Dome Exploration (Canada) Limited

Executive Office

P.O. Box 270
1 First Canadian Place
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(416) 364-3453
Telex 065-24590

861573

June 17, 1981

good stream geochem terms too tough!!

Mr. J. M. Ashton
J.M. Ashton & Associates Ltd.
Suite 1205 United Kingdom Building
409 Granville Street
Vancouver, B.C.
V6C 1T2

Dear Mr. Ashton:

Re: Molybdenum Prospect, B.C.

Thank you for your May 29th letter, with accompanying map, addressed to Mr. G.S.W. Bruce in connection with the above.

As it happens, Mr. Bruce is out of town for a week or so and is therefore unable to reply.

Upon his return I will bring your letter to his attention.

Yours very truly,

DOME EXPLORATION (CANADA) LIMITED

R. Bolton

Mrs. Rita Bolton
Secretary to Mr. Bruce

Lat 58° 25' N
Long 129° 45' W
104I/5

*rb

July 8, 1981

Mr. J. M. Ashton
J.M. Ashton & Associates Ltd.
Suite 1205 United Kingdon Bldg.
409 Granville Street
Vancouver, B.C.
V6C 1T2

Dear Mr. Ashton:

Re: Molybdenum Prospect, Snowdrift Creek Area, B.C., 104-I-5

Thank you very much for your letter of May 29, 1981, with attached information pertaining to your molybdenum prospect.

Because of heavy commitments, I regret to say that we are unable to collaborate with you on the exploration of this prospect.

I wish to thank you very much for bringing this to Dome's attention.

Yours very truly,

DOME MINES LIMITED

G. S. W. Bruce
Vice-President Exploration

GSWB:rb
Enclosure (Map)

P.S.: We returned original map with this letter.

J. M. ASHTON and ASSOCIATES LTD.

CONSULTING ENGINEERS

Telex: 04-53392

Suite 1205 United Kingdom Building
409 Granville Street
Vancouver, B. C., Canada V6C 1T2

Tel. (604) 685-5431

29 May, 1981

R.

GSWB LDH DRS EAP
PROJECT
FILE JUN 3 1981
☐ PROPERTY ☐ DRILLING
☐ L. CUTTING ☐ LEGAL
☐ TECHNICAL ☐ MISC.
☐ OTHER

Mr. G.S.W. Bruce
Vice President, Explorations
Dome Mines Limited
Suite 600
365 Bay Street
Toronto, Ontario
M5H 2V9

Dear Mr. Bruce:

Please find herewith a drawing which shows the results of a molybdenum in silt and rock geochemical survey that was performed by Kennco Explorations (Western) Limited in 1973. Also enclosed is a brief description of the salient aspects of the prospect and the principal terms of agreement that the owner, Serrana Resources Limited, (a private company) is seeking from a major company partner.

It is probable that the deposit is an Adanac, Quartz Creek or Endako porphyry type that contains little other sulphide material in the main mineralized area other than molybdenite which would be below the threshold of induced polarization detection in terms of sulphide volume yet be ore tenor.

The prospect deserves a thorough re-evaluation including a substantial drilling program.

Notwithstanding your earliest acknowledgement of our proposal, we invite your participation. Should you have any questions, do not hesitate to telephone.

Yours sincerely,

J. M. Ashton

J.M. Ashton, P.Eng.

JMA/sa
enclosures

Rita - please enter and return.

SUMMARY OF MINING PROSPECT

SNOWDRIFT CREEK MOLYBDENUM

SNOWDRIFT CREEK AREA

LIARD MINING DIVISION, B. C.

MOLYBDENUM PROSPECT

NTS: 104 I/ 5E

SUMMARY

A very large and very strong molybdenum geochemical anomaly (10,000 ft. x 10,000 ft.) portends the potential for a significant molybdenite porphyry deposit.

