

CONFIDENTIAL

881809

Tom Schwartz  
Dec. 21/90  
(from Jim Dawson)

CLISBAKO PROPERTY SUMMARY

The Clisbako property consists of 15 contiguous, 20 unit claims aggregating 7,500 hectares or 18,750 acres. It is located in central British Columbia about 100 km west of the town of Quesnel and is accessible via 150 km of good quality, all weather roads.

The property is located in low, rolling topography of the Nechako Plateau. Elevations on the property range between 4,000 - 4,500 feet above sea level. The area is densely tree-covered, except for some swampy meadows or recently clear-cut logging patches. The property lies within the "Interior Dry Belt" with the field season extending from May through October. Drilling can be carried out year round as snowfall rarely exceeds two to three feet.

Mineralization was discovered in June 1990, during the course of a regional exploration programme specifically directed towards the delineation of bulk tonnage, epithermal precious metal deposits in the Nechako Basin of British Columbia.

There is no record or evidence of any previous exploration activity on the property. This is probably due to the fact that outcrop is relatively scarce as the area is heavily mantled by glacial deposits locally at least 30+ feet thick. Road access has only recently been completed to this area and it was the exposure of alteration and mineralized boulders in road cuts which ultimately lead to the delineation of the main mineralized zones.

During the summer of 1990, a preliminary exploration programme was carried out. This work consisted of prospecting, geological mapping, grid layout, geochemical soil sampling and extensive rock chip sampling. Approximately 1,500 soil samples and about 350 rock samples were taken. The data is all compiled on a series of detailed property maps.

The Clisbako claim area is predominantly underlain by a well-differentiated sequence of subaerial, basaltic to rhyolitic tuffs, flows and volcanic breccias of probable Eocene age (Ootsa Lake Group). Remnants of a younger (Oligocene?) rhyolitic ash-flow tuff unconformably overlie the Eocene volcanics in the east-central part of the claim area and cover a more extensive area immediately south of the property. Flat-lying, red, scoriaceous and black vesicular basaltic flows of Oligocene and Miocene age underlie a relatively broad, flat region extending north and east of the claim block (see Figure 455H-3).

Extensive normal (extensional) faulting has affected the Eocene volcanics resulting in an array of variably tilted blocks

in the  
general

local  
geol.

(see Figure 455H-5). Faulting has also affected the Oligocene (?) ash flow tuff unit, but to a lesser degree with less apparent tilting and offset.

At least three major hydrothermally altered zones, a number of weaker alteration zones and extensive areas of quartz float occur within the eastern half of the claim area. The alteration zones are typical of epithermal systems and are characterized by widespread bleaching and argillic alteration accompanied by a pervasive, moderate to strong stockwork of quartz veinlets and microveinlets. Extensive zones of multi-stage, intense veining, silicification and brecciation are developed. Very fine grained pyrite, marcasite and arsenopyrite locally are present in amounts up to 5%.

The main alteration zones are associated with anomalous to highly anomalous As, Sb, Mo and Ba values. Gold and silver values are also generally anomalous with rock geochemical samples grading up to 3.1 gm Au and 170 gm Ag per tonne. Gold probably occurs in the free state as very fine, micron-sized particles. Pyrargyrite (Ag, SbS<sub>3</sub>) has been identified in at least two separate zones and may be the primary silver mineral.

The three main alteration zones on the Clisbako property are referred to as the North Zone, Central or "Ruby" Zone and South Zone. The full extent of these three separate, northeasterly-trending zones has not yet been determined due to extensive overburden cover. The North Zone and South Zone have apparent true widths of approximately 350 metres and 250 metres respectively. The Central Zone is at least 150 metres wide. 50?

Two smaller alteration zones referred to as the Trail Zone and Discovery Zone occur along the projected strike of the South Zone, approximately 400 metres and 1,200 metres respectively to the northeast.

