

Lloyd-Nordik

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Midwest zone on June 25th. Approximately 500 metres of drifting has been completed so far this year and the 985 level is now fully developed. Several new, but small, ore zones have been encountered (including ore grade material located entirely within the siltstone unit (hanging wall) and a zone of disseminated tetrahedrite in the volcanics at the siltstone-volcanic contact. Other activity includes: reserve drilling on the fringes of the West zone and diamond drilling on the North zone (2 holes completed so far). Additional drilling is scheduled for the North and East zones and a mapping and sampling program will proceed on Kinross' claims south of the Quesnel River.

Our visit included an examination of the pending failure in the ramp area of the Main pit. Movement of approximately 12 cm has occurred along one fracture plane that dips toward the base of the pit. Several cracks have also appeared in the ramp. The company and its consultants are considering several options to stabilize the situation including backfilling part of the pit with waste rock from the West zone open pit development.

Hampton Placer Claims. Bob Hampton provided Ed Beswick and me with a tour and overview of activity on his placer leases, near Likely, on June 25. The property is not currently active, but some prestripping has been completed. Mining will only proceed when/if the price of gold rebounds to the US\$400 per ounce level.

Lloyd-Nordik. Visited with Lloyd Tattersall and Stu Tennant of Big Valley Resources on June 27. Diamond drilling on the Lloyd 2 zone and its western extension has been temporarily suspended. The drill has been moved to the company's Morehead Creek project, located 3 km south of QR. A total of 22 holes were completed on the western extension. An examination of the drill core suggest that this is zone is a more typical alkalic porphyry system (disseminated pyrite and chalcopyrite in potassically altered monzodiorite and intrusion breccias) than is the Lloyd 2 zone. Assay results are generally low grade (i.e. hole 97-99: 104 metres grading 0.12% Cu and 0.02 g/t Au).

Layers. Owner/operator Don Williams provided Ken MacDonald and me with a tour of the Layers 1-4 claims on June 30. Industrial mineral potential is in varicoloured, cherty or chalcedonic quartz layers, exposed along the east bank of the Fraser River. Individual beds are up to 0.5 metres thick and colours range from a vitreous pale green to dark grey to red. Low grade rhodonite (white to pale pink with abundant manganese oxide) was also noted. The claims produced aggregate and stucco dash in the late 1960s.

EXPLORATION MONITORING

Brenda. Diamond drilling has begun on the Brenda Cu-Au porphyry prospect in the Toadoggonne.

JD. A due diligence of AGC Americas Gold Corp., and its holdings in the Toadoggonne region, by Antares Exploration and Mining, was to be completed by June 30. The pending deal would secure several years worth of exploration funding for the Toadoggonne properties, including JD, AI and Moose, as well as the Lawyers past producer, and result in Antares becoming the majority (55-60%) owner.

Received NoW for exploration programs on the Pine (north of Kemess) porphyry prospect, Soup (Johanson Lake area) gold-magnetite skarn prospect, Other Activities

Swan. Stratabound Minerals Corp. plans to drill 6 holes on its MVT-Zn-Pb-Ag prospect south of the Swannell River in the Lay Range.

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Lloyd-Nordik. Twelve diamond drill holes, totaling 2035 metres, have been completed so far this year on the Western zone, a possible extension to the Lloyd 2 zone. Assays released so far indicate a low grade system (0.1 to 0.2 % Cu and low Au grades), but drilling continues. Big Valley Resources continues to add claims to their already large group of properties in the area. The company plans to have 2 drills turning on their ground throughout much of the year. One will continue to test the Lloyd 2 and Western zones and the other will be used to evaluate targets on claims to the north and to the west.

Mac. Spokane Resources has completed 2590-metres of diamond drilling in 10-holes on the 'East Contact' zone of the Camp deposit. Assays are pending.

Mount Sydney Williams. First Point Minerals has optioned the Mount Sydney Williams from Ursala Mowat. Property work is expected to commence in June and will include a grid based rock and drill core sampling program to test for a leachable nickel deposit.

QR. Kinross Golds' 1997 exploration program includes a 9000 metre diamond drilling program that will explore the North zone and the east projection of the mineralized (basalt-siltstone) contact east of the Main zone. A mapping and soil sampling program is planned for the company's claims that lie on the south side of the Quesnel River.

