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SUMMARY REPORT

on the

TATSI GOLD-SILVER-COPPER PROSPECT

**Kitnayakwa River Area
Omineca Mining Division
British Columbia**

**Latitude: 54 20' North
Longitude: 127 44' West
NTS: 93L/5E**

GOLDEN HEMLOCK EXPLORATIONS LTD.

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Introduction

Golden Hemlock Explorations Ltd. holds title to the TATSI gold-silver-copper property which is situated midway between Smithers and Terrace in west-central British Columbia.

The property includes several recently discovered zones of high grade gold-silver-copper mineralization from which limited channel sampling has yielded values of between 0.64 and 16.50 g/t gold, 64.7 to 1158.0 g/t silver and 2.65% copper over widths of between 4.0 and 11.4 metres.

Location and Access

The TATSI property is situated south of Telkwa Pass midway between Terrace and Smithers in west-central British Columbia (Fig.1). The mineral claims cover the headwaters of Tatsi Creek, a west-flowing tributary of Kitnayakwa River which flows northward into Zymoetz River. Topography is moderate to rugged with elevations ranging from 1300 metres along Tatsi Creek near the western boundary of the property to more than 2200 metres in the northeastern claims area. Bedrock is fairly well exposed but is obscured in a number of areas by talus and felsenmeer.

The geographic centre of the claims, at latitude 50 20' North and longitude 127 44' West in NTS map-area 93L/5E, is 60 air-kilometres southwest of Smithers and an equal distance east-southeast of Terrace (Fig.2). Access to the property is by helicopter from either Smithers or Terrace. A network of logging roads, extending from a point on highway 16 east of Terrace and up Zymoetz River, provides conventional access into the Kitnayakwa River valley. End of road is currently 7 km northwest of the property (Figs.2 and 3) and affords a convenient staging area for helicopter transport of personnel and equipment.

Mineral Property

The TATSI property consists of two 4-Post mineral claims (35 mineral claim units) located in the Omineca Mining Division. The mineral claims are shown on Figure 3 and details are as follows:

<u>Claim Name</u>	<u>Record Number</u>	<u>Units</u>	<u>Date of Record</u>
TATSI #1	330686	20	September 7, 1994
TATSI #2	330687	15	September 13, 1994

The mineral claims are subject to an option agreement

between Golden Hemlock Explorations Ltd. and Angel Jade Mine Ltd. whereby Golden Hemlock can earn a 100% interest in the TATSI property (subject to a net smelter royalty payable to the vendor) by issuance of shares and cash payments over a several year period.

Geological Setting and Mineralization

The TATSI prospect is situated in Stikine terrane in the western part of the Intermontane tectonic belt. Jurassic arc-related volcanic and sedimentary sequences (Hazelton Group) in this area are intruded by coeval granitic rocks of the Topley intrusions and by younger, late Cretaceous and early Tertiary intrusions.

The area between Terrace and the Telkwa Range south of Smithers includes numerous copper-silver (gold) deposits, prospects and occurrences hosted by early Jurassic subaerial volcanics. Mineralization, mainly in the form of bornite, chalcopyrite and lesser chalcocite, occurs as disseminations in flow tops, in fractures and shear zones and in quartz veins.

The TATSI property is underlain by an Early Jurassic volcanic pyroclastic and flow sequence which strikes northerly and dips moderately to the east. Tertiary granitic stocks cut the volcanics south and west of the property (Fig.4) and a number of northerly trending biotite-feldspar porphyry and diorite dykes, up to 8 metres wide, have been noted in the claims area. Several quartz vein structures, containing appreciable gold, silver and copper values, have been identified by limited work to date (Fig.4).

The Discovery zone, investigated by three hand trenches in the past, is believed to be the Snowflake occurrence (BC Minfile 93L056) which was originally worked prior to 1920. A northeasterly trending shear zone in silicified and carbonate altered volcanics and within which quartz and quartz-carbonate veins and stringers contain chalcopyrite, galena and sphalerite, has been traced intermittently in bedrock exposures and hand trenches over a strike length of more than 300 metres. Sampling of a 2 metre width by another party in 1987 yielded 9.19 g/t gold and four 1994 samples in the same area yielded a weighted average grades of 39.26 g/t gold and 185.0 g/t silver (Fig.6).

