

Mount Polley. Official opening now scheduled for Saturday September 13. Fine-tuning of the mill is underway while it is processing close to 800 tonnes of ore per hour. Concentrate has been trucked daily from the site for several weeks now and conc grades meet the designed specifications (close to 30% Cu and about 40 g/t Au). Approximately 31,000 tonnes of ore and waste are being mined from the starter pit each day. The 1190 bench is nearly complete and drilling to 1180 m level has begun.

Willow Creek. Met with Dave Fawcett, Pine Valley Coal Ltd., along with Ed Beswick and Dave Morgan, to discuss various aspects of the Willow Creek coal project.

FIELD WORK

Al. On July 24, Larry Diakow, Jamie Pardy and I visited with AGC Americas Gold Corporation project geologist, John Pukas. AGC is currently drilling near the Bonanza-Ghost pit, on the AL property, using a Nodwell-mounted Super-38 (Elgin Drilling, based out of Calgary). AGC is twinning some 1987 drill holes to confirm the old data. Core from previous drilling programs on the property has not been located and is assumed to have been buried during reclamation. Diamond drill core from holes AL97-5 and 6 were examined. The mineralized section in hole AL97-6 occurs over an 18 metre interval and consists of a core of coarse-grained quartz and barite with 10-12 % sulphides including chalcopyrite, bornite, tetrahedrite and pyrite flanked by frothy silica with local pockets of barite and traces of sulphide mineralization.

A 1988 Wright Engineering feasibility study on the AL property provides the following reserves, which were calculated using a 3.5 g/t Au cutoff grade:

Bonanza (highgrade) zone - 15,560 tonnes grading 9.49 g/t Au

BV zone - 49,970 tonnes grading 10.95 g/t Au

Thesis III zone - 28,060 tonnes grading 12.64 g/t Au

The current 6,000 metre drill will be expanded if / when the pending deal with Antares is completed. AGC has also employed the services of Aerodat to conduct a Mag-EM-Radiometrics airborne (helicopter) surveys over its' AL-JD-Moose contiguous block of claims north of the Toodoggone River.

An agreement between AGC Americas Gold Corp., and Antares Exploration and Mining has apparently been signed and should provide secure project financing for several years. The agreement will result in Antares becoming the majority (55-60%) owner of the claim group.

Green Jade. Dormant jade property visited on July 21 in conjunction with an inspection by Jamie Pardy. Boulders and sub-outcrop of mottled and fractured, pale green nephrite and are considered to be poor quality jade. Work on the property was last performed in 1995 when a series of fences were drilled to test the down dip extension of the jade along the north bank of O'Ne-el Creek.

Mount Sydney Williams. First Point Minerals has completed their mapping and sampling program on this *unusual* nickel prospect, hosted in serpentinized harzburgite, located south of Takla Lake. The target is a large tonnage, leachable deposit. Assay data, including small-scale 'bulk test' results, will be carefully examined before any further work is committed to the property. A visit to the property, with Jamie Pardy, was made on July 21.

Pinchi Mine. Visited the past producer with Bert Struik (GSC) on July 16. Examined mineralization in the two open pits and looked at a number of outcrops west of the mine.

Takla Mercury Mine. Briefly toured the site that produced for only 9 months, during 1943-44, prior to closing for good. Mineralization is at least crudely similar to that at Pinchi--cinnabar occurs in brecciated limestone. Much of the mill equipment is still on site, as are many old camp structures.

Lane July '97 MR