this year's work; sericite-carbonate-hematite alteration is pervasive and local potassic alteration (K-spar, no biotite) is not a guide to better grade. A recognizeable potassic core and bornite zone occurs only in the East zone, elsewhere bornite distribution is sporadic. Tourmaline is present but its abundance is at the curiousity level.

\*Visited Prospector Assistance recipients Eric Ostensoe and Tom Lisle southwest of Dease Lake on July 25, and Robert Russell south of Rancheria on July 27. Ostensoe and Lisle are exploring Cu-Au veins that appear related to an alkalic porphyry system and a carbonate-chalcedonic quartz stockwork vein and breccia zone. Russell is looking for sedex or VMS mineralization in lower to mid-Paleozoic sedimentary and volcanic sequences.

\*Development of the Michelle High Grade zone at Cusac gold mine (104P 070) was examined on July 26. My hosts were company president Gil Brett and mine geologists Lesley Mortimer and Mike Glover. The operation is becoming better established with staff and camp facilities but is still hampered by the small size of ore shoots and hence limited reserves which can be identified from available development headings. Michelle development muck yielded an impressive 3000 oz of gold from 1000 tons and although rich, the Michelle ore shoot which is being developed now, is only 60 ft long by 40 ft high. An ore shoot on the Big vein was mined earlier this year, only the top of the vein near the argillite cap made good grade. Underground drilling to explore the Michelle vein is about to begin. Surface exploration done last year on the Katherine vein is about to be followed up with diamond drilling. An IP survey is in progress on the western part of the property near the Cyprus drill program at Taurus.

\*Cyprus Canada's Quartzrock (aka Taurus) bulk tonnage gold exploration project (target of 500 million tonnes of less than 1 g/t Au??) was discussed with geologist Mark Mason on July 28. Contrast in scale with the neighbouring Cusac operation is striking. Grid drilling at 100 m intervals on 200 meter line spacing continues with 30 holes completed by two machines. Two styles of mineralization are recognized: (a) stratabound (sub-horizontal) altered tuff with 15-20% disseminated fine-coarse pyrite and 3 g/t Au and (b) the pyritic alteration envelope around steep quartz veins. The aim of current drilling is to locate the better grade stratabound zones within 150 meters of surface (open pit depth). With this wide spacing hole-to-hole geologic correlations are uncertain but two tuff horizons may be present, 5 and 35 meters thick. A typical quartz vein zone consists of 80% quartz over 30 meter width. Although structural control of the two types is quite different they are indistinguishable at hand specimen scale. Angle holes are being drilled now instead of vertical. Exploration methods are being strictly standardized to satisfy geostatisticians. Denver head office staff had just visited the project and are encouraged with results.

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## **EXPLORATION AND MINESITE ACTIVITY**

\* Bell Copper expansion is being re-thought by Noranda, according to mine manager Ross MacArthur, based on a mineable reserve of 70 million tonnes at 0.45% Cu within a geologic resource of 120 million tonnes. MacArthur also indicated that since Bell closure many companies have expressed interest in the property but have been put off by environmental responsibilities.

\*Hearne Hill IP survey to begin in early August, drilling expected by mid-August.

\*Airborne survey being conducted south of Tahtsa Reach by unknown party, possibly Phelps Dodge.

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