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TCS → Dell
1996

Gold City Mining Corporation

DELL PROJECT

Ag, Au, Cu, Pb, Zn

AVAILABLE FOR OPTION

SUMMARY The Dell Property is located in South-Central British Columbia to the east and south of the village of Beaverdell. The locale features several past producers including the Highland Bell Mine which was the oldest producing operation in British Columbia when it closed in 1991. The Property has potential for discovery of a large low-grade silver deposit, in conjunction with ground controlled by Teck Corporation.

PROPERTY The Beaverdell silver, lead and zinc vein camp is located in the Southern part of the Omineca Crystalline Belt in South-Central British Columbia, at 49° 26' North latitude and 119° 3' West longitude, 42 kilometres east of Penticton, on and around Wallace Mountain. The area is situated in the Greenwood Mining Division, close to the small village of Beaverdell and is serviced by Highway 33 as well as several logging and mining roads. Gold City's property consists of its 100% interest in 10 claims totaling 79 units covering 1,900 hectares immediately to the east and to the south of Teck Corporation's holdings of 1,000 hectares which includes the past producing Beaverdell (Highland Bell) Mine.

GEOLOGY Granodiorite of the Jurassic Westkettle batholith underlies most of the Beaverdell area. The batholith has been intruded by stocks of quartz monzonite (Beaverdell stock) and contains remnants of pendants and/or screens of tightly folded metamorphosed volcanic and sedimentary rocks of the Carboniferous or older Anarchist Group which is the oldest unit in this area. These rocks consist of metamorphosed andesitic tuffs and lavas, mafic intrusions, hornfels and a minor amount of limestone. The Westkettle batholith ranges in composition from granodiorite to quartz diorite, is generally even-grained and is correlated with Middle to late Jurassic Nelson Intrusions. The Tertiary Beaverdell stock is a highly chloritized, unfoliated, characteristically coarsely feldspar porphyritic quartz monzonite. Hypabyssal rocks occur in east-west and north-east fracture zones that are also occupied by the mineralized vein systems. Faulting dominates the structural pattern in the area with one vein displaced by 210 metres.

MINERALIZATION Mineralization is found in a north-east trending 3 kilometre by 0.8 kilometre belt on the west slope of Wallace Mountain. Veins occupy fissures along east-trending faults in the western part of the area and along north-east trending faults in the eastern part of the system. Veins range from a few centimetres to a metre in width and average 0.3 metres but are rarely continuous for more than five to ten metres without offset. However, some ore shoots show only minor offset over horizontal distances up to 150 metres. Sulphide mineralization in the area consists mainly of pyrite, galena, and sphalerite with lesser chalcopyrite, pyrrhotite, arsenopyrite, polybasite, argentite, and native silver. Quartz, calcite, and rare fluorite are the main gangue minerals. Veins generally have a propylitic alteration halo that may be recognisable up to 10

metres from the main vein and may carry low-grade silver values. Gold values appear to increase to the east in the area.