Along the projected strike of the North Zone, two broad, weaker areas of alteration are found roughly 1,500 metres and 2,000 metres respectively to the southwest. now (Sept. '91) thought to dip to west

The alteration appears to have developed along complex, steeply dipping, north to northeast-trending fault structures which were formed during a period of extensive regional, high-angle faulting initiated during the Late Eocene. Internally, the alteration zones are complex; many appear to be controlled by a series of closely spaced, subparallel faults rather than a single major structure. The smaller faults acted as discrete conduits for hydrothermal fluids and were the foci of intense multistage silicification, brecciation and veining. In the North and South Zones, areas between individual fault segments were highly fractured, intensely hydrothermally altered and flooded with a

pervasive stockwork of quartz veinlets. In the North and Central Zones, bedding appears to play an important role in channelling hydrothermal fluids between and away from feeder faults (see Figure 455H-5).

A fourth mineralized zone (the Boulder Zone) may be located some distance (1,000 M?) to the west of the North Zone. This is indicated by a collection of angular, mineralized, epithermal quartz boulders "up ice" from all other known mineralized zones. Analyses from these boulders range up to 1 gm Au and 19 gm Ag per tonne.

The main alteration zones appear to have a long history of development characterized by episodic periods of strong, resurgent, hydrothermal activity which resulted in several stages of fracturing, brecciation, veining and silicification. This complexity leads to the generation of a diversity of types of quartz and textures all of which are epithermal in nature. Some phases of quartz veining and silicification are sulphide poor and some sulphide rich. Pyrite is the main sulphide present, but generally it is extremely fine grained. Marcasite and arsenopyrite have been identified in some coarser grained specimens. Carbonate minerals are rare but coarse, bladed carbonate replaced by silica has been noted at a number of locations.

Two recent hot spring (tufa) deposits are located on the property (see Figure 455H-3) and attest to the long-lived, multi-stage nature of the hydrothermal system.

The Clisbako property contains a classic, high-level, volcanic hosted, epithermal precious metal system similar to many deposits (e.g. Round Mountain, Rawhide, Aurora, Bullfrog) currently being mined in the Great Basin of the western United States. Some positive features of the Clisbako alteration zones include: their immense size and strength, their apparent development over a long period of time, the resurgent nature of the hydrothermal activity, the widespread occurrence of anomalous to highly anomalous gold and silver values and the presence of anomalous values in the indicator elements arsenic, antimony, mercury and barium.

Based on the physical characteristics and the various chemical signatures, it is evident that this is a high level system where the "ore-bearing" or "bonanza zone" (see Figure 455H-4) is barely unroofed.

In terms of economic modelling, the most obvious target is a bulk tonnage, open pit minable deposit. Based on the size of the alteration zones and the permissive exploration area, the property could easily host one or more deposits in the 10 MM to

*acid-sulphate*

50 MM ton range. The overall grade that might be expected to occur would be in the 0.05 to 0.10 oz/ton gold equivalent range. Within these zones, higher grade "Blackdome-Type" shoots would be expected to occur in the feeder, fault zones.

The next phase of work should consist of:

- a) Preparation of detailed base maps
- b) Layout of an accurate grid over the main areas of interest
- c) Further geological mapping and prospecting
- d) Extensive trenching and surface sampling
- e) An airborne geophysical survey

This work should then be followed by a comprehensive programme of diamond drilling.

EIGHTY EIGHT RESOURCES LTD.

