



LOG NO: 0528 NGE-F 45
FILE NO:

**ACCELERATED MINE EXPLORATION PROGRAM
MINERAL EXPLORATION INCENTIVE PROGRAM
APPLICATION FOR FUNDING**

INSTRUCTIONS:

- Please type or print
- Please identify program being applied for
- Please submit completed forms to:

Mailing address: Ministry of Energy, Mines and Petroleum Resources, Parliament Buildings, Victoria, B.C. V8V 1X4
Office Location: Manager, FAME, Mineral Resources Division, 300, 756 Fort Street, Victoria, B.C.

(Check which program being applied for)

- Accelerated Mine Exploration Program
 Mineral Exploration Incentive Program

BANBURY
92H/8E
92HSE046

Date of Application: MAY 26, 1987 Free Miner Certificate Number: 294 464 NOREXC

Applicant: NORANDA EXPLORATION COMPANY, LIMITED (No Personal Liability)
Address: 1050 DAVIE STREET Telephone: 684-9246
City: VANCOUVER Province: B.C. Postal Code: V6E 1M4

Mailing Address (if different from above)
Name: _____
Address: P.O. BOX 2380
City: VANCOUVER Province: B.C. Postal Code: V6B 3T5

Name of Project: BANBURY
Mining Division: OSOYOOS/SIMILKAMEEN NTS Sheet: 92H/8E

Previous Expenditures by Applicant on this property:	Pre 1985	\$ _____
	1985	\$ <u>168,330.43</u>
	1986	\$ <u>488,481.92</u>
	TOTAL	\$ <u>656,812.35</u>

Total 1987 Exploration Budget \$ 341,000.00 Percentage of Total Budget to be spent in B.C. 100 %
(PROJECT BUDGET)

Principal Business Activity: MINERAL EXPLORATION
 Public Private

Signature of Applicant or Signing Officer: *M. Sanford* Name (print): M. SANFORD Position Title or Occupation: PROJECT GEOLOGIST

PROPOSED BUDGET
(Check which program is being applied for)

Mineral Exploration Incentive Program

Accelerated Mine Exploration Program

Total Eligible Expenses

1. Geological Surveys, Map & Report Preparation & Related Costs	\$18,000.00	\$ 18,000.00
2. Geophysical Surveys (line-kilometres)		
Ground		
Magnetic	\$	
Electromagnetic	\$	
Induced Polarization	\$	
Radiometric	\$	
Seismic	\$	
Other	\$	
Airborne	\$ _____	
	\$	\$
3. Geochemical Surveys (no. of samples analysed for <u>1,000</u>)		
Soil	\$ 15,000.00	
Silt	\$	
Rock	\$	
Other	\$ _____	
	\$ 15,000.00	\$ 15,000.00
4. Drilling		
Surface <u>1425</u> m @ \$ <u>100.00</u> =	\$ 142,500.00	
Underground <u>675</u> m @ \$ <u>100.00</u> =	\$ 67,500.00	
(Includes splitting and assaying core)	\$ 210,000.00	\$ 210,000.00
5. Related Technical Studies		
Sampling/Assaying	\$ 8,000.00	
Petrographic	\$ 1,500.00	
Mineralogic	\$	
Metallurgic	\$ _____	
	\$ 9,500.00	\$ 9,500.00
6. Preparatory/Physical		
Line/Grid (kilometres) <u>15 km</u>	\$ 1,500.00	
Trenching (linear metres) <u>1000 m</u>	\$ 25,000.00	
	\$ 26,500.00	\$ 26,500.00
7. Tunnelling, Drifting, Other Lateral Excavation, Shaft Sinking, (25% of total expenses are eligible)		
_____ m @ \$ _____ = \$ _____ × 25% = _____	\$ _____	
_____ m @ \$ _____ = \$ _____ × 25% = _____	\$ _____	
	\$	\$
8. Other Exploration Costs (attach detailed schedules)		
.....	\$	
.....	\$	
.....	\$ _____	
	\$	\$
Total Eligible Expenses		\$ 279,000.00

Noranda Exploration Company, Limited
(no onc bilit
P.O. Box 4380,
Vancouver, B.C.
V6B 3T5

noranda

1050 Davie Street
Phone (604) 684-9246
Telex 04-51331

VIA COURIER

May 17, 1987

Manager,
Fame,
Mineral Resources Division
300 - 756 Fort Street
Victoria, B.C.