Tsacha. Teck Exploration has filed a NoW for a 10-15 hole diamond drill program on its epithermal gold prospect in the Tommy Lakes area, Nechako Plateau.

Homestake will be conducting a reconnaissance program looking at the southern end of the **Bowser basin** and will be based out of Lovell Cove (east side of Takla Lake).

OTHER

Presented "1996 Exploration and Development Highlights, Northeast-Central Region", at KEG conference in Kamloops. Provided regional geology overview for tour of the Gibraltar and Mount Polley deposits as part of a post-KEG Conference fieldtrip.

Participated in GSB-RG conference call. The GSB will be conducting several programs in the NE-C region in 1997 including: bedrock mapping projects that include the **Kemess South** mine area, the southern extension of **Sitlika** volcanics, and northern **Babine** porphyry belt; a partnership program with International Wayside Gold Mines and Gold City Resources looking at gold vein systems in the **Wells-Barkerville** area, and; a Regional Geochemical Silt sampling (RGS) program in the **Mesilinka** mapsheet (94C). The latter will hopefully stimulate exploration in the region—an area with significant potential for Au-enriched porphyry, skarn and vein deposits (west of the trench) and massive sulphide deposits (east of the trench).

The GSB has published a document that summarizes provincial and federal government geoscience surveys in the **Nechako Plateau**.

Reviewed and scored 21 Prospectors Assistance submittals and participated in GSB-RG conference call regarding the Prospectors Assistance program.

B. Lane MR - Apr. '97

BL - Apr. 28/97 (23)

Beekeeper. Visited and examined diamond drill core from the recently completed 7-hole, 1100-metre drill program. Much of the core is K-spar altered fine to medium-grained monzonite to syeno-diorite. Subparallel qtz-py veinlets cut (post-date) host rock that contains sparsely disseminated cpy. Assays are not yet available.

Fawn. Equity Engineering has completed a 7-hole, 613-metre diamond drill program on the Giver zone on behalf of Craven Ventures, a private company that is earning an interest in the property from Western Keltic Mines. The drilling tested the Giver zone at 150 metre intervals along its east-west trend. The moderately south-dipping epithermal vein system was intersected in several holes.

JD. AGC Americas Gold Corp. has submitted their NoW for this years exploration program on the JD property. A diamond drill program consisting of approximately 30 holes will test for the strike extensions to the Finn epithermal gold zone. AGC also plans to complete 10 ddh on the AL epithermal gold property and 5 ddh on the Moose property (Porphyry Pearl prospect).

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QR. Kinross Golds 1997 exploration program will include mapping and soil sampling on the south side of the Quesnel River and will focus on the siltstone-basalt contact. The company will also investigate the east side of the property for skarn-propylite alteration.

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timetable for negotiations on substantive issues (i.e., lands and natural resources). Concerns were raised by CSTC regarding the line ministries and/or LRMP "leading" the negotiations. Key issues raised by CSTC were the lack of implementation of interim measures and the apparent avoidance by governments of compensation for, and admittance to, past injustices (historical). These could be major sticking points in future negotiations.

FIELD ACTIVITIES

Lloyd-Nordik

The Lloyd-Nordik property is in the Quesnel Trough and is located approximately 57 km northeast of Williams Lake. It adjoins Imperial Metals Mount Polley property on the north and east and is accessible from well maintained all-weather gravel roads. Lloyd Tattersall, President of Big Valley Resources, and son Kevin, provided an overview of past work on the property as well as a look at diamond drill core and trenches at the Lloyd 2 zone. Egil Livgard and Stuart Tennant have recently signed on to run this years exploration program

The current phase of exploration began in 1993 and focused mainly a Au-bearing breccia 1.5 km north of the Mount Polley pit location, called the Lloyd 2 zone. A reinterpretation of existing geophysical data and new ground magnetic surveys led to the identification of several coincident IP and mag anomalies. Follow-up soil sampling over these areas resulted in coincident Au and Cu geochem anomalies and effectively produced several "bulls-eye" anomalies--several of which have not yet been trenched or drilled.