# LOCATION MAP

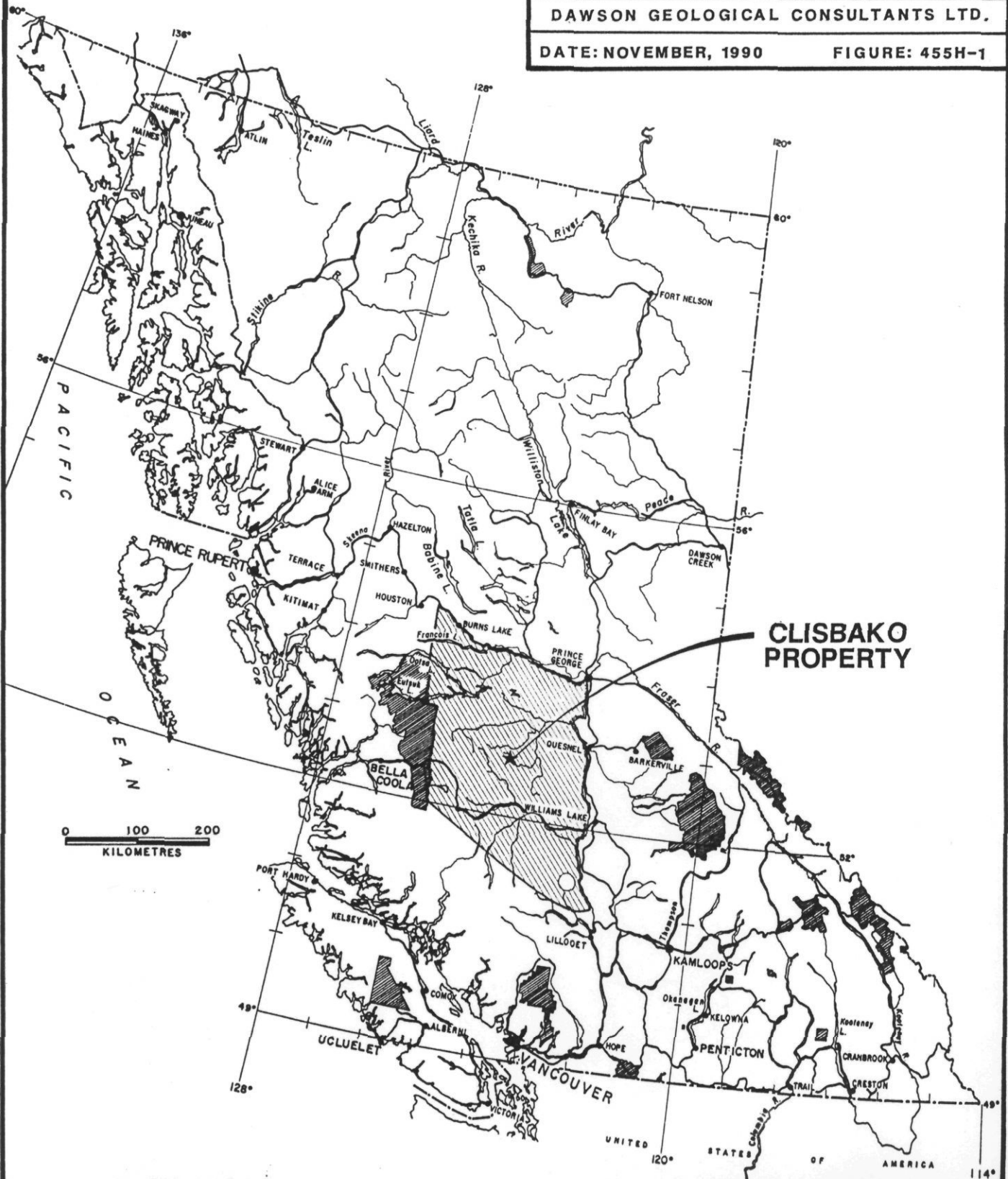
## CLISBAKO PROPERTY

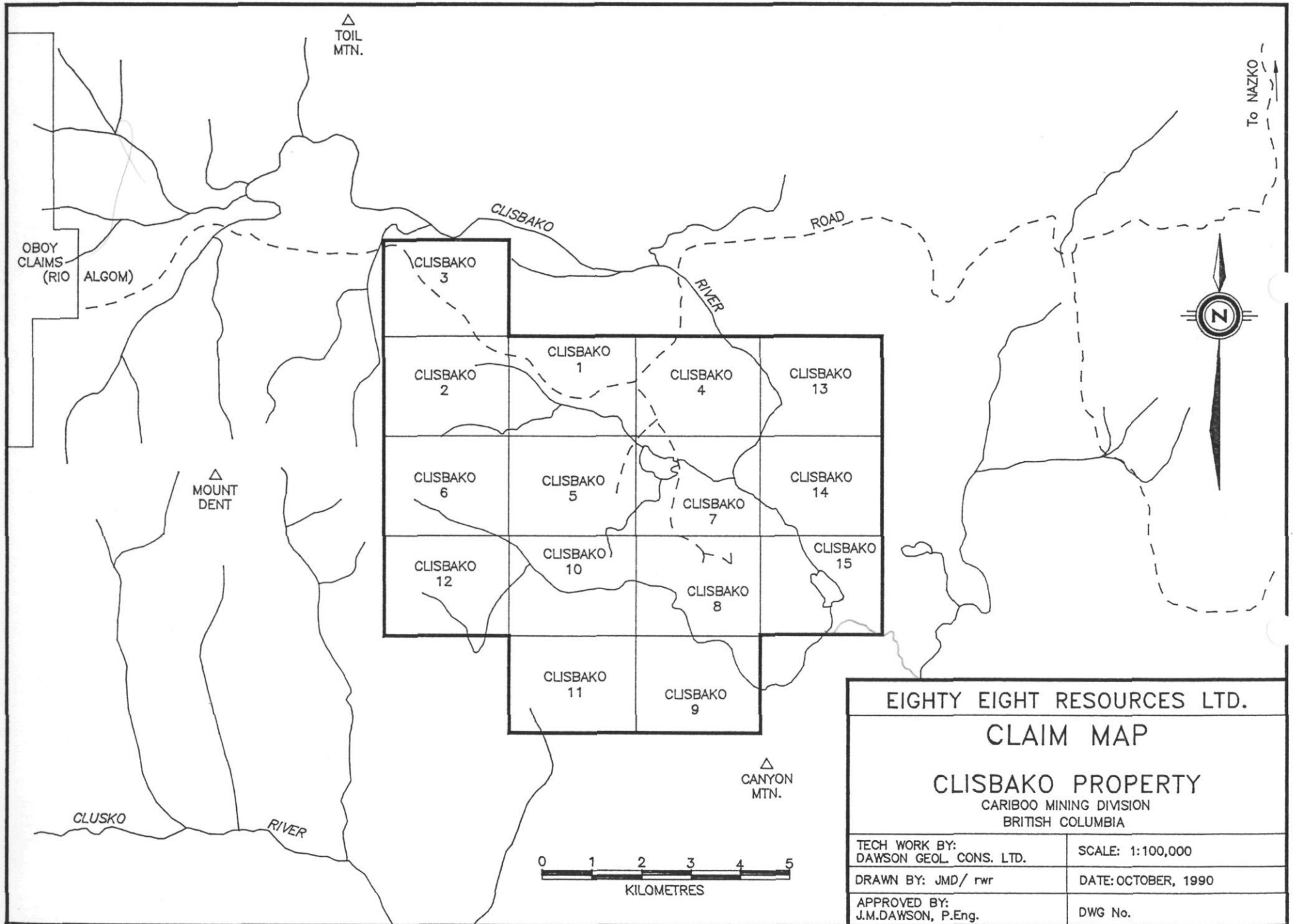
CARIBOO MINING DIVISION, B.C.

DAWSON GEOLOGICAL CONSULTANTS LTD.

DATE: NOVEMBER, 1990

FIGURE: 455H-1





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CLAIM MAP

CLISBAKO PROPERTY

CARIBOO MINING DIVISION  
BRITISH COLUMBIA

TECH WORK BY:  
DAWSON GEOL. CONS. LTD.

