834094 → Huckleberry

1992 "SNAPSHOT" REVIEW FORM AUTHOR: David M. Jenkins

PROPERTY/PROJECT

NAME : Huckleberry - High Grade Pit
NTS : 93E/11E
CLAIMS: Len Claims
ACREAGE: Approximately 4000
COMMODITIES: Copper with minor Mo, Au and Ag

27% Cu conc.
~40m TR >.4% Cu

AGREEMENTS

New Canamin Resources Ltd. option from Kennecott Canada Inc.

HISTORY

| PAST EXPLORATION | BY | AMOUNT | TYPE | $ COST |
|---|---|---|---|---|
| 1961 | Kennco | Regional | Stream Sediment | |
| 1962/64 | Kennco | 5,600 ft | Drill/Geochem/Geophys | |
| 1970/71 | Kennco | 7,400 ft | Drill/Geochem/Geophys | |
| 1972/73 | Granby | 52,106 ft | Drill/Met.Test | $1.0M |
| 1992/93 | New Canamin | 30,000 ft | Drill/Met.Test/Geotech /Feasibility Study | $0.75M |

GEOLOGY

REGIONAL

Folded and faulted andesitic volcanic rocks of the Hazelton Group are unconformably overlain by marine clastic sediments and tuffs correlated with the Bowser Lake Group of Middle Jurassic age. Both groups were intruded in Upper Cretaceous time by granodiorite plugs of the Bulkley Intrusions.

LOCAL

A hornblende-biotite granodiorite stock ($0.3km^2$) intrudes crystal tuffs of the Hazelton Group, which are hornfelsed in a broad annulus around the stock. Fracturing and crackle brecciation control copper and molybdenum mineralization occurring in both intrusive and metavolcanic rocks; higher grade mineralization is concentrated in the latter where it wraps around the east end of the stock.

ALTERATION/ORE FORMING MINERALS

Chalcopyrite and rare bornite are the principal economic minerals, deposited in fractures and breccia fillings in a broad zone of potassic alteration. They are accompanied by a gangue of anhydrite, gypsum, biotite, quartz and biotite as veinlets with some alteration envelopes. A late stockwork of molybdenite +/- chalcopyrite mineralization occurs with quartz-pyrite, anhydrite-pyrite or fluorite-pyrite veinlets . The anhydrite is a replacement of earlier fluorite. Late stage propylitic alteration affects most mafic minerals.

CURRENT EXPLORATION RESULTS - 1992-1993

Drilling at a nominal 30m average spacing has proven continuity of mineralization grading between 0.6% and 1.1% copper and has significantly enhanced the economics of the Huckleberry Project. The easterly dipping zone of high grade mineralization has been traced for 450m and remains open to the South. Chalcopyrite mineralization is concentrated in fractures dipping $60^{\circ}$ to $90^{\circ}$.

In the uppermost 10 to 30 meters of the subcropping mineralization, leaching of the carbonate and gypsum gangue in the veinlets has caused the rock to lose its cohesiveness. In general copper minerals produced by weathering and oxidation are rare or absent, probably due to the very low average pyrite content of the mineralization. Acid-Base accounting for the deposit indicates little probability of acid generation due to weathering of rock. Towards the end of the 1992 drill program, we did note chalcocite coatings in the upper part of the subcropping mineralization, indicating a zone of supergene mineralization.

Sampling of whole drill core has been adopted to reduce losses of copper sulfides during core splitting and handling. A skeleton core sample has been made up for each hole, retaining a representative 20 cm core length every 3 meters or where a distinctive rock change is noted. The result is a reduction of stored core to about one NQ box per 250 meters. This skeleton core is accessible and can be stored securely off site.

In order to complete data requirements for the feasibility study the drill core samples were assayed for copper, molybdenum, gold and silver. Multielement ICP analyses have been carried out on the recent drill samples. Arsenic, bismuth antimony and other base metals returned very low values.

Metallurgical work by Granby indicated that copper minerals liberate from the gangue minerals at a relatively coarse grind and flotation will recover approximately 95% of the copper in a concentrate grading 27%. Gold and silver values recovered in concentrates would give a net smelter return of about $15 per tonne of concentrate.

| RESERVES: (From Granby Feasibility) | Geol. | Mineable |
|---|---|---|
| | 124Mt | 23Mt |
| AVERAGE GRADE (COPPER) | 0.377% | 0.534% |
| CUT-OFF GRADE (COPPER) | 0.25% | 0.45% |
| NUMBER OF ZONES | ONE | ONE |
| NUMBER OF SAMPLE POINTS | +/- 80 drill holes | |
| | | |
| COSTS-RECENT EXPLORATION COSTS | $750,000 | |
| PROJECTED COSTS TO DEVELOPMENT | $1-2M | |
| PROJECTED DEVELOPMENT COSTS | $25M | |
| PROJECTED OPERATING COSTS | $7.25 -$8.00/t | |

New Canamin started collecting data for environmental assessment purposes and the feasibility study in 1992. The current drill program includes 5 HQ drill holes for metallurgical sampling. Other holes will double for fracture orientation and water monitoring tests for geotechnical and hydrology studies. These data will be used for a pre-feasibility study this quarter, allowing the Company to file a Pre-Application Prospectus with the BC Government in order to initiate the mine review process for permitting.