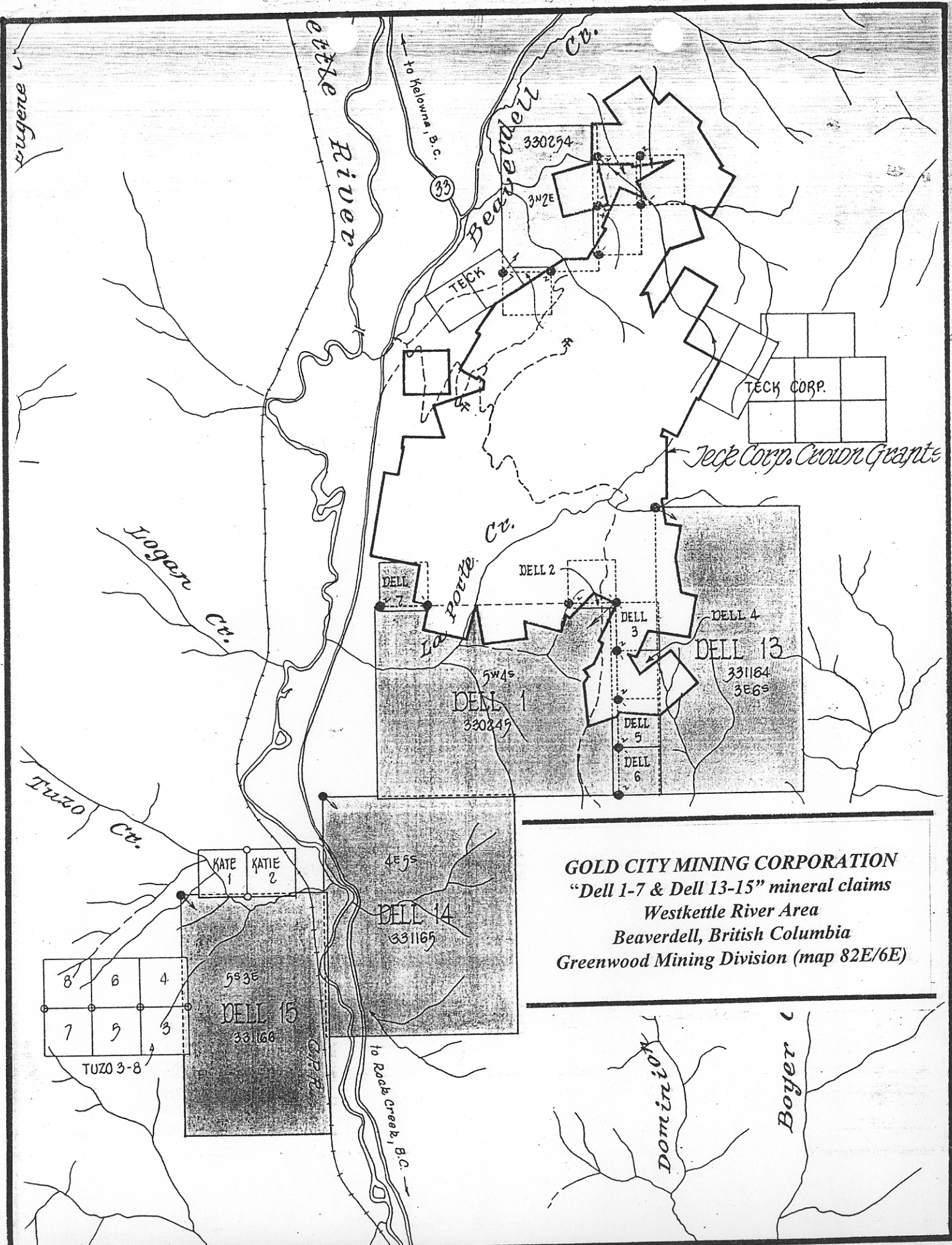
EXPLORATION HISTORY Prospecting and exploration was in progress in the area in 1889 and in 1897 rich silver-bearing veins were found on Wallace Mountain 3 kilometres east of the small town of Beaverdell. Production from the area was continuous from 1913 until 1991, although mining actually began in 1900. When production ended, the Beaverdell mine alone had produced 1.08 million kilograms of silver, 12,800 tonnes of lead, 15,300 tonnes of zinc, 520 kilograms of gold with minor amounts of cadmium and copper from 1.17 million tonnes of ore. It was the oldest continuously operating mine in British Columbia when it closed. Regional exploration, mainly in the 1960's and 1970's, has identified a number of base and precious metals showings adjacent to and beyond the mine workings. Beaverdell is "bracketed" by two large disseminated sulphide systems in the form of: (1) the Carmi porphyry molybdenum deposit to the north, and (2) the Tuzo Creek porphyry molybdenum deposit to the south.

MINERAL RESERVES Complex faulting in the region makes estimation of ore reserves tenuous. In addition, diamond drilling of narrow vein structures is not meaningful in that intersections sample only a small portion of the resource. Past exploration data is also lacking detailed assaying of the ground between mineralized veins. This detailed assaying is important in the assessment of the property as a large open-pittable deposit. Work is required to research existing core logs and re-assay samples from core libraries, as well as additional drilling, to establish ore reserves.

PROPERTY POTENTIAL There are three significant deposit targets on Gold City's and/or Teck's adjoining mineral lands, as follows:

- a copper-gold zone to the south and east, and vertically lower than the Beaverdell mine, and;
- a very large low-grade body of silver, lead, zinc that would encompass all the former Beaverdell underground mine and adjoining mineral showings;
- a significant silver, lead, zinc discovery was made by Rio Tinto Canadian Exploration Ltd., seven kilometres south-west of Beaverdell, during a 1973 diamond drilling program. The Tuzo Creek molybdenum deposit adjoins Gold City's mineral lands, immediately west of this discovery.

<p style="text-align: center;">Gold City Mining Corporation 750 Cambie Street, Suite 600 Vancouver, B.C., Canada, V6B 5E5 Telephone: 604.682.7677 Facsimile: 604.682.0089</p>
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GOLD CITY MINING CORPORATION
 "Dell 1-7 & Dell 13-15" mineral claims
 Westkettle River Area
 Beaverdell, British Columbia
 Greenwood Mining Division (map 82E/6E)