

THE NAHLIN PROJECT

The Nahlin Project is a proposal to explore the gold potential of the Nahlin fault area in northwestern British Columbia, approximately 40 km south of Atlin. The proposal is the result of a review of the genetic model for gold mineralization in the Motherlode area of California. Research suggests that similiar mineralization can be expected along the Nahlin Fault.

Briefly, the model consists of hydrothermal solutions heated by nearby intrusive centers, circulating along major fault structures. Interaction of these solutions with ultramafic environments causes a distinct listwanite alteration assemblage and local deposition of hi-grade gold ore shoots.

The Nahlin ultramafic body is the largest alpine-type ultramafic in the Canadian Cordillera (G.S.C. Open File 1433). It is bordered on the south by a major structure, the Nahlin fault (see figure attached). This structure, which is several kilometers wide, is believed to be a deep seated crustal rift (G.S.C. Memoir 362, J. Souther).

Small Jurassic and Tertiary (Sloko) felsic stocks intrude the fault area locally, providing paleoheat sources to drive hydrothermal systems. There is no evidence of previous gold

exploration in the area. Work by Homestake Mineral Development Company and others in the Atlin area on the northern extremity of the Nahlin Fault-ultramafic body has revealed significant gold mineralization associated with listwanitic alteration.

The present proposal is to reconnaissance the Nahlin area using bulk heavy metal concentrate samples to test all drainages. This will also explore and augment Equity's present position of Nahlin Mountain, Yeth Creek and Opal Lake claim groups which are located on the Nahlin Fault. see (Telegraph Project Summary 1989).

sum-nf

NAHLIN PROJECT - BUDGET

Personnel

One (1)	Supervisor/ Geologist	14 days @ \$275/day	\$3,850.00
One (1)	Prospector	14 days @ \$210/day	\$2,940.00
Four (4)	Samplers	14 days @ \$160/day	\$8,960.00
Two (2)	Processors/Cook	14 days @ \$150/day	\$4,200.00
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			\$19,950.00

Transportation

(Includes 2 days mob/demob)

One (1)	Hughes 500D	14 days @ \$3500/day	\$49,000.00
One (1)	Beaver Otter (mob/demob) estimate only		\$ 5,000.00
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			\$54,000.00

Analytical

200 analysis @ \$24/per sample (includes PGE)	\$ 4,800.00
Petrographic studies	\$ 5,000.00
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\$ 9,800.00	

