

\***Table Mountain Mine** visited on Nov 29. Mining of the Lily vein from the Cusac decline is nearly complete. Mill head grade has been excellent, averaging 33 g/t Au through the third quarter. Definition drilling of the nearby Melissa vein has been disappointing. It is expected to yield only 1000-1500 ounces. In late summer 1100 tons of Vollaug ore that had been left on surface for many years was run through the mill and yielded 500 ounces of gold. This was incentive to re-evaluate the Vollaug vein (104P 019), a gently dipping ("type 2") vein in argillite above the contact listwanite mined by Total Erickson prior to closure in 1987. Reserves were identified from mine records and the reclaimed 5700 and 4900-level adits reopened. Ore is being produced from 5700 and ice removed from 4900. Unlike type 1 veins Vollaug ore is cryptic; gold is not visible nor can grade be estimated from sulphide content (tetrahedrite, pyrite) which is low. Ore reserves are 39,400 tonnes grading 15.6 g/t Au. Vollaug ore contains abundant graphite (as ribbons, chips and stylolites in quartz) which apparently does not produce undue problems in the mill. In the current stope the vein is 2.5 metres wide and tetrahedrite is altered to azurite. The Vollaug structure has a 3 km strike length and although it was mined previously from four adits there are unexplored segments with excellent potential for finding more ore.

#### EXPLORATION AND MINESITE ACTIVITY

\***Premier Gold** underground drilling due for completion in early December. In light of poor third quarter earnings at Myra Falls, Westmin Resource is in a tight cash position. Underground development necessary for Premier re-opening is now quite uncertain.

\***Wheaton River Minerals** (82% owner of North American Metals) has retained Mercantile Resource Finance Inc to assist in securing production financing for the **Golden Bear** heap leach gold project.

\***Regional Resources** has merged with Imperial Metals Corporation completing acquisition of the **Midway** advanced stage Ag-Pb-Zn property.

\***Hera Resources Inc.** prospecting/ sampling on the **Loring** property, 40 km southwest of Smithers indicates widespread copper associated with skarn adjacent Bulkley BFP dikes. More work planned in 1997.

\***Hearne Hill** drilling by Booker Gold continues with hole 96-71 returning 0.74% Cu, 0.2 g/t Au over 246 m.

\* **Keystone** IP survey on Thibert Creek by Nu-Lite Industries not completed due to severe cold weather.

\*Final 30 drill holes at **Clone** released with assays in the 3-10 g/t Au range, generally disappointing except for one high grade hole.

\*Drilling by Porcher Island Gold Corp comprises confirmation holes within the existing reserve (1.5 million tons at 0.2 opt) and step-out holes. If results are encouraging, a \$1 million drilling/ underground development program is planned for 1997.

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