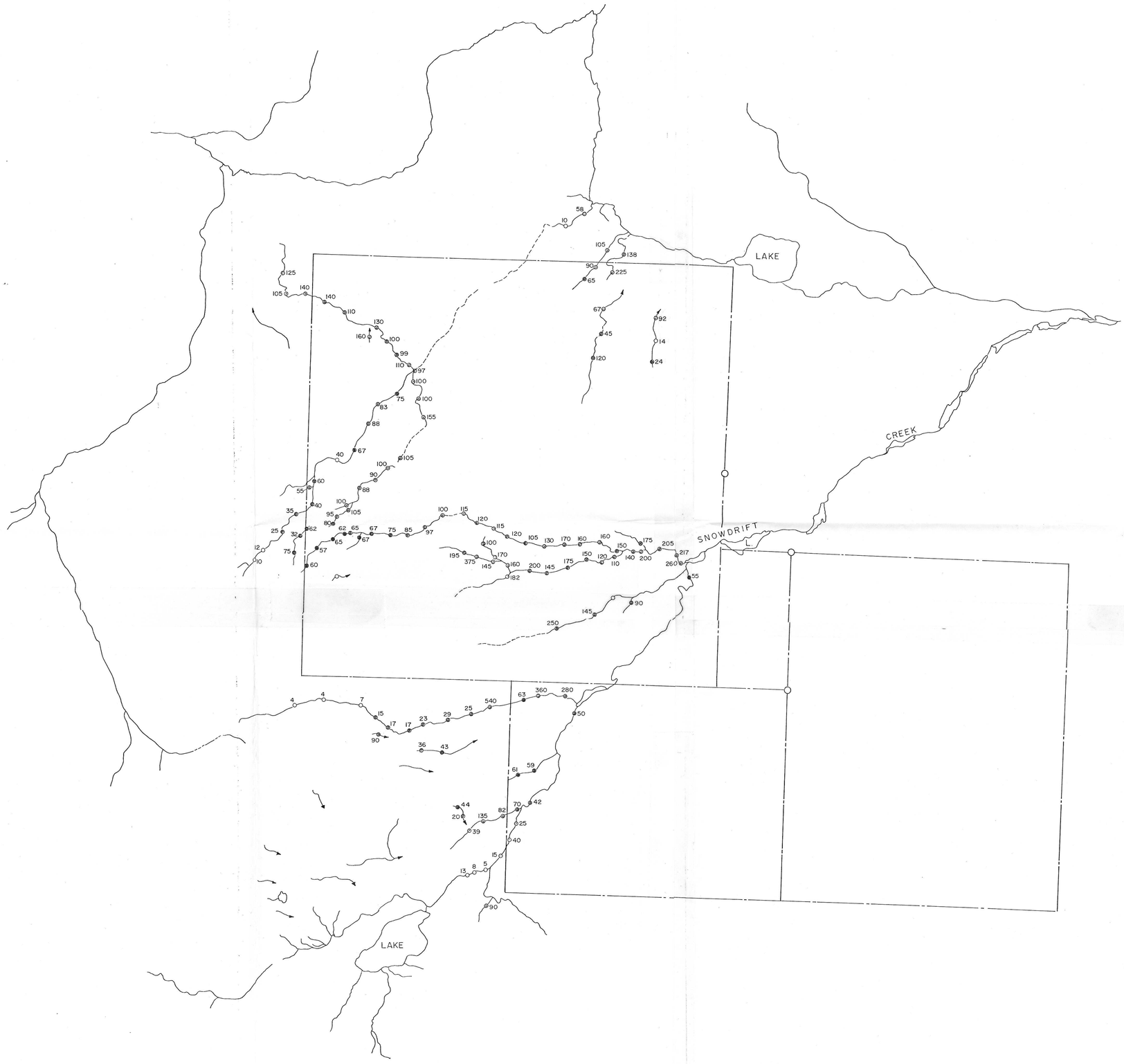
Geological evidence indicates that a granodiorite host rock has been further intruded by a later stage quartz monzonite at or near the intersection of a strong easterly trending structural break, and strong north easterly trending structural break. At the intersection both structures have been fractured and altered. Alteration includes pyritization, silicification, intense sericitization and argillation. Associated mineralization includes pyrite, molybdenite and chalcopyrite.

Very limited early work on the property by Kennco Explorations (Western) Limited included only three vertical diamond drill holes that were spotted on induced polarization highs with lengths of 301, 338 and 279 feet respectively. It is of interest to note that the molybdenite values from the southernmost hole to the northernmost hole increase progressively from 0.004% to 0.009% to 0.019% MoS_2.

The recorded location of the three diamond drill holes averages approximately 6000 feet south of the principal area of extra -ordinary geochemical response. The holes were drilled in an average molybdenum silt background of 27 parts per million, whereas the area to the north has an average of 166 parts per million molybdenum.

It is highly probable that the centre of mineralization is at or near the intersection of the two major structural breaks or in the valley of Snowdrift Creek. This area has not been tested because it lacks outcrop and is overlain with overburden.

The prospect deserves a thorough re-evaluation, including a substantial drilling program.



NOTES :

1. DATA WAS OBTAINED FROM ASSESSMENT WORK REPORT NO. 4661 FILED WITH THE B.C. DEPARTMENT OF MINES & PETROLEUM RESOURCES. ACCOMPANYING REPORT WAS PREPARED BY R. W. STEVENSON, P. ENG., DATED 28 SEPTEMBER 1973

LEGEND :

PARTS PER MILLION MOLYBDENUM

15 - 40		WEAKLY ANOMALOUS
41 - 80		ANOMALOUS
> 81		STRONGLY ANOMALOUS

△ - ROCK SAMPLE SITE

○ - SILT SAMPLE SITE

360 - MOLYBDENUM ASSAY IN PPM

SCALE : 1" = 1,250'

1250 625 0 1250 2500 3750 FT.

SERRANA RESOURCES LTD.

DRIFT GROUP MINERAL CLAIMS

MOLYBDENUM IN SILT & ROCK

AFTER KENNCO EXPLORATIONS (WESTERN) LIMITED

GEOLOGIST	R. W. STEVENSON	SCALE :	1" = 1,250 FT.
DRAWN	E. CATAPIA		
CHECKED	J. M. ASHTON	DATE :	MAY 1981