

Chaco Bear
881718

YGS → RG
- Pr. Geol.

INTEROFFICE MEMORANDUM

Created: 11-Oct-1996 11:31am PDT
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From: Bob Lane of EI
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TO: See Below

Subject: Lane Weekly Report for Oct. 7-12.

EXPLORATION MONITORING

Ace. A modest trenching program is expected to get under way next week on Barker Minerals Ace property in the Likey area. The company will be testing several coincident I.P.-geocemical anomalies south of the Little River.

Akie. Ecstall Mining Corp. is unhappy with the diamond drill program conducted by 60% JV partner Inmet Mining Corp, on the Cardiak Creek zone. Ecstall feels that Inmet did not live up to the requirements of the joint venture agreement and is considering legal action!

Beekeeper. Drilling has started on this joint venture project, owned equally by Eastfield Resources Ltd. (operator) and Imperial Metals Corporation, located near Horsefly. Approximately 4,500 ft. of reverse circulation drilling is planned. Progress so far has been good and the program is expected to wrap up in about two weeks.

JD. ^(Toodoggone) Recieved Notice of Completion stipulating that this years exploration program has officially been terminated. *i.e. spend ~ \$0.8MM*

Redgold. Imperial Metals plan to conduct a modest diamond drill program on their Redgold property in November. They are intrigued with the disseminated copper mineralization and intense alteration/metasomatism seen in core from early 1990s drilling.

Baker (Toodoggone)
Multinational B. Ed Pittman and Graham Seal-Jones report that Sable Resources has mined 2,500 tonnes of ore from the B Vein on the old Baker mine property and are currently milling the material at a rate of 170 tpd. They should complete the project in the next 2-3 weeks. Head grades are 0.8 opt Au. The operation is expected to produce 6 to 6.5 three-thousand ton bags of concentrate that grades 35 opt Au, 200 opt Ag and 16% Cu. Shutdown and reclamation of the site will follow.

Mount Polley. Imperial Metals has proposed the excavation of two test pits for further metallurgical testing purposes.

Chaco Bear. Imperial Metals plans to commence drilling on the porphyry copper project, located west of Bear Lake and northwest of Takla Lake, this weekend.

(new)

TBS → RG
- Fr. Ger.

I N T E R O F F I C E M E M O R A N D U M

Created: 03-Oct-1997 01:24pm PDT
Sent: 03-Oct-1997 01:27pm PDT
From: Bob Lane of EI
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TO: See Below

Subject: Lane Weekly Report

Lane Weekly Report for September 29 - October 3, 1997.

Exploration Monitoring

Cariboo Gold Quartz. Visited the property with Ken Macdonald on October 1. Richard Hall was onsite and provided an update of the exploration program that is ongoing. Proposed Fall programs include surface diamond drilling of the BC Vein and underground rehab of the 1500 level 201X-Cut followed by percussion drilling up to the 1200 level. Current drilling is taking place in the Rainbow zone and trenching in the Wells Trend, a northwest trending zone that lies west of and sub-parallel to, the Sanders-Rainbow-Pinkerton trend. Brian Dahl, prospector from Hazelton, spent the summer coming over the region. A contour soil sampling program was conducted around Cow and Richfield Mountains. Proposed Mosquito Creek drilling will not proceed this year.

Chaco Bear. Imperial Metals drilled several narrow, copper and silver-rich veins on their claims west of Bear Lake. Eleven holes totaling 1500 metres evaluated the Bearnx, Dave/Ron, Cocola and Gossan zones. The narrow vein systems did produce good grade intercepts, but did not broaden at depth. A syenitic intrusion was identified this year during mapping by consultant Peter Read and, together with the underexplored Gossan zone, offer some new potential for the property.

Mountain. Rumour of a drill headed for the Mountain property, near Mt. Albert Dease in the northern Toodoggone for 2 holes.

Pine. Stealth Mining has completed 8 holes of a planned 12-hole diamond drill program on the Pine alkalic Cu-Au porphyry system, 25 km north of the Kemess mine, in the Toodoggone region. Assays released from holes 1 to 5 include an encouraging copper-gold interval, 101.7 metres averaging 1.6 g/t Au and 0.15% Cu, in hole P97-4. Numerous narrow, high grade gold intervals (1.3 metres grading 215.9 g/t Au and 3.0 metres grading 36.17 g/t Au, both in hole P97-4) are also reported. Drilling continues.

Redgold. Imperial Metals are going to terminate their option on the property. Mineralization encountered was limited to narrow, fracture-controlled copper-gold porphyry mineralization.

Spur. Lucero established an extensive grid and took approximately 2000 soil

Baker Mine. Mining of the remainder of the Multinational B vein has been completed. Mining of tailings is underway. The mill is expected to start up next week and begin processing stockpiled ore from the Multinational B pit. Processing of tailings will follow. Ed Craft has estimated that approximately 1500 ounces of gold will be produced in 1997. The concentrate produced at Baker will be sold to Highland Valley Copper (HVC) where it will be blended with the porphyry producers concentrate, and thereby increase the overall gold grade of HVC con, and enable the company to get credit for the limited gold it does produce.

