



Province of
British Columbia

Ministry of
Energy, Mines and
Petroleum Resources

MEMORANDUM

Geological Survey Branch
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To: Ted Hall, Manager, Northwest Region

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by

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HIGHLIGHTS

195 overview
* **\$30.5 million** in 1995 NWBC mineral exploration expenditures, down 37% from 1994. However, exploration drilling in NWBC, at about **148,000 meters** is down only 13%. Addressed **Whitehorse Geoscience Forum** (334 registered) on Nov 21 with 1995 exploration statistics, gold production at four NWBC mines, status of six projects in the Mine Review or Environmental Assessment processes and a review of major exploration projects. Mining atmosphere in Yukon is very positive due to Wolverine discovery, related massive claim staking, exploration spending at \$32.5 million and development spending at \$56 million (by Anvil Range at Faro/Grum and by Loki Gold at Brewery Creek).

TAURUS
* **Cyprus Canada** are planning a major drilling program on their **Taurus** gold project; rumoured to include 35,000 meters of core and 5,000 meters of R/C drilling to begin in early January. Cyprus is currently conducting leaching tests on core from the 1995 program, with preliminary results being favourable. Taurus stands to be a viable deposit with either conventional milling or heap leaching, by adjusting the cutoff grade. Gold resource in the **Taurus** deposit estimated by Hera Resources and Cusac Gold Mines from review of 1995 data furnished by Cyprus Canada is:

88-Hill zone	22.1 million tonnes	1.52 g/t Au
Taurus West zone	1.6 million tonnes	1.61 g/t Au
Highway zone	<u>8.8 million tonnes</u>	<u>1.6 g/t Au</u>
TOTAL	32.5 million tonnes	1.55 g/t Au (1.5 million oz)

This is within a larger resource of 145 million tonnes grading 0.95 g/tonne Au (0.028 oz/ton) which represents **4 million ounces** and is comparable to **Fort Knox**, an open pit mine under development near Fairbanks Alaska (158 million tonnes at 0.83 g/t Au). If successful, Fort Knox could revolutionize gold mining by introducing bulk open pit economics, analagous to the advent of open pit copper mining 30-35 years ago.

RED (C-2)
* Trench assays confirm a significant gold discovery at the **C-2** zone on the **Red** property 18 km SSW of Red Mountain near Stewart. Its a feather in EXPLORE BC's cap. At least two, possibly three, gold associations are recognized. Best grade occurs in (low sulphide) hematite (H-)shears: the H-1 structure is 4.5 m wide, 191 m long and averages 0.84 opt Au. Two adjacent parallel sulphide (S-)shears average 0.69 opt Au across 3.0 m by 142 m long, and 0.78 opt Au across 2.2 m wide by 328 m long. Total width of the zone is 50-70 meters. Cobalt-gold mineralization appears to represent a third distinct association. Assays are awaited from 13 drill holes completed in November under extremely difficult conditions.