

TGS → Eskay CK.
~10 people
{TOVER}

Intro: Carl Edmunds
Thanks: Tom Schroeter

Eskay Creek Exploration
A Review

Dave Gale
Dec. 15/04

Grades (mins)

50 g/t Au
21000 g/t Ag
over mine life
Production
Dec. 31/03

2.83 Moz Au
129 Moz Ag

Isopach Map
9. Contact
mudstone
ranges up to
45-m thick.
(Spatially assoc
with ore)

Deep Adrian
targets up
to 1200 m
deep
(+ 1400 m north
of mine)

99-99
55 g/t Au
12.7 g/t Ag
over 20 m
+ borehole EM
(= no anomalies)

→ but will
continue to focus
expl'n.

21C zone
- W. of 21B zone

The Eskay Creek Project is located 83 kilometres northwest of Stewart, British Columbia on the eastern flanks of the Coast Mountain Range. The property consists of 8 mining leases, 94 located mineral claims and 6 surface holdings, and is accessed by a 58 kilometre, all-weather road from the Stewart-Cassiar Highway. The core claims form a narrow, northeast-trending block with a strike length of approximately 5 kilometres.

The Eskay Creek property is underlain by volcanic and sedimentary rocks of the regionally extensive Lower to Middle Jurassic Hazelton Group. The Hazelton Group can be further subdivided into the Unuk River, Betty Creek, Mt. Dilworth, and Salmon River Formations (arranged in order from oldest to youngest). The stratigraphy in the immediate area of the property consists of an upright succession of basalt, marine sediments, intermediate to felsic volcanoclastic rocks, rhyolite, Contact Mudstone (host to the main Eskay Creek deposits), and basaltic sills and flows. This sequence is in turn, capped by mudstones and conglomerates of the Bowser Lake Group. These rocks are folded into a gently, northeast plunging fold termed the Eskay Anticline and are cut by north, northwest, and northeast, sub-vertical fault structures.

Work in the area dates back to the mid 1930's when Tom Mackay, the original prospector, accessed the area by float plane and carried out the initial exploration programs. Extensive work was carried out in the following years, which culminated in the discovery of the Eskay Creek deposit in 1988-89.

Mineralization on the property is generally hosted in the Contact Mudstone between the main Eskay rhyolite and the overlying basaltic flows. The 21A-Mud, 21B, 21C-Mud, 21E, and NEX Zones all occur at this stratigraphic contact and consist of stratiform, mudstone-hosted, clastic to massive lenses of sulphides and sulphosalts. The HW Zone, characterized by a greater percentage of sulphides, is located higher in the stratigraphic sequence. Stockwork and discordant mineralization is also hosted within the footwall rhyolite in the 109, Pumphouse, 21C-Rhyolite, 21A-Rhyolite Zones and 22 Zone.

Multiple exploration methods have been used at Eskay Creek, which include 1) surface mapping, which most recently focussed on a facies analysis in the rhyolite; 2) full use of soil and rock geochemistry; 3) assessing the structural geology of the deposit; 4) Isopach analysis of selected stratigraphic horizons; and 5) geophysics. Multiple techniques are applied at each of the exploration targets and examples are given by describing the Deep Adrian, 21C, lower stratigraphic and the 22 Zone target areas. New computer software such as Gocad continues to be essential for all the data processing.

Slides
- Long Sec.
(S → N)
- 22 Zone

Structure
= key role!

22 Zone
rhyolite facies
NE + NW
structural trends
extensive Ag
soil anomaly
Footwall Res.

i.e.
+ influence of
Pumphouse fault
↓
Pacific (Mt. Dilworth)

2002 Hole 22-Zone
62.89 g/t Au Ag
over 4.65 m
2003: 8200 m depth
2004: 5000 m depth
79 g/t Au Ag over 6 m

rel. to NW structures
Gocad Software:
Mudstone
13.5 m / 1.34 g/t Au Ag
lower down
(Betty Cr.)

DDH
d/R 5971
89 g/t Au Ag over
13 m
i.e. lower in strat.

- * First Nations - Tahltan
- * 'Mainstay' in N/W - incl. continued expl'n successes
- * High-grade - DSO (ca. \$1800 - 2000/ounce)
- * Share info (MEB-workshop)
- * Perseverance - since 1932 (McKay)
- * Good geoscience - surface mapping, lithogeochem + ddt targeting
- * Small (land) 'footprint'
- * Teamwork between Mine + Expl'n (from 45% Photo (last))
- * 'Winter' expl'n! - "Joy it - you'll like it!"

Handwritten notes on the left margin, including dates like "1500 W" and "1000 W" and other illegible scribbles.

Handwritten notes on the right margin, including "1000 W", "1500 W", and other illegible scribbles.

A REVIEW
Eskay Creek Exploration

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Handwritten notes and signatures at the bottom right, including "Doris" and "10/2/87".