

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

Mammoth

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From: Paul Wilton of EI
PWILTON

Title.

Dept: Ministry of Energy & Mines

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TO: See Below

Subject: Weekly Report - April 3rd/98

- Big Blackfoot Resources Ltd. has completed a 7-hole drilling program at the Caramelia project, Camp McKinney NW of Rock Creek. No trenching - \$200,000 total expenditure. The program was deemed a success - new veins encountered - good gold assays in every hole but grades extremely erratic. A \$750,000 program of drilling and trenching is planned for later in the summer (if the company can raise the funds (entirely depends on the price of gold - it's up to \$305 today!)). Because of the pronounced nugget effect, bulk sampling from trenches will be the only way to properly assess the resource potential.
- At the Whales group north of Midway, Phoenix Gold completed a mag. survey plus some mapping and rock sampling to meet an assessment deadline but did not do the small Gopher-drilling program for which it was permitted. The company is still considering whether or not to do more work - Kim Anshetz is aware that any more work will require a new Now.
- The latest from Redhawk Resources (Kristian Ross) is that the drilling at the Red Bird property (Pb-Zn-Ag - faulted extensions of Reeves Macdonald orebodies) west of Nelway will begin "in May". Permits and funding are in place. The proposed work is 5000m from 5 sites.
- Dia Met Minerals has just received a permit for a 20.7 km hand cut grid for a seismic survey on the Paul-Mike claims, immediately SW of Wasa Lake. The target is Sullivan type Zn/Pb/Ag on the assumed extension of the Kimberley Fault at the eastern edge of the Trench. Early attempts by the Alberta-based contractor to short-circuit some of the permitting by disguising the project as targeting petroleum were unsuccessful - they didn't count on running into the Wuschke!
- Century Gold Corp. has submitted a NoW for an aggressive program to include about 2300m of diamond drilling and 1350m of trenching on its large Royal Attwood property which straddles Hwy #3 just north of Grand Forks. The target is Au/Ag in epithermal veins but Cu/Au in skarns and vms are also possible. Linda Caron is running the project, and just about everything else that's going on in the Greenwood area.
- Ken Murray has informed that Bluebird Minerals will be drilling the Mammoth Cu/Au skarn north of Salmo - the NoW should be on its way.
- Westroc Inc. is planning to drill about 3000' in 15 holes at its Koot gypsum property on the Kootenay River east of Canal Flats. It is stated right in the NoW that the company plans to develop the Koot to replace its Windermere Operations by 2006 to 2008.
- Kennecott is going to be very aggressive in the Purcells this season. It is planning to drill about 2500m in the Findlay block of claims



CONFIDENTIAL

To: V.A. Preto
Manager, District Geology

October 8, 1992

LOG NO: OCT 15 1992 VAN /

ACTION:

Re: MONTHLY REPORT - July to September 1992

xeroxes to
Property Files

- KOOTENAY DISTRICT

FILE NO: DG - NELSON

Exploration Highlights:

KATIE

- the Katie Joint Venture (Yellowjack Resources/Hemlo Gold/Brenda Mines) has been ~~inactive since early July~~ when Yellowjack completed a \$400,000 drilling program. This is a Cu/Au porphyry prospect in Rossland Group volcanics near Salmo (82F/3W) which is unquestionably the most promising property in the Kootenays in 1992. The "Main zone" has been defined now over a strike length of 450 metres, width of 100 metres and down-dip 350 metres. It is open in all directions. The 17 zone is located 700 metres south of the Main zone, has stronger potassic alteration and locally higher grades than the Main zone. Alteration patterns suggest to me that the 17 zone may be the centre of a much larger hydrothermal system that includes the Main zone and the peripheral, pyrite-rich West zone. Contrary to rumours (and an earlier publication of our Branch), no meaningful reserve estimates have been made for the Katie deposit, except for a ballpark figure of 50 million tonnes for the defined portion of the Main zone. I am optimistic that the total system may be very much larger than that and that the critical factor will turn out to be grade. Ron Wells of Placer Dome recently spent several days reviewing all of the core and all of the records. He is very enthusiastic about the potential of the property and has recommended it to Placer Dome for acquisition. Ken Murray is optimistic that Placer will soon become operator of the project and will resume the drilling before the end of 1992. Indications are strong that the Noranda group has lost interest and will withdraw as a participant in the JV. Noranda has not done any work this year on the extensive adjoining claim groups on which it is still the operator.

MAMMOTH
(new)

- at the Mammoth property south of Nelson, Golden Mammoth Resources (Ken Murray again) has completed a program of geological mapping, geochemistry and geophysics. An I.P. survey performed by CME Consulting has outlined several good drill targets which will be tested next year. This is another porphyry prospect in Elise volcanics of the Rossland Group (82F/6W; MI82FSW211), with Cu/Mo the main commodities rather than Cu/Au as at Katie. Terry Naciuk (CME Consult.) has worked on this one and is also project manager at the Katie. He has expressed the opinion that Mammoth also has high promise as a potential porphyry orebody, although it has previously been known as a low-grade skarn occurrence.

LEG

- at the Leg property on Wilds Creek, 15 km. north of Creston (82F/2E; MI82FSE005) Consolidated Ramrod Gold Corp. (Kokanee Explorations) is drilling a promising new style of mineralization in the upper part of the Purcell Supergroup. It consists of stratabound and banded sphalerite-barite-pyrite in very fine quartzite (chert?), coarser quartzite, limestone and black argillite of the Dutch Creek Formation. Minor lead, silver and cadmium are associated with the zinc and barite. The better of two intersections in the first hole of this program assayed 7.1% Zn and 19.9 g/t Ag over 1.5 metres. A nearby hole drilled in 1990 assayed 4.75% Zn over 7.0 metres. Pyrrhotite and magnetite are both