Mineralization occurs on the northern margin of the Mount Polley stock, a high-level alkalic intrusion that, locally, has imparted intense potassium feldspar flooding in the Upper Triassic Nicola Gp rocks which it cuts.

The Lloyd 2 mineralized breccia zone has a minimum strike length of 250 metres along its northeast trend and appears to dip steeply to the northwest. The mineralized zone is composed of several lenses that appear to coalesce at the north end of the zone and diverge to the south. They are associated with porphyritic dikes and sills. Mineralization is concentrated in intensely K-feldspar altered volcanic and dioritic to monzonitic intrusive rocks near intrusive contacts. It is open along strike at both ends. The breccia is composed of angular clasts of salmon-coloured potassium feldspar-flooded volcanic and intrusive lithologies healed by a magnetite>>chalcopyrite>pyrite matrix. There is generally a 1:1 relationship between gold and copper grades, but a narrow, high grade gold zone, that averaged 13.45 gpt Au and 0.02% Cu over 2 metres, was intersected during last years drilling and will be tested again early this year.

In March, 1996, Montgomery Consultants completed a geologic in situ resource calculation on the Lloyd 2 zone (based on 22 ddhs). The open pitable deposit contains an indicated 1.49 million tonnes averaging 0.483% Cu and 0.415 gpt Au and an additional (probable or possible) 2.44 million tonnes grading 0.436% Cu and 0.326 gpt Au (at a cut-off grade = 0.20% Cu).

To the end of 1995, 42 ddh had been drilled on the property. Seven holes were drilled early in 1996 and after a brief hiatus drilling has resumed. The 1996

Lane, May '96

exploration budget is approx. \$1 to \$1.5 million and will include 35 to 40 diamond drill holes. Beau Pre will have 2 drills on site. One will be dedicated to the Lloyd 2 zone and the other one will test several other zones, such as Lloyd 3 and Nordik Southeast, where one 1995 drill hole intersection averaged 0.23% Cu and 0.19 gpt Au over 24 metres. Grid-base mapping, geochem sampling and geophysics will be conducted on adjoining Big Valley claims north of the Lloyd-Nordik property and south-southeast of QR.

EXPLORATION MONITORING:

NECHAKO PLATEAU

Clisbako/Baez, Laidman, Tam/Taken, Cutoff/Trout, Holy Cross. Phelps Dodge has programs planned for many of their properties in the Nechako Plateau region. Laidman was staked based on an arsenic regional till anomaly and will likely be drilled in the late summer or early fall. Tam/Taken is adjacent to Tecks Tsacha property in the Tommy Lakes area and will be drilled. Most of the companies other properties in the area will receive limited work programs.

QUESNEL TROUGH

Mount Polley. Imperial Metals has outlined \$100,000 exploration program, including 3,000' of diamond drilling, in the vicinity of the minesite. The Road zone occurs north of the pit area and several hundred metres south of Big Valleys Lloyd 2 zone. It consists of mgt+cpy bearing breccia that may resemble Lloyd 2 mineralization. The company will also investigate 3 copper soil anomalies, the Southeast, Northwest, and "S" zones.

Beekeeper. As reported last month a small program will be conducted on the Beekeeper porphyry Cu-Au target located in the Horsefly area, however, a Eastfields JV partner, Imperial Metals, will be the operator. They plan to spend approx. \$100,000 and will RC drill several geochem/geophys anomalies. Previous drilling on the property includes a 150 ft. intersection averaging 0.15% Cu and 0.01 opt Au.

Mitchell Bay (Redgold, Shiko Lake and Key). Imperial Metals has budgeted \$75,000 to \$100,000 for grassroots exploration and a small diamond drill program (3 - 5 holes) on the their Mitchell Bay project, south of Quesnel Lake. Airborne EM and mag surveys have already been flown.

Welbar. Gold City Resources has outlined a \$300,000 to \$400,000 exploration program for their mineral claims in the Wells area, but plans are entirely dependent on their ability to raise the capital. The program would entail exploration on very prospective ground near the old Cariboo Hudson mine, in the immediate vicinity of the old Warspite prospect, west of the Williams Creek past producer, and adjacent to Newmont-owned claims in the central part Gold Citys belt of claims.