Akie

880112

SUMMARY

INTRODUCTION

The Gataga project is located 270 km northwest of Mackenzie, north-central British Columbia, and 25 km southeast of Teck Corporation's Cirque deposit (Cirque South: 33 million tonnes @ 8.1% Zn, 2.2% Pb).

The Gataga property presently consists of the Pie and Akie claim groups which are currently held by Ecstall Mining Corporation, under option to Metall Mining Corporation. Metall optioned the property in 1992 and has carried out exploration on the property for SEDEX-type Zn-Pb-Ag deposits since that time. This program led to the discovery of the Akie zone in 1994. Further work is planned for 1995 to follow up on this new discovery as well as to drill test SEDEX targets elsewhere on the property.

GEOLOGY

The Gataga property is situated over a portion of the Kechika trough, the southern extent of the Selwyn basin. The Selwyn basin is an extensive, northwesterly trending belt of metasediments which extend from central B.C. north into the Yukon and Northwest Territories. Several significant SEDEX-type Zn-Pb-Ag deposits are hosted within the basin, notably Howard's Pass, Faro (Anvil) camp, MacMillan Pass camp, Driftpile and Cirque deposits.

Within the Gataga area, sulphide mineralization (including the Cirque deposits) is developed within the Gunsteel formation, an Upper Devonian aged sequence of graphitic shales overlying Silurian-aged calcareous siltstones. Mineralization is typically intercalated within the graphitic shales as fine grained, massive to well bedded pyrite, sphalerite and galena with appreciable barite and carbonate. Remobilized sulphide mineralization occurs as veinlets in the surrounding lithologies.

PREVIOUS WORK

The property area was explored in the early 1980's by Rio Canex who identified areas of anomalous base and precious metals in soils coincident with the Gunsteel formation on what is now the Akie peoperty. Sulphide occurrences were documented as well as extensive barite horizons. No drilling was done.

EXPLORATION 1992-1994

Metall Mining Corporation optioned the Gataga property in 1992 and carried out exploration work designed to confirm and re-define Rio Canex's geochemical anomalies through re-sampling. The 1993 program consisted of soil surveys, lithogeochemical sampling, mapping and diamond drilling totalling 643 metres on the YN claims (no longer part of the option) and preliminary soil geochemistry on the Pie and Akie claims.

In 1994, Metall continued geochemical coverage of the Pie and Akie claims along with diamond drilling of the anomalies. Prospecting/mapping within the anomalous trend led to the discovery of massive sulphides and barite in outcrop ("Cardiac Creek" showing: 16% Zn, 2.8% Pb over 40 cm) near the Devonian shale/Silurian siltstone contact (the "Akie horizon"). The drill program was extended to further evaluate this horizon with a total of 4273 metres drilled. Results were highly encouraging: SEDEX-type base metal mineralization was intersected in 8 out of 12 holes on the Akie horizon which defined a zone with a strike length of 1400 metres and to a depth of 300 metres. The zone remains completely open at depth.

In addition, VLF, magnetic and resistivity surveys were conducted to further delineate stratigraphy. Results indicate that a strong resistivity contrast marks the Akie zone. This, due to the poor bedrock exposure on the property, has been an effective tool in the geological interpretation.

1995 PROPOSED PROGRAM

Metall Mining has proposed further exploration on the Akie property to further extend the Akie Zn-Pb-Ag-Ba sulphide zone down dip of previous intersections. Five holes totalling 4000 metres will be drilled at 300-400 metre centres to test for +50 million tonnes of average SEDEX grade mineralization. Two holes are planned on a conditional basis to follow up on results of this first phase of drilling. Additionally, four holes totalling 1000 metres will be drilled to test outstanding geochemical anomalies on the Akie horizon. Geochemical and geophysical coverage will be extended to the property boundaries. Total cost of this program is estimated at $1,800,000.