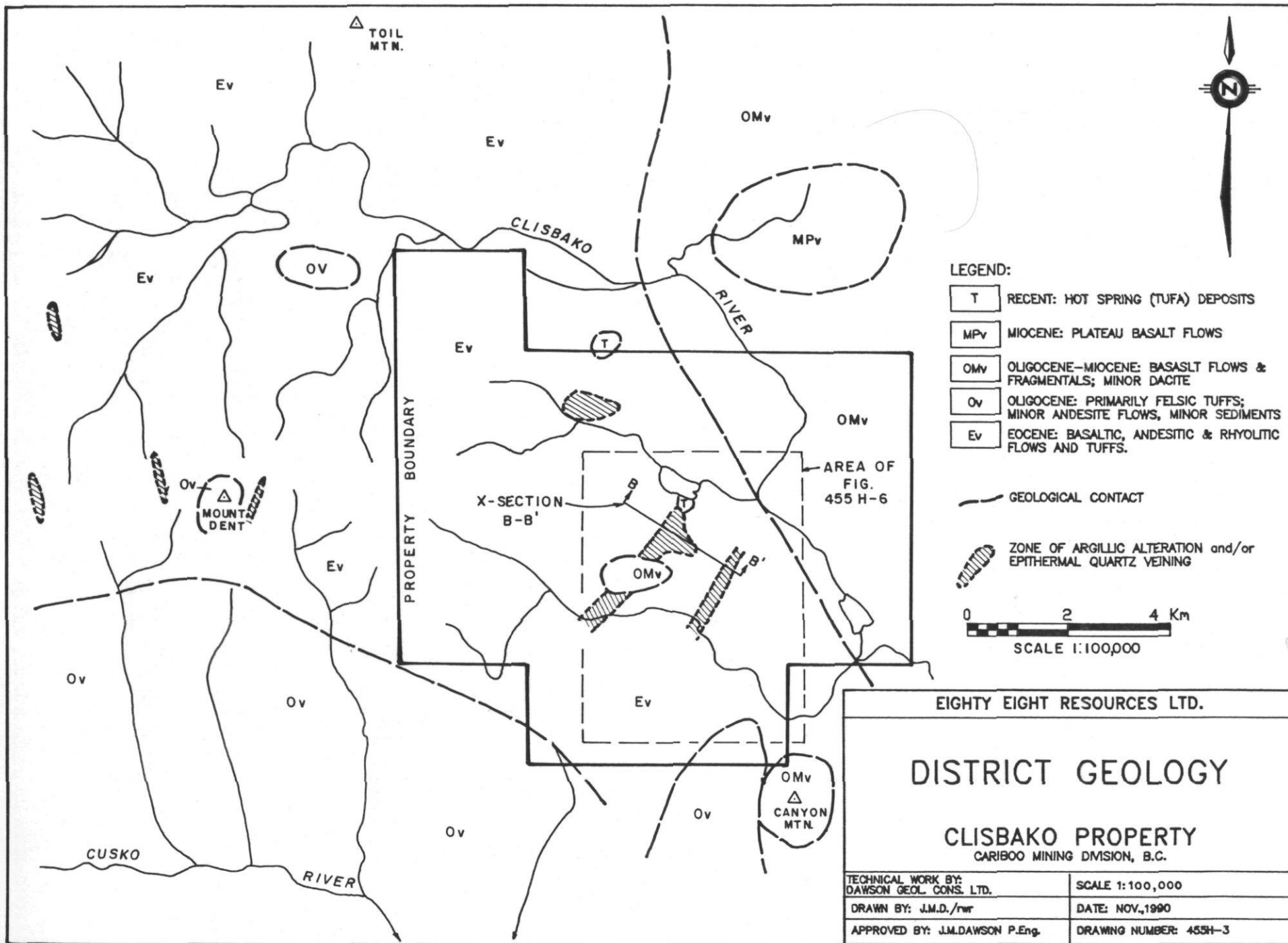
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