

SEP 13 REC'D
882555
Eaglehead
Oct. 18/76

NUSPAR RESOURCES LTD.

ANNUAL GENERAL MEETING - SEPT. 10, 1976

EXPLORATION ACTIVITY:

Imperial Oil Ltd. resumed drilling in conjunction with other exploration activity on the EAGLE claim group under terms of the joint venture agreement in which NUSPAR holds a 40% participating interest. 3428 feet of drilling was completed in five holes. Twenty - two mineralized intercepts were reported over intervals of from 10 to 80 feet. Copper - molybdenum mineralization ranging in values from .02 to 1.20 % copper and from .001 to .046 % molybdenum were encountered.

Although 12 additional claims were staked and surveyed geologically & geophysically the majority of the work was confined to three previously designated mineral zones. These zones may be described as follows:

CAMP ZONE: Steeply inclined zones of chalcopyrite mineralization form a linear pattern which has been traced for 1200 feet. Drilled intercepts vary from 10' of .50 % Cu. in hole 73-8 to 98.5' of .50 % Cu. in hole 72-5. Parallel or branching ore shoots are suggested in two holes where grades of .58 % Cu. and .96 % Cu. extend over a few tens of feet.

PASS ZONE: A series of 8 holes spaced 400 feet apart trace this zone for over 2000 feet. A tentative correlation suggests at least two en echelon zones with individual widths in excess of 100 feet. Average grades range from .44 % Cu. to .78 % Cu. over the zone width.

BORNITE ZONE: An induced polarization anomaly drilled in 1973 intersected 100 feet grading .44 % Cu. Subsequent drilling confirms the presence of a branching, tabular zone characterized by four intersections obtained in hole 33 of the current program.

Summary of assay results, hole 76 - 73:

| <u>From</u> | <u>To</u> | <u>Interval</u> | <u>% Copper</u> | <u>%Molybdenum (Mo.)</u> |
|-------------|-----------|-----------------|-----------------|--------------------------|
| 347 | 367 | 20' | 0.98 | 0.038 |
| 400 | 430 | 30' | 0.21 | 0.002 |
| 478 | 508 | 30' | 0.88 | 0.031 |
| 522 | 602 | 80' | 0.47 | 0.046 |

The above zone averages .35% Cu. and .02% Mo. for a copper equivalent grade of .44% across 255 feet.

All zones occur within a belt 2 miles long and up to 1/2 mile in width. Subsurface exploration has been confined to areas of coincident geo-chemical and geophysical response. Substantial work is still required to determine the potential tonnage and average grade within this area of significant copper and molybdenum values.

Acquisition of a 50% interest in the Sea group of mineral claims in the Pelly Mountains region of the Yukon Territory is presently under consideration. The recent discovery of a silver-lead-zinc occurrence is attracting the attention of both multi-national and Vancouver based exploration companies due to the relative ease of access and potentially high grade ore values.

Several prospects in southern B.C. have been reviewed in light of the changes in the taxation policy of the Provincial Government.

Respectfully submitted,

H.S.A.L.

H.S. Aikins, President