The Clancey vein, a 20-30 cm wide, banded quartz-carbonate-sulphide vein, oriented 282/70S, has been mapped and sampled, and if results warrant, drilling may follow. The new showing is located about 5 km east of the mill along a newly constructed tote road. Results from earlier diamond drilling on a B zone look-alike were not encouraging.

Bear (Drift). Inactive Cu-Mo porphyry prospect drilled last year by International Skyline. Briefly examined surface exposures and 1996 drill core.

Chaco Bear. Examined this precious metal-copper mineralized fracture system, located west of Bear Lake, which is currently being drilled by Imperial Metals. Wes Raven, on contract from Orequest, is the project geologist. The company is pursuing a geologic model that has the veins as high level, distal portions of a precious metal-enriched porphyry or transitional (porphyry-related--similar to Equity Silver) system. Two main showings are the Bearnx and Dave/Ron. They are typically narrow veins (less than 20 cm), but locally (Bearnx) form stockwork zones in excess of 7 metres wide. They are associated with a northwest-trending fault that follows upper Driftwood Creek. The veins are generally northwest-trending and dip moderately to steeply to the southwest. Both vein showings are near, or adjacent to, mafic dykes that cut permeable maroon lapilli to block tuff and breccias that are part of a thick (in excess of 200 m) basalt (andesite?) unit of the L. and M. Jurassic Hazelton Group (Telkwa Formation). At the Dave/Ron showing, south of Big Lake, hematite is the most common vein mineral and comprises up to 90% of individual veins. Chalcopyrite comprises from trace amounts to 12% of individual veins and pyrite is present in trace amounts to 2-3 %. Quartz is by far the most common gangue mineral at Dave/Ron. The Bearnx zone, located at the north end of Big Lake (about 1300 metres north of Dave/Ron), has a strike length of 300-400 metres. Carbonate-quartz veins and stockwork zones comprise up to 5% chalcopyrite, 3% pyrite, and traces of hematite. Wallrock alteration at both showings is weakly developed and consists of narrow propylitic envelopes at Dave/Ron. A third unnamed vein showing was not visited, but is reported to be similar in style to those described. Drilling of hole CB97-6 (1st hole of the year) into the Bearnx zone had just begun.

Spur. Tom Schroeter provided a tour of Lucero Resources Spur property where flow-top and related fracture-controlled copper mineralization were observed in pale to maroon amygdaloidal basalt flows, ash and crystal lithic tuffs, and breccias. Bornite, chalcopyrite, malachite and azurite fill fractures and occur as disseminations within the amygdaloidal flow rocks. Sampling and drilling of these zones have yielded relatively narrow, but high grade copper assays in the past.

Granite (94C 009). Examined Canasil Resources shear-hosted gold prospect,

Lane Aug. 15/97

Joh. Diamond drilling on the Pacific Sugar zone, a copper-gold magnetite skarn showing located in rugged terrane south of Darb Lake, has been completed. Joint venture partners International Conquest Resources and Major General Resources report geochemically anomalous copper and gold values in 4 holes that cut the zone. The highest assay was from a 1-m interval that graded 3986 ppm Cu and 1580 ppb Au.

Soup. Drilling on Vital Pacifics Au-enriched Fe skarn/replacement zones has been suspended because of severe winter-like conditions. The same fate has beset several other operations in the region. This second phase of drilling was intended to follow up on the first phase which was completed earlier in the fall. The diamond drill has been left at the site and the program will resume in the spring of 1997.

X **Chaco Bear.** Imperial Metals has completed a 5-hole, 1500' diamond drill program on this copper-silver-gold Equity Silver-type (transitional) occurrence located northwest of Takla Lake and west of Bear Lake. The company is encouraged by the visual results of the drill program and will definitely be back on the property next year.

X **Lorraine.** Lysander recently completed a modest diamond drill program on their porphyry Cu-Au prospect located in the Swannell Ranges south of the Osilinka River. The program was successful in extending the Bishop zone several hundred metres to the south and tested several other zones (Upper Main, Eckland and North Cirque) in the immediate area. The company also continued with its successful geochemical sampling program which consists of collecting talus fines at mid-slope elevations and seeps at the base of slopes. Also, Lysander has acquired additional claims in the area and now controls a contiguous block of approx. 250 square kilometres.

X **Dustdust.** Teck Corp. conducted a modest trenching and sampling program on their Au-bearing polymetallic skarn-manto prospect located approx. 35 km northeast of Takla Landing. The prospect is west of the Pinchi fault and occurs in Cache Creek Group rocks near the margin of the Hogem batholith. Teck plans to return to the property to conduct a modest diamond drilling program next year.

OTHER

Beginning to prepare talk and slide material for presentation of 1996 Exploration Summary, NE-C Region, scheduled for Nov. 20 in Victoria. Travel has been approved by the ADM!

Final editorial review of 3 Mines article was signed off by Carron Berkes, Ed Beswick and Fred Herman and sent up the line for final approval.

Continued with mineral exploration tracking and expenditure estimate for the region.

Placer exploration and development expenditure monitoring mailout has been completed. Thanks again to help from admin staff, particularly Jan and Tish.

Bob.

BL [Signature] Oct. 25/96