

J Schroster more 885402

MEMORANDUM

To: Wally Bergen, Manager Northwest Region

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by

Paul Wojdak, NORTHWEST REGIONAL GEOLOGIST

HIGHLIGHTS

*Downturn in exploration resulting from Bre-X and low gold price. A number of programs are in jeopardy.

FIELD WORK

*Examined Bella (103G 028) gold showing on the inactive More property (Cominco) with prospector Efrem Specogna on July 3. The Marino antimony showing (103G 008) 3 km to the east was not examined. Specogna discovered gold in 1972 in pervasively altered Tertiary rhyolite in a quartz-calcite-pyrite-arsenopyrite epithermal breccia and stockwork zone. Umex conducted surface work and drilled 5 holes on Bella in 1975 (intersected 1-2 g/t Au over 3 to 15 m). Thunderwood Exploration conducted geochemical and geophysical surveys on the Marino showing in 1980. Cominco acquired the Bella and Marino showings by staking in 1986 and delineated three large chargeability anomalies, built a 14 km access trail and drilled 33 percussion holes spaced 200 metres apart on both zones. The best intercept was 3 g/t Au over 3 m (holes ranged from 2 to 293 ppb Au over standard 76 m depth). In recent years Cominco has twice filed NoW's to conduct diamond drilling but the program has not been carried out partly for political reasons (eg. in protest of Tatshenshini). A northeast fence of holes spaced 500 m apart was proposed apparently in search of an orecontrolling structure within the northwest Sandspit fault system which underlies the property. Since Cominco has returned its Canadian focus to zinc, it is extremely unlikely to drill this gold prospect. My objective is to promote interest and facilitate exploration by another operator.

*Visited two properties belonging to prospector Efrem Specogna. The Efremite claims cover a gold target in altered and pyritic Masset formation rhyolite near Copper Bay, 10 km south of Sandspit. The Efremite claims adjoins the Snow epithermal gold showing (103G 005) on Baxter Creek, recently restaked by Jo Shearer for an unnamed company. Adriana is a newly discovered, zone of clay-tourmaline-(quartz) alteration within volcanoclastic rocks of the Masset Formation, adjacent to miarolytic biotite-feldspar granite of the coeval Kano intrusions. An epithermal gold or high-level porphyry copper-(gold) setting is suggested. Specogna also showed me a beach locality where glacial boulders contain dumortierite, an unusual boron mineral that also occurs at Island Copper and Equity Silver.

Ministry of

Employment and Investment

Energy and Minerals Division

Tel: (250) 847-7383

Fax: (250) 847-

Bag 5000, Smithers, BC V0J 2N0 Mailing Address: Smithers, B.C. V0J 2N0 Location: 3793 Alfred Avenue