

Knob Hill

884649

INTEROFFICE MEMORANDUM

Created: 04-Nov-1996 10:58am PST
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From: Robert Pinsent of EI
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TO: See Below

Subject: SOUTHWESTERN REGION: MONTHLY REPORT NOVEMBER I

EXPLORATION:

Ladner
CF
- Athabasca Resources drilled eight holes into the McMaster zone north of the Ladner Creek mine. It encountered promising thicknesses of typical mineralization in the sheared footwall of a shallow-dipping serpentine lens intruded along the McMaster Pond fault, a structure that cuts and off-sets the "main" East Hozameen fault. The step-out has positive implications for the extent of mineralization on the property.

Knob Hill
- First Choice Industries drilled ten short holes and reported finding a very encouraging fine-grained sulphide stockwork in brecciated rhyolite underlying part (800 m x 250 m) of its large gold-arsenic soil geochem. anomaly at Knob Hill. The first assays results should be announced next week. The rocks look as if porphyry (Cu) mineralization has been overprinted with epithermal (Au, Ag, As, Pb, Zn) mineralization. Note the property received an Explore BC MEIP grant last year.

JJ
- Aquaterre Resources is completing the second of two holes into what was thought to be a VMS target on Jervis Inlet. Given a look at the maps and core, I rather suspect it is actually drilling the flank of a porphyry copper system (visited).

- Verdestone Resources announced encouraging molybdenite assays from its drill and surface sampling program at Salal Creek. It is currently exploring a target area 2,500 metres by 460 metres centred on Float Creek. Next summer, it plans to deepen the second (shorter) of this year's holes.

Tay
- Dalmation Resources has completed a 1,106 line-km helicopter borne (em, magnetometer and radiometric) airborne geophysical survey on the Tay vein-gold property, near Sproat Lake. The program appears to have generated a few targets and a gremlin who munched the reference in last month's report.

Mack
- SYMC Resources has cut some more trenches at Macktush and exposed more of the Fred and Dave veins systems. The veins contain remarkably consistent gold values of between 0.3 and 0.6 oz/tonne as well as appreciable silver and copper. The mineralization is probably linked to

a very large por. Cu system.

TOS → RG
— Van.

I N T E R O F F I C E M E M O R A N D U M

Created: 23-Jun-1997 09:20am PDT
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From: Robert Pinsent of EI
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TO: See Below

Subject: SOUTHWESTERN REGION MONTHLY REPORT: JUNE II

EXPLORATION:

- Myra Falls* - Westmin Resources has dropped plans for deep drilling the west end of the mine property and has submitted NSOW for programmes at the east end (1) along Thelwood Creek, (2) near the tailings pond and (3) Myra Ridge between H-W and Trumpeter. The latter requires cutting "old growth" - which might possibly offend BCParks.
- Knob Hill + Red Dog* - First Choice Industries has funds for drilling its Knob Hill gold/arsenic system near Holberg Inlet and should start work shortly. First Choice and Jordex Resources have teamed up to fly an airborne geophysical survey over Knob Hill and Red Dog (porphyry copper) properties.
- Monument* - Minestar Resources plans to trench-sample and drill the Monument quartz vein, near Spuzzum. It will extract a 9,000 tonne bulk sample and process it off-site. The vein lies in the same structural & stratigraphic setting as the Ladner Creek deposit but differs in form. It is a >2.0 metre wide, clean, white, sulphide-free, fine free gold-bearing quartz vein. If the grades hold up, the vein is well located for underground mining (Visited).
- Doctor's Point* Minestar Resources has also staked the Doctor's Point gold deposit west of Harrison Lake. It was last explored in 1983. It consists of shallow-dipping, interlaced, mineralized fractures in volcanic rock adjacent to a diorite intrusion. The fractures are silicified close to the intrusion and vuggily quartz-veined away from it. The veins contain coarse pyrite and arsenopyrite (and minor stibnite) and good grades of gold and silver (Visited).
- Ashlu* - Slim's Exploration and Mining Company (private) plans to reactivate the dormant Ashlu Gold Mine north of Squamish. It expects to process 200 tonnes/day of very high-grade (?) gold & platinum (etc)-bearing telluride ore (Calaverite) from a quartz vein system through an existing mill on a seasonal basis and produce a flotation concentrate. (Visited).
permits? nows?
- Beau Pre Explorations Ltd. has received permits to continue its bulk

VGS → RG
- Van.

