

Memo To: V. A. Preto

From: R. H. Pinsent

Date: October 5th, 1992

Subject: SOUTHWESTERN DISTRICT MONTHLY REPORT: ~~SECRET~~

MAD HAT
885215

Lang Bay
The Company cites two reasons for the cancellation: (a) loss of a funding brought about by delays in the permitting process and (b) serious reservations about some of the technical pre-conditions laid down in the permitting document.

It is looking for the funding necessary to procede next spring.

MADHAT
Other points of note include the completion of a short (five hole, 330 metre), somewhat inconclusive, drill programme on the ~~Madhat~~ property (92L/5E; 92L 176) by ORVANA MINERALS. The Company is chasing copper and gold mineralization in structurally controlled silica "reefs" in Bonanza Group volcanic rocks. Drilling is also on-going in the ~~Tedi Pit~~ area of the Brandwine property (92J/3E; 92JW001). LA ROCK MINING CORPORATION reports narrow (2 - 10 metre) intercepts grading less than 7.0% combined Pb, Zn.

UP-COMING ACTIVITY:

(1) WESTMIN RESOURCES plans to start a 3,600 metre aggregate lenth drill programme in the Thelwood Creek area of it's H-W Mine property (92F/12E; 92F 330) in mid October.

ISLAND COPPER
(2) BHP MINERALS is planning a \$200,000 drill programme at the ~~west end~~ of the Island Copper pit (92L/12W; 92L 158). The programme is designed to determine whether an area of low-grade material (P zone) is mineable.

Several other programmes planned for the Autumn will ~~NOT~~ be going ahead: (1) MINNOVA INC. has defered plans to redrill the ~~Susca~~ property at Harrison Lake (92H/5W; 92HSW013) despite a good intercept in the spring; (2) INCO EXPLORATION does ~~not~~ intend to drill the ~~Cinadoro~~ property in the Queen Charlotte Islands (103F/1E; 103F 052). It is disappointed with the results of it's summers exploration programme and (3) JORDEX RESOURCES appears to have ~~defered~~ the next round of drilling at it's ~~Hushamu~~ property near Port Hardy (92L/12; 92L 185).

DISTRICT OFFICE HIGHLIGHTS:

(1) Art Clendenan finished editing a computer-based listing of ~~his~~ classification of mineral deposits on Vancouver Island. He completed his term of employment with GSB on 18th