

Vancouver, B. C.
1983-06-07

RECOMMENDATION TO SURRENDER CLAIMS
MICROGOLD - M522

EARL D. DODSON:

At surface intersecting calcite, fluorite and chalcedony quartz-filled fractures carrying up to .064 oz of Au in a package of Triassic (and younger) altered greenstones of andesitic composition possibly reflected the upper levels of a vertically zoned epithermal system in which precious metal precipitation could have taken place at depth.

The domal structure of the area, as evidenced by the fault patterns, could have resulted from an intrusive feeder plug within reasonable depth.

If this interpretation were correct, an increase of quartz stockwork veining with precious metals was to be anticipated with depth. This hypothesis was tested with four NQ diamond drill holes (see map).

The results of the drilling were negative. Intersected lithologies consisted mostly of chloritized and hematitized greenstones intersected predominantly by calcite veins and accessory hematite, chlorite, chalcedony veinlets. Even though fracturing persists with depth, amount of chalcedony veining decreases and there were no indications of stockwork vein fill.

97 samples were analysed for Au, Ag and As. Only four samples registered over 1000 ppb Au with a peak value of 1250 ppb. Highest Ag value was 5.8 ppm. There was no correlation between Au and Ag values.

In conclusion, we feel that the shallow potential of the prospect has been adequately tested. To test the hypothesis of a more elongated vertically stretched epithermal system would require deeper drilling which in view of the results (i.e. sporadic chalcedony veining, lack of stockwork, low Au values) is not warranted. In order to avoid a \$30,000 option payment on June 30, 1983, we appreciate your expeditious concurrence to drop these claims.

L. DEKKER

LD:am
Encl.