 60.5: 352ppm Cu; 1836ppm Zn over 2.6m - 1-2% diss. po, py, sph, in intermediate tuff/ash. 139.3-141.8: 250 ppm Cu, 1740 ppm Zn over 2.5m - 1-2% diss. po, py, sph, cp, in intermediate lapilli tuff.





104+00mW

102+00mW

100+00mW

+50m

600m

232 ●

-50m

PL 37

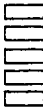
-100m

PL 33

-150m

-200m

See map for detailed view

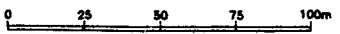


197 ○

198 ○

◆ 1988 PROPOSED DRILL HOLE

● 1989 DRILL HOLE



**CORONATION ZONE
1989 DRILLING**

GSW/IDX/Bg APRIL 1989

E

B

A

C

D

235 ●

PL 15 ◆

233 ●

PL 21 ◆

PL 26 ◆

228 ●

PL 16 ◆

PL 31 ◆

PL 14

PL 20 ◆

PL 22 ◆

PL 27 ◆

234 ●

PL 34 ◆

PL 23

PL 25 ◆

PL 28 ◆

PL 30

PL 32

PL 37

PL 33

See map for detailed view

-150m

-200m

See map for detailed view

400

300-400

200-300

100-200

0-100

POINT

197 ○

198 ○

◆ 1988 PROPOSED DRILL HOLE

● 1989 DRILL HOLE

MINNOVA Inc.

**CORONATION ZONE
1989 DRILLING**

GSW/IDX/Bg APRIL 1989