I N T E R O F F I C E M E M O R A N D U M

Created: 03-Sep-1997 02:51pm PDT
Sent: 12-Sep-1997 12:19pm PDT
From: Robert Pinsent of EI
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TO: See Below

Subject: SOUTHWESTERN REGION MONTHLY REPORT: SEPTEMBER 1

(14)

EXPLORATION:

- Knob Hill - First Choice Industries Ltd. has completed the first 7 of 21 drill holes at Knob Hill. So far, it has drilled a Cu,Au soil geochemical anomaly located above a large, circular, feature in rhyolite breccia and located "extensive" copper polymetallic sulphide mineralization "including copper sulphide". It stopped drilling, temporarily, pending receipt of assays and the results of a ground geophysical survey over a second target, a highly prospective, 1.0 km long, em conductor identified through its recent airborne survey. The zone is poorly exposed but exhibits scattered sulphide float. The company has recommenced drilling but has yet to announce results.
- Quet - Mount Hope Resources is currently drilling at Hotspring (Quet). It plans to drill 8-10 holes for an aggregate depth of 2000 metres looking for "higher-grade" gold mineralization in and around altered andesite dykes that are known to cut an extensive stratabound zone of weakly Au,Ag,Pb,Zn, mineralized volcanic breccias. It is looking for a feeder system with sufficient tonnage and grade to develop a large, low-grade, bulk mineable deposit.
- Galleon - AGC Americas Gold Corp has announced acquisition of "100% interest in certain mineral claims on Southern Vancouver Island". This is the Galleon property. It hasn't announced where as it is still staking. The company is required to spend \$115,000 the first year and \$225,000 the second. The company has a private placement in place to cover costs.
- MYRA FALLS - Westmin Resource's Myra Falls Operation has been shut down by a strike since Thursday. However, neither side expect it to last very long. The company and union are agreed on most of the contentious points.

LAND-USE:

- LUCO has, as expected, recommended that Joffre, Sechelt Inlets, Coquihalla Canyon and Lake Lovely Water recreation areas be made into parks. Interestingly though, it has deferred any decision on Cascade

TGS →
RG-
Van.

I N T E R O F F I C E M E M O R A N D U M

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Sent: 01-Oct-1997 05:23pm PDT
From: Robert Pinsent of EI
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Subject: SOUTHWESTERN REGION MONTHLY REPORT: SEPTEMBER II

EXPLORATION:

QUET- Mount Hope Resources in half way through a 3,000 metre drill program on the Hotspring (Quet) property on Sloquet Creek north of Harrison Lake. It appears to be having some success in locating "high-grade" gold mineralization (found with trace galena and sphalerite) in quartz veins and stockworks in steep, north to northwesterly trending, structures that host syn to post mineral andesite dykes. Noranda drilled between the structures in the late 1980's and located "low-grade" gold (<1.0 g/t) in pyritic, stratabound, felsic volcanic breccia. No assays yet but one impressive looking 12.5 metre intercept. If the model holds, it opens up a considerable area for future exploration (Visited).

Knob Hill - First Choice Industries has just about finished its drill program at Knob Hill, near Holberg. It has identified two principal mineral zones; a "porphyry copper" zone and peripheral "gold zone". It is now stepping out 2-5 km to test geophysical targets identified in its airborne survey. No assays released yet but it is "very pleased" with the results. (Visit planned for later this week).

TAY - Dalmation Resources has started drilling on the Tay property, west of Sproat Lake. It is looking for gold in quartz-carbonate veins in shears that splay off a major structure that runs up the lake. It has drilled one geological target near the road (without success) and plans to test two other target areas identified as a result of last year's airborne and this year's IP geophysical surveys.

- One of the prospectors on the grant program has located gold and zinc mineralization in a shear zone near the head of Birkenhead Creek.

LAND-USE:

- More concerns over road deactivation in the Kennedy River area. Several requests for info on drainages throughout Lower Mainland and Vancouver Island.