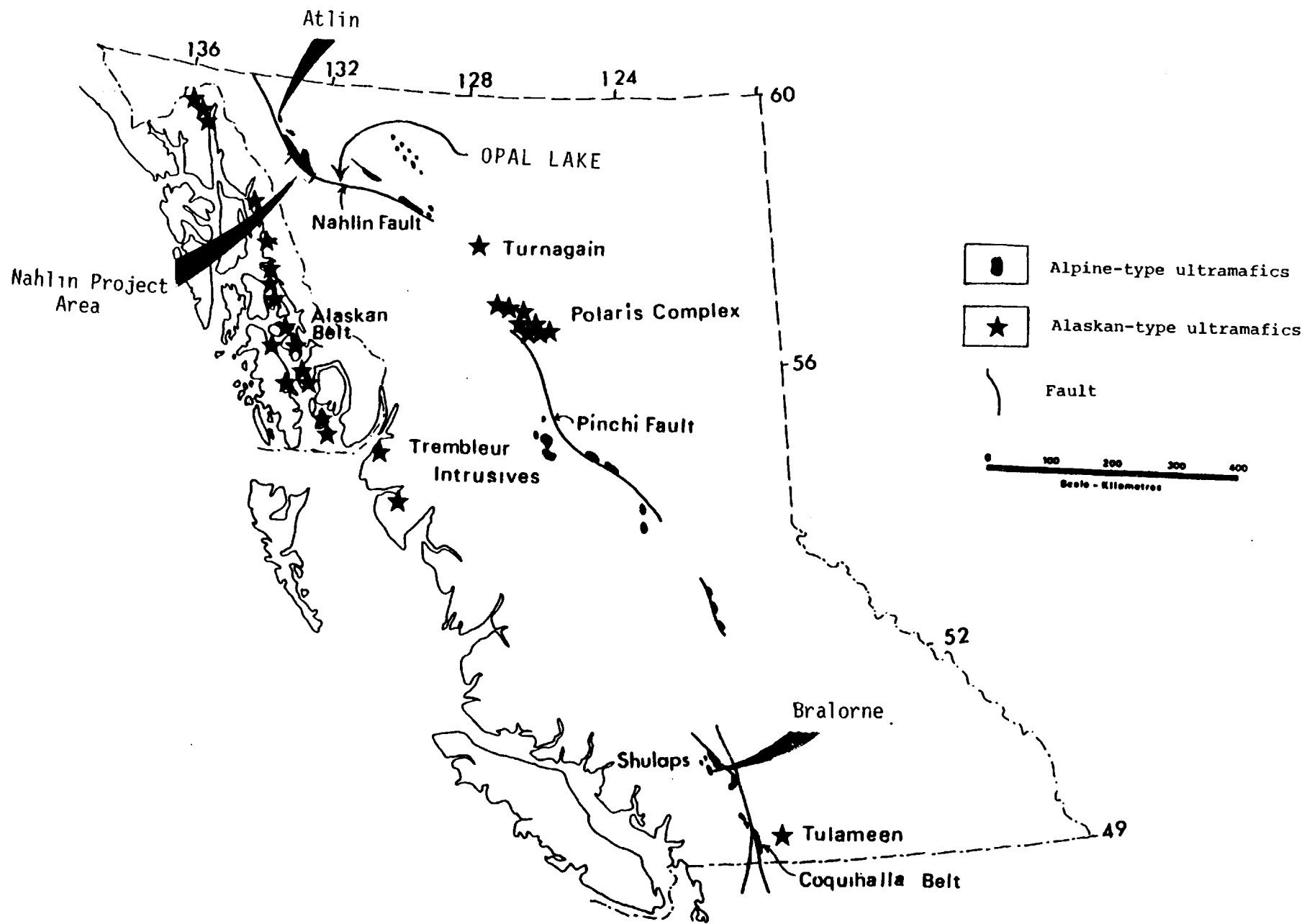
Support

Room & Board at \$55/manday	\$ 6,930.00
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Documentation & Report Writing

(estimate only)	\$10,000.00
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SUBTOTAL	\$100,680.00
10% Contingency	\$10,068.00
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TOTAL	\$110,748.00



Alaskan and Alpine-Type Ultramafic Complexes
in British Columbia (after McTaggart, 1971).

1.1 Property Geology

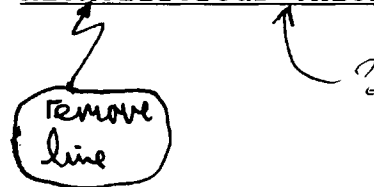
According to Souther (1971) the Nahlin Mountain property is underlain predominantly by Permian Nahlin ultramafics comprising dark green to black peridotite.

The southern portion of the claim covers a section of the Nahlin fault and a contact between a Jurassic or Cretaceous hornblende diorite stock and the ultramafics. A fault block of Permian limestone outcrops in the northern claim area.

1.2 Mineralization and Alteration

The principal alteration in the peridotites of the Nahlin ultramafic body is serpentization which occurs in both sheared and unsheared peridotite. Magnetite lenses are common adjacent to sheared or brecciated zones in the ultramafics, which have been carbonitized near the Nahlin fault zone. The zones are riddled with chalcedony or opal stockwork and often contain nickeliferous chlorite.

REMOVE
line



1.3 Property History

No previous work history on the property has been recorded, but, two kilometers to the east, Canadian John-Manville explored a property for its asbestos potential. Some gold assays were taken but not included in the report as they were deemed too low to be of interest.

The RGS (1987) returned an anomalous Au (84ppb) value from the main drainage of the property. Highly anomalous Ni values of up to 1880 ppm were returned from several drainages of the property.

1.4 Capsule Comment

Tributaries of the main property drainage returned RGS Ni values in the 95th and 99th percentile. An RGS sample from the main drainage returned a gold value in the 95th percentile.

Regional mapping suggests the property covers several converging fault zones which could host mineralization. ~~structurally~~ ~~structural~~ ~~trap~~ ~~shear~~ ~~controlled~~

1.5 Recommendations

Follow-up bulk heavy mineral sampling should be implemented to locate the source drainage of the RGS gold anomaly. (# 873447), Structural mapping should be conducted on the property, ~~and~~ with shear zones, channel sampled for platinum group elements.

+ faults

and to test the mineral potential of the ground surrounding the claim.

1.6 References

Aspinall, C.

1966: Untitled Assessment Report; BCDM Assessment
Report, #1030.

Souther, G.

1971: Geology and Mineral Deposits of Tulsequah Map
Area, British Columbia, Geological Survey
Canada, Mem. 362.