A re-examination of the Discovery zone, and subsequent re-staking in September, 1994, led to the discovery of additional mineralized structures containing locally high grade copper-silver mineralization south and east of Tatsi Creek (Fig.4). The relative lack of bedrock oxidation in the vicinity of these newly discovered zones suggests that this

area was under year-round snow cover until recently.

Referred to as the Main, Upper, Lower West and Lower East quartz veins (Fig.4), these structures trend north to northeasterly and are apparently vertical. Three of these (Main, Lower West and Upper zones) are part of the same structure that is exposed over a strike length of more than 200 metres and over widths of between 4 and 15 metres (Fig.5).

Metallic minerals consist principally of streaks and disseminations of bornite and chalcocite. Wiry native silver is locally abundant and other silver-bearing minerals probably include argentite, tetrahedrite, argentiferous galena and sulphosalts. ICP analyses also indicate some lead values in excess of 10000 ppm plus local concentrations of sphalerite.

A limited sampling program, undertaken in the fall of 1994, yielded the following results (see Figure 5 for sample locations):

<u>Sample No.</u>	<u>Zone</u>	<u>Width(m)</u>	<u>Au(g/t)</u>	<u>Ag(g/t)</u>	<u>Cu(ppm)</u>
64844	Main*	3.0	0.88	872.0	>10000
64845	" *	3.0	0.32	1710.0	>10000
64846	" *	3.0	0.24	360.3	5766
64847	" *	2.4	1.24	539.0	>10000
(Weighted average grades - 0.64 g/t Au, 887.8 g/t Ag/11.4 m)					
64834	Main**		4.86	449.0	N/A
64835	" **		5.57	244.1	N/A
64837	" **		1.47	566.0	N/A
64838	" **		0.09	44.8	N/A
64825	Main,Upper**		1.90	977.5	>10000
64826	" **		3.65	4057.4	>10000
64827	" **		0.30	832.9	>10000
64828	" **		3.72	1408.7	>10000
64829	" **		0.79	3188.6	>10000
64849	Upper**		0.27	87.0	8240
64848	" **		0.14	36.5	1602
61303	" ** (100m east)		10 ppb	8.4 ppm	188
61302	Lower West*	4.7	3.94	64.7	2254
64850	Lower East*	2.0	30.38	1493.0	2.805%
61301	" " *	2.0	2.62	823.0	2.485%
(Weighted average grades-(64850 and 61301)-16.50 g/t Au, 1158.0 g/t Ag and 2.645% Cu/4 metres)					
64836	Lower East**		15.53	1548.0	N/A

Note: * - Channel Sample
 ** - Character Sample

Conclusions and Recommendations

The TATSI prospect is a significant new discovery. Results obtained from limited prospecting and sampling programs to date are extremely encouraging and the property is considered to be one of exceptional merit. Additional exploratory work is definitely warranted.

It is recommended that a first phase program be initiated as soon as weather conditions permit which is likely to be in late June. Prior to the inception of the field program, a compilation of all available data should be undertaken and base maps, preferably on an orthophoto base, should be prepared.

The field program is recommended to include detailed geological mapping, prospecting and geochemical sampling of the entire claims area. Hand trenching of the known mineralized zones, followed by detailed sampling, should be an integral part of the initial work.

It is also recommended that orientation magnetometer and VLF-EM surveys be undertaken to determine the response over the known structures and if this work is successful, these surveys should be extended over the property area.

A limited diamond drilling program, to test the depth potential of the known zones and consisting of 15 inclined holes to depths of 100 metres, is also recommended as part of the initial phase program.

The foregoing recommended program, estimated to cost \$625,000, should take about 8 to 10 weeks to complete. Golden Hemlock Explorations Ltd. has treasury funds on hand to defray the costs of this first phase program. Additional exploratory work, consisting mainly of diamond drilling, would be predicated on the results from first phase work.

References

Carter, N.C. (1994): Geological Report on the TATSI Gold-Silver-Copper Prospect, Kitnayakwa River Area, Omineca Mining Division, British Columbia, private report for Golden Hemlock Explorations Ltd.

Harivel, Colin (1988): Geochemistry of the Alec Property, Omineca Mining Division, B.C., BCMEMPR Assessment Report 17971

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