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Mr. John Toporowski
President
Moondust Ventures Inc.
702 - 475 Howe Street
Vancouver, B.C. V6C 2B3

Dear Mr. Toporowski:

Re: WEBB Claims Property Visit

Part of the WEBB claims property area was examined June 2, 1990, in the company of yourself, Lal Gondi and John Ashenurst of SJ Geophysics. Access was by helicopter from Fort St. James which afforded an aerial reconnaissance of the property area prior to being set down at the site of the summer camp adjacent to Wittsichica Creek on tie-line 45E (see attached sketch map).

The purpose of the visit was to allow participants a first hand look at conditions on the property and to examine some of the bedrock exposures located adjacent to Wittsichica Creek during the spring geophysical program.

A brief stop was made at the Continental Gold camp at Mt. Milligan to discuss the geological setting and geophysical signature of the MBX and other deposits with George Sivertz, project geologist. Some drill core was also examined.

General Comments - WEBB Property

The principal area of interest, as defined by work to date, is in the western claims area where a circular magnetic high is flanked on the north, west and south by an anomalous zone of apparent chargeability values as determined by the spring IP survey.

As indicated on the accompanying sketch map, the magnetic high and flanking IP anomaly is in predominantly low, swampy ground west of Wittsichica Creek. Slightly higher areas to the east are mainly overburden covered but some bedrock exposures are known and more will undoubtedly be located during the course of the soil geochemical program.

Soil geochemistry should assist in defining drill targets within the broad areas of high geophysical response. Depths of overburden are probably extremely variable within and adjacent to the geophysical anomalies but in general, it is felt that standard soil sampling should be sufficient in all but the swampy areas of the property. It may be advisable to consider a portable drill overburden sampling program later on in the program, depending on results from the initial sampling.

A number of bedrock exposures were identified by crews conducting the geophysical program earlier this year. Several exposures east and west of Wittsichica Creek were examined during the property visit and these are indicated on the sketch map. The first locality features a medium-grained diorite dyke cutting Takla andesites. Both rock types are weakly magnetic. Site 2, a large exposure on Wittsichica Creek, features fragmental andesitic volcanics with fragments to several centimetres.

The topographic high east of Wittsichica Creek (site 3) is believed to be mainly underlain by vesicular andesite or basalt of probable Tertiary age. If possible, the areal extent of this unit should be determined so that this area is avoided during the soil sampling survey.

Takla Group fragmental volcanics, with clasts of up to 10 or more centimetres, were noted in the area immediately northeast of the new campsite.

One of the more interesting exposures was noted on line 36N, a short distance east of tie-line 45E. A silicified volcanic rock, apparently hornfelsed, contains up to 3% disseminated pyrite - significantly, a small chargeability high was noted in this area. The exposure may not be in place, but its angular nature indicates a nearby source.

Comparisons with Mt. Milligan

Rock types on the WEBB property are thought to be similar to those underlying the Mt. Milligan deposits - these include augite porphyry (andesite and/or basalt) and diorite-monzonite intrusive rocks. A feature of the Mt. Milligan deposits is evidence of multiple intrusive phases including breccias.

The size and intensity of the IP anomaly flanking the magnetic high in the western part of the WEBB property is analogous to the geophysical signatures of the MBX deposit where the IP anomaly is due to 3-5% sulfide content. Noteworthy is the

fact that there appears to be no consistent correlation between gold and copper grades at Mt. Milligan - the MBX with higher copper grades features chalcopyrite while gold grades in the 66 Zone are associated with pyrite.

Alteration styles are also different - the 66 Zone lies within a propylitic alteration zone while the MBX features K-spar flooding in both the intrusive monzonite and the augite porphyry country rocks.

Recommendations

In view of the aforementioned alteration suites at Mt. Milligan, it may be adviseable to consider hydrofluoric acid and sodium cobaltinitrate staining of bedrock samples to determine the presence of secondary K-feldspar. Ideally, rock samples should be slabbed by portable diamond saw prior to staining.

George Sivertz indicated that crews would be welcome to visit the Mt. Milligan property during the course of the field season - I would recommend that arrangements be made to do this in the near future.

Finally, I assume that a Notice of Work indicating a future drilling program has been filed with the Resident Inspector of Mines in Prince George - I understand that those Notices of Work involving physical work (drilling, etc.) are taking some time to process and that significant bonding is being requested for many projects.

N.C. Carter