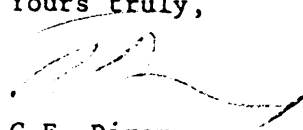
Re: APPLICATION FOR FUNDING
FAME PROGRAMME

Dear Sir:

Enclosed, please find two applications for Fame funding under the Mineral Exploration Incentive Programme. The applications cover the Banbury (N.T.S. 92H/8E) and L.H. (N.T.S. 82F/14W) exploration projects located in southern B.C. that are being operated under joint venture option agreements with Noranda Exploration Company, Limited providing 55.56% of the funding and Brenda Mines Ltd. providing 44.44% of the funding. The grant applications have been made in the name of Noranda Exploration Company, Limited on behalf of the joint venture.

Should you have any questions, please do not hesitate to contact either myself or the respective project geologists at 604-684-9246.

Yours truly,


G.E. Dirom
CHIEF GEOLOGIST

GED/ss
ENC.

NORANDA EXPLORATION COMPANY, LIMITED

BANBURY PROPERTY, HEDLEY, B.C.

N.T.S. 92H/8E

OSOYOOS AND SIMILKAMEEN MINING DIVISIONS

COMMODITIES: Au
ESTIMATED STARTING AND COMPLETION: June 1/87: December 31/87
INTENDED SOURCE OF FUNDING: Noranda Exploration Company, Limited and
Brenda Mines Limited (55.56/44.44)

SUMMARY STATEMENT

TARGETS:

1. Mascot style - metasomatic contact deposit.
2,000,000 tonnes 10 gmt Au.
2. North contact zone - stockwork and visible gold in contact aureole. 1,000,000 tonnes 5-10 gmt Au.

LOCATION & ACCESS: 4 km west of Hedley, easily accessible via the No. 3 Highway. Elevation of base camp 540 m. Elevation of workings: 700 m to 1000m.

CLAIMS AND OWNERSHIP: 1683 hectares covered by 6 Crown Grants, 24 two-post claims, and 4 Modified Grid Claims. Owned by Banbury Gold Mines Ltd. and Noranda Exploration Company, Limited.

OPTION AGREEMENT: Norex-Brenda option to earn 51% interest by spending \$3,000,000 over 3 years.

GEOLOGIC SETTING: Hedley Diorite intrusive into Triassic Nicola Group limestones and argillites provide similar geological environment to the Mascot gold deposit. Contact zones show migration of mineralizing fluid with gold developed in veins and stockwork and suggests Mascot target at depth.

PRIOR EXPLORATION PROGRAMS: Pre-1986: 6784 m diamond drilling, primarily on Pine Knot and Maple Leaf veins, 1500 soils geochem samples, geological mapping and prospecting and 2195 m of drift and raise development on the Pine Knot Vein. Approximately 160,000 tonnes of 11 grams per tonne gold has been identified.

1986: 3768 m drilling, 400 m trenching and 1700 soils geochem samples led to the identification of a new visible gold zone containing high grade but narrow gold values. Potential for low grade, bulk tonnage deposit near surface is possible.