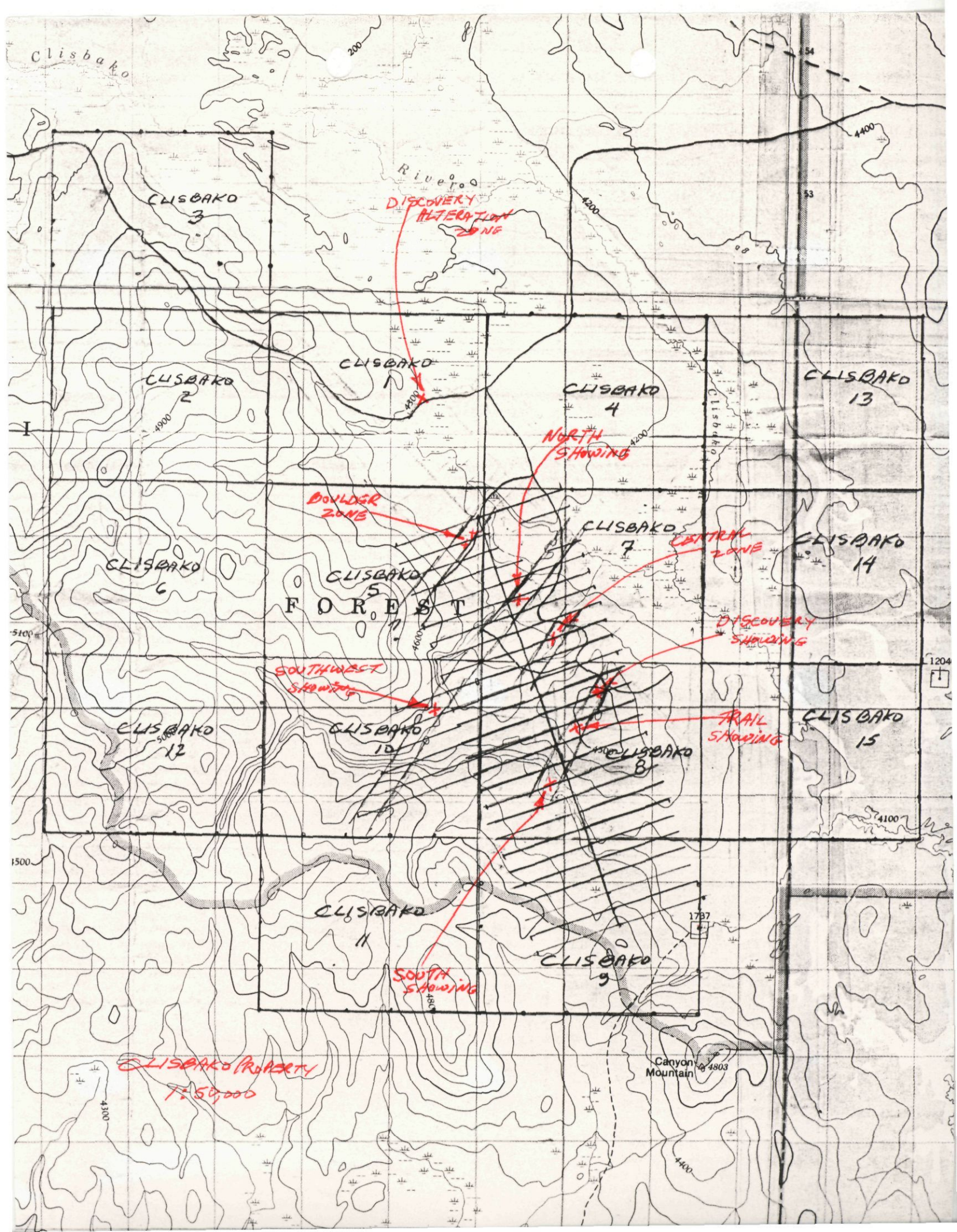
DRAWN BY: JMD/ rwr

