

Memo To: Rick Meyers

834133

From: Robert Pinsent

EXPO

Date: September 29th, 1992

Subject: NWMA Talk: Comments on SW District

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(2) Exploration has been somewhat subdued! Although there has been some interest directed towards locating and delineating both "porphyry copper" and "massive sulphide" deposits.

The main projects this year have been:

(a) ~~Red Dog~~; Crew Natural has filed a prospectus with the Mine Development Assessment Branch. The property has an approximate mineable reserve of 25 million tonnes grading 0.35% Cu and 0.44 g/t Au at 0.2% Cu cut-off. The Company hopes to quarry, crush and convey 20,000 t/d to a loading facility on Holberg Inlet and barge it up the inlet to Island Copper. It is too early to say whether it will go or not. The Company has yet to finalize a deal with BHP-Utah.

(b) <sup>EXPO</sup>~~Hushamu~~; Jordex ran a drill programme in the spring and expects to be back this fall or winter. The Company hopes to increase the mineable reserve of it's "porphyry copper" deposit from the current 191 million tons grading 0.25% Cu, 0.009 oz/t Au and 0.010% Mo at a 0.29% "Cu equivalent" cut-off and a strip ratio of 0.9: 1.0.

The reserve is in two pits. Jordex appears to have shelved plans for a proposed Autumn drill programme designed to establish whether or not the Company can recalculate the reserve based on a single large pit. With luck, it should be back in the spring in order to earn it's interest.

(c) LeMare; Minnova has been exploring a recent "porphyry copper/transitional epigenetic" discovery made by Stow Resources. The Company flew a radiometric survey over the property, mapped it and collected samples for a fairly sophisticated lithochemical survey. The Company has identified two separate alteration zones. One is comprised of intense potassic alteration. The other is comprised of intense pyrophyllite/clay alteration. Minnova should be drilling (3,000 metres) the property right now.

(d) Seneca; Minnova has also been active on the Seneca property at Harrison Lake. The Company is looking for Kuroko-type "massive sulphide" deposit on the northeasterly extension of the Fleetwood Zone under the Chehalis River valley. The Company is exploring for a buried deposit in relatively flat lying stratigraphy (which is tough!). The Company had a good hit (1.83% Cu, 23.3% Zn, 1.71% Pb, 4.29 oz/t Ag and 0.075 oz/t Au over 3.2 metres) in the spring although they were unable to trace it with subsequent holes. The Company had hoped to be back drilling this fall but the programme has been delayed.

Seneca