RECOMMENDED PROGRAM:

1. **Detailed Geological Survey:** Areas of high geological complexity within known gold bearing environments are to be mapped and sampled in detail, with the aim of further determining controls of mineralization.
2. **Geochemical Survey:** Extension of the soils geochemistry grid to extend and define anomalous zones near grid boundaries is proposed. This would include 1000 soil samples and 15 km of line cutting.
3. **Diamond Drilling:**
 - i) **North Contact Zone:** Five drill holes have been laid out comprising 1275 meters, and will test the zone to a depth of 220 meters. These will be targeted to assess grade, continuity, style of mineralization, structural controls, geological controls, and the geometry of the deposit. As well, structural data gained in this part of the program will be used to target deep drill holes in search of a Mascot - style deposit.
 - ii) **Mascot - Style Deposit:** Several geological indicators suggest a contact-skarn deposit similar to Mascot Gold Mines at depth on the property. Deepening existing hole NB86-4 to intersect the south contact region at elevation 280 meters will test this theory. Depending on the results of the five holes drilled in the upper part of the North Contact Zone and the availability of FAME grant funding, a deep drill hole may be targeted to test for Mascot - style mineralization at depth on this zone.
4. **Technical Studies:** Petrographic examinations of skarn and alteration aureoles should be carried out to determine levels of metasomatism and skarning.
5. **Trenching:**
 - i) **North Contact Zone:** The high gold geochem anomalies are to be trenched to compliment diamond drill interpretation of grade, continuity, style, controls, and geometry.
 - ii) **Peripheral Targets:** Several good targets have been indicated by soils geochem surveys. Meters of trenches on targets are proposed. Mapping and sampling would be undertaken.