DATE: OCTOBER, 1990

APPROVED BY:  
J.M.DAWSON, P.Eng.

DWG No.





Clisbako

CLISBAKO 3

DISCOVERY ALTERATION ZONE

CLISBAKO 2

CLISBAKO 1

CLISBAKO 4

CLISBAKO 13

NORTH SHOWING

DOULDER ZONE

CLISBAKO 6

CLISBAKO 5  
FOREST

CLISBAKO 7

CENTRAL ZONE

CLISBAKO 14

DISCOVERY SHOWING

SOUTHWEST SHOWING

CLISBAKO 12

CLISBAKO 10

CLISBAKO 8

TRAIL SHOWING

CLISBAKO 15

CLISBAKO 11

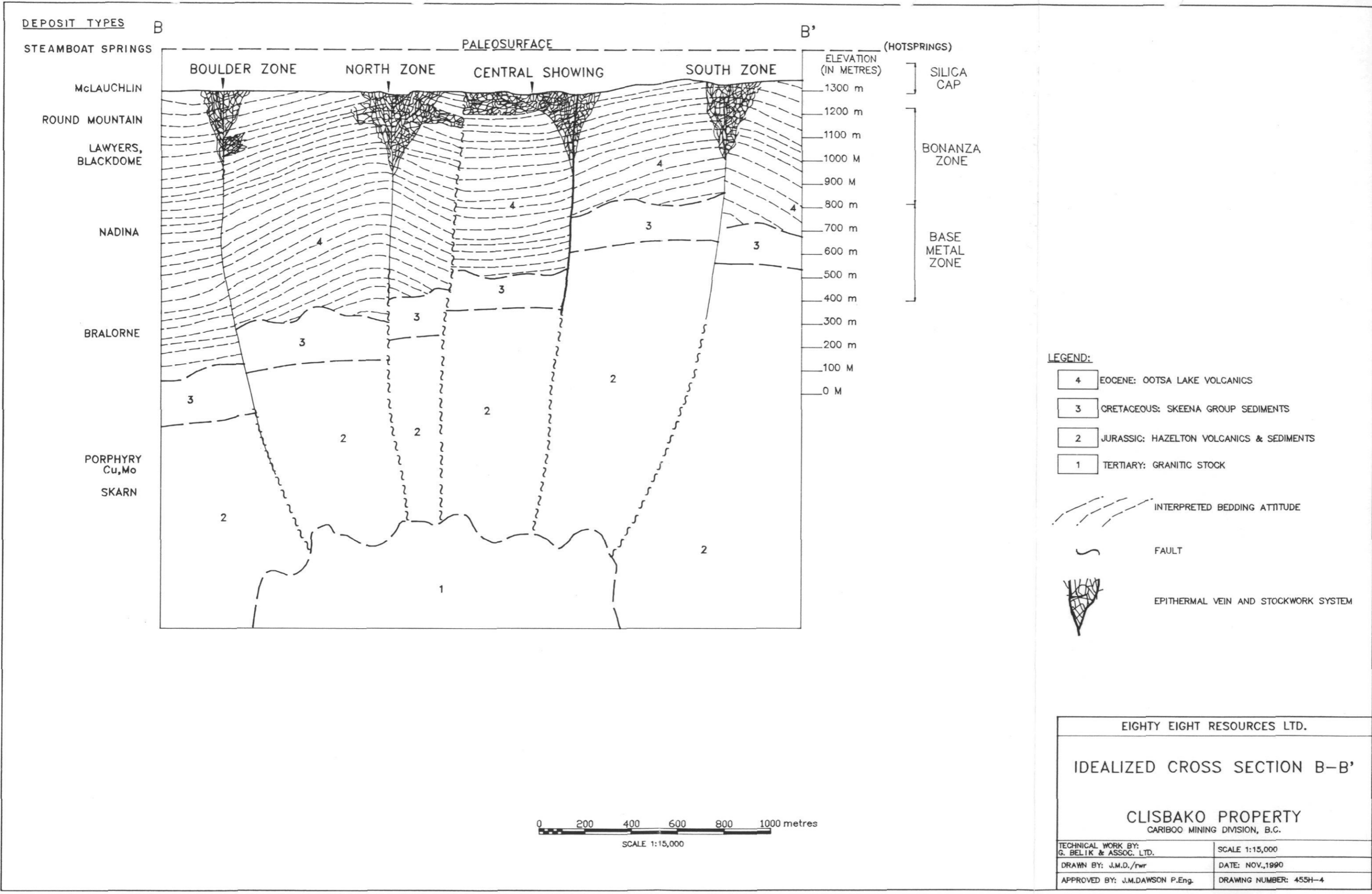
SOUTH SHOWING

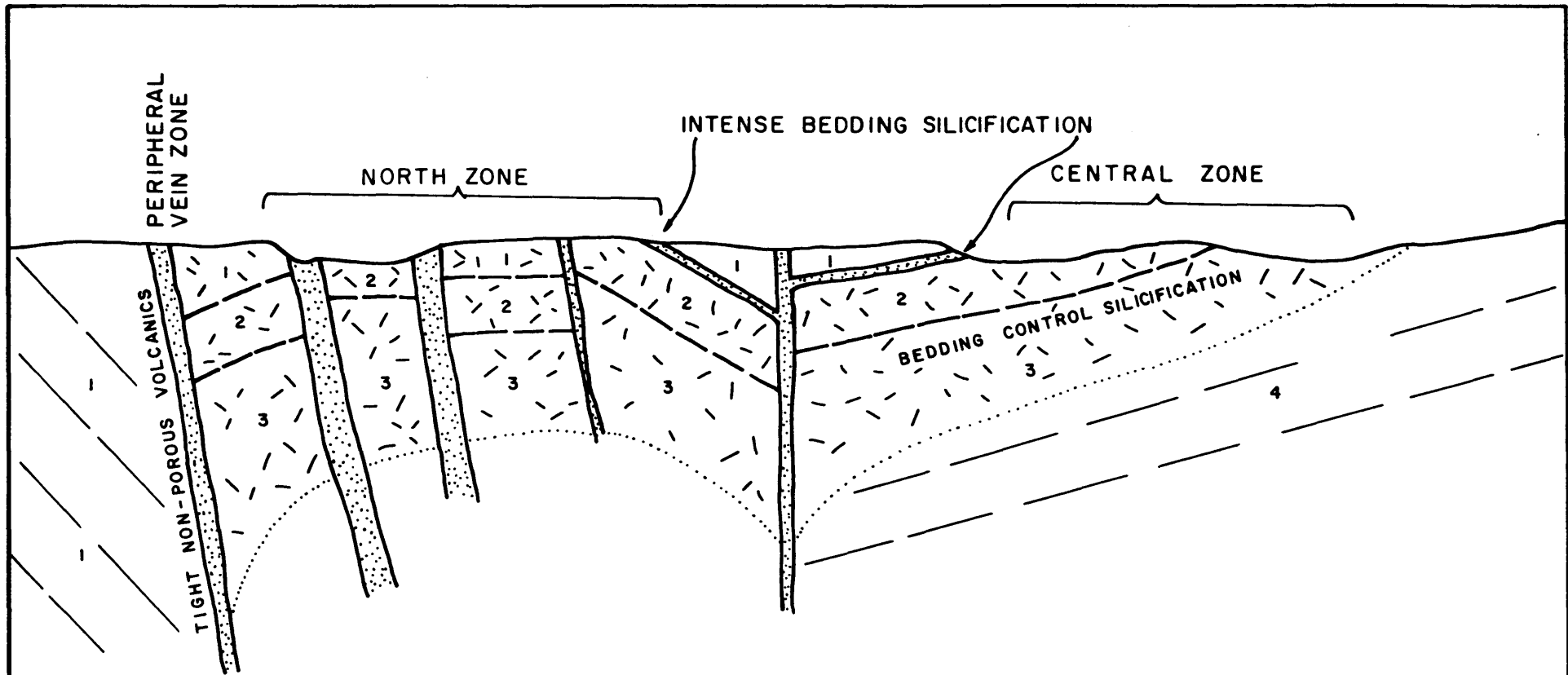
CLISBAKO 9

CLISBAKO PROPERTY  
7,500,000

Canyon Mountain  
4803







**LEGEND:**

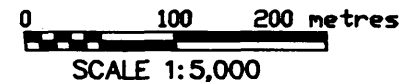
EOCENE: OOTSA LAKE GROUP

- 1 DARK GREEN, ANDESITIC TO BASALTIC FLOWS
- 2 WHITE TO GRAY, THINLY LAMINATED, RHYOLITIC ASH-FLOW TUFF
- 3 GRAY TO GREEN & PURPLE DACITIC TO ANDESITIC TUFF
- 4 PLATY, GREEN, FINE GRAINED ANDESITIC TUFF

--- BEDDING ATTITUDE

SILICIFIED FEEDER FAULTS GRADING TO BANDED VEINS AT DEPTH, (100-200m)

STOCKWORK & BEDDING SILICIFICATION



EIGHTY EIGHT RESOURCES LTD.

'CARTOON' CROSS SECTION  
NORTH & CENTRAL SHOWINGS AREA

CLISBAKO PROPERTY  
CARIBOO MINING DIVISION, B.C.

TECHNICAL WORK BY:  
G. BELIK & ASSOC. LTD.

SCALE 1:5,000

DRAWN BY: J.M.D./rwr

DATE: NOV, 1990

APPROVED BY: J.M.DAWSON P.Eng.

DRAWING NUMBER: 455H-5