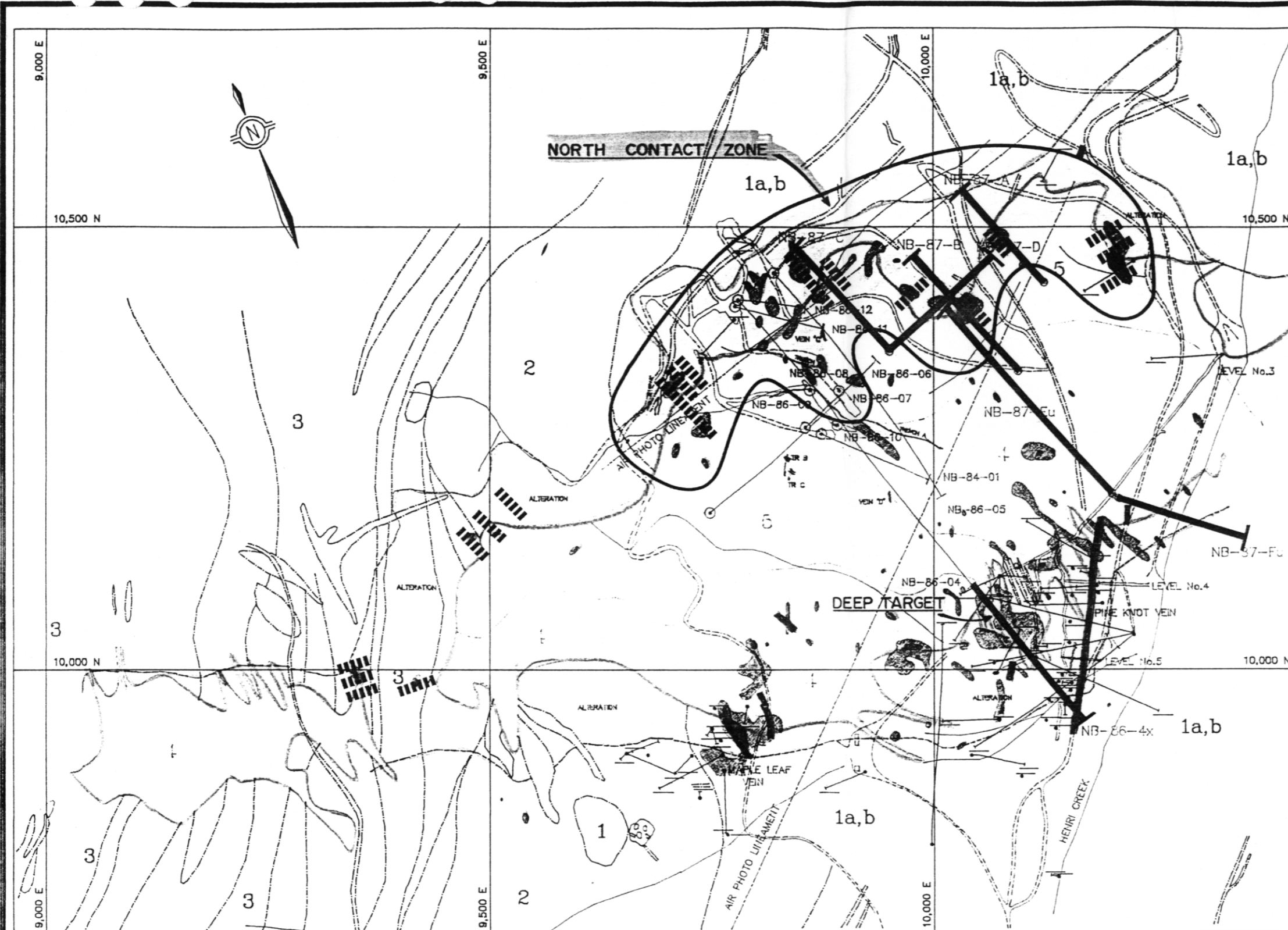
BIBLIOGRAPHY

Published Reports/Maps:

1. Camsell, Charles - 1910 Geology and Ore Deposits of Hedley Mining District.
2. Bostock, H.S. - 1930, 1940 Geology and Ore Deposits of Nickel Plate Mountain. Map.
3. Ray, G.E., Simpson, R.,
 Dawson, G. - 1986 Ministry of Energy, Mines & Petroleum Resources Report.

Unpublished Reports:

1. Lakes, Authur - 1933, 1934 Series of progress reports.
2. Stevenson, W.G. - 1979, 1980 Geological Reports, Banbury Gold Mines Ltd.
3. Seraphim, R.H. - 1984 Report on Banbury Gold Mines.
4. Larabie, Eugene - 1982 Preliminary Development Feasibility Report - Banbury Gold Mines Ltd.
5. Dewar, D., Sanford, M. - 1982 Stage I Report.



PROPOSAL

Diamond Drill Hole
 Trench

ANOMALOUS SOIL GEO-CHEM CONTOURS
 400 ppb Au ~2.0x log(background)
 1600 ppb Au ~2.5x log(background)

SYMBOLS

- Vein/Mineralization on Surface
- Surface Intrusive Contact
- Geological Contacts
- Alteration Contact
- Drainage
- Underground Drifts
- Main Property Roads
- Diamond Drill Hole

GEOLOGY

DIKES

10a	Spotted Andesite
10b	Andesite
9	Feldspar Porphyry
8	Felsic
7	Intermediate

INTRUSIVES

6	Hornblende Porphyry
5	Diorite, felsic
4	Diorite, mafic

NICOLA GROUP

3a	Cherty Argillites / Rhyolite Tuff
3b	Tuff / Greywacke Breccia
3c	Massive Tuff
2	Limestone Breccia
1a	Limestone
1b	Argillite
1c	Chert, Silicified Beds
1d	Siltstone
1e	Greywacke

22MAY87	Revised from Original Drawing #001	JDW
DATE	REVISION	INITIAL

E INTEGREX ENGINEERING	Revised For FAME Grant Application May 25/87	<i>af</i>

NORANDA EXPLORATION Co. Ltd.

COMPOSITION	5	GEO-CONTACTS	10	TRENCHES
1 BORDER/TITLE	6	GEO-CONTACTS	11	DRILLING
2 TOPOGRAPHY	7	GEO-VEINS	12	NORTH ZONE
3 ROADS	8	GEO-ALTERATION	13	UNDERGROUND
4	9	GEO-STRUCTURE	14	PROPOSAL

100 METRES 0 50 100 150 200

BANBURY PROJECT 1987
 SURFACE PLAN
 PROPOSED DRILLING & FIELD WORK

DATE DRAWN: MAY 1987	SCALE: 1 : 5,000	DWG.No. 013
DRAWN By: J.D. WILLIAMS, P.Eng.	JOB No. PROPOSAL	
APPROVED By:	N.T.S. 92H/BE	