

At least 3 phases of intrusion have now been recognized related to the 202 Ma Goldslide Intrusion. This years' work has shown that the mineralization is hosted primarily in a brecciated zone(s), both within hornblende-feldspar porphyry and sedimentary rocks. Mineralization, as currently known, is contained within a 10 to 180m thick area of brecciation with grades from 0.5 to 1.5 g/t Au. As fluids rose quickly from the underlying Goldslide Intrusion they quickly lost their hydrostatic pressure (damaged by a quartz porphyry dyke and or 'channelling' into favourable host rocks (i.e. breccia). The result was the creation of a 50m to 250m halo of quartz-sericite - pyrite alteration. The top of this QSP zone or 'horizon' has been traced by drilling over a strike length of greater than 700m with grades ranging from 0.3 to 3 to 5 g/t Au.

The Marc zone is 235m long, up to 150m high and 3 to 30m in thickness. The average ore grade is 12 g/t Au; the cut-off used is 3 g/t over 3m. The best drill assay intersection on the property has been 200 g/t Au over 22.6m (cut from a single high of 1462 g/t Au, or 42.64 opt Au). The Ag: Au ratio is 3:1, but decreases in the AV zone. Mineralization is almost entirely in altered and brecciated hornblende porphyry.

The AV zone consists of brecciated and altered intrusive rocks 'bounded' by a quartz porphyry dyke. The best drill intersection has been 15.64 g/t Au over 22.6m.

The JW zone has now been traced by drilling over a strike length of 200m and is open. An example of ore intersection is 12.82 g/t Au over 5m. Geochemically, Red Mountain is characterized by a strong As, Sb, Cu, and Zn signature, as well as Na depletion and strong K-spar (note: still uncertain how much is primary vs secondary).

We examined core in the Lac office, focusing on the alteration and mineralization. In the afternoon, we were toured underground by Rob McLeod and David Rhys. We examined in detail the 1295 cross-cut in the Marc zone, as well as other exposures down to the bottom of the decline. David Rhys (MDRU study on Snip deposit) pointed out a narrow banded calcite-pyrite "Snip-like" vein cutting mineralized intrusive rocks (i.e. potential for "higher" grade Snip-like mineralization). Lac hopes to enter the MDAP in earnest this fall. With all the attention provided by the takeover scenario, all ears are on this project.

GSC - REGIONAL

Unfortunately, at the time of our visit, Charlie Greig was off on a week's break. Lac indicated that Charlie is now wondering if some or all of the country rocks (other than intrusions) might be as old as upper Triassic (cf. early to mid-Jurassic).

ASHWOOD - [MI-?]

On August 20th I visited the Ashwood property located 18 km south of Stewart. Ron Smyth, Dani Alldrick and Paul Wojdak from EMPR were also on the trip. 'Hosts' included John Kerr (Managing Director, Exploration for Aquaterre Mineral Development Ltd. (owner), Ron McMillan (Consulting Geologist for Aquaterre), and Scott Weeks (geologist with Pamicon-in charge of upcoming drill program). The property is the target of exploration for both VMS-style polymetallic and epithermal-style gold-silver mineralization in what is mapped as "pendant" of Hazelton Group strata. We traversed over the "1100" and "Ridge" gold zones, and part of the "N" zinc rich zone. The 1100 gold geochemical soil anomaly is more than 300m long (values up to 0.14 opt Au) occurring near felsic intrusive Porphyries in a (company) suspected epithermal environment [TGS disagrees]. The "N" zone and the "Tat" zone between felsic volcanic rocks and sedimentary rocks which has been traced for 6km along strike. Float samples returned assays up to 10.5% Zn. Aquaterre plans to drill 1900 metres to test these zones this fall. Unfortunately, they may have to fight the weather to complete the program as proposed.

MM100

On August 20th Paul Wojdak and I visited the KRL's field office in Stewart and had a "Show and Tell" by John Nicholson and Andris?, contractors to Prime Equities Int'l Corp. who have an option on a large group of claims (200 contiguous units) surrounding the MM100 claim group, located 10km NE of Stewart. A total of 12 main showings or mineralized areas are known on the property. Of these 7 have been explored by underground and 3 have shipped ore. The main targets this season are the Stewart Central highly altered contact zone between sedimentary rocks on the east and volcanic rocks on the west containing >10% po plus minor cpy, and the showings in the vicinity of the MM100

area where 16 short drill holes were completed in 1991 by consultant John Watkins. The target(s) include quartz (carbonate) veins, breccia veins, stockworks, and breccia zones. Mineralization favours the veins which cross intrusive bodies (i.e. similarities to Red Mtn., in part?).

Historically, and even today, the main impediments to accelerating exploration in the area have been the restricted access and the very tough 'bush' conditions. There are no well-established control grids on the properties. Hopefully, some of this necessary 'preliminary' work will get done this year, with drilling to follow.

CORNICE MTN. - [MI-104A003,081]

On August 20 Paul Wojdak and I discussed the Cornice Mtn. project with John Nicholson and Andris?, contractors (through Orequest) for Cameco. The main Zn-rich calcite breccia showing was drilled (3 holes) on very steep terrain last fall with disappointing results (i.e. missed the target?). Nicholson & Assoc. have been prospecting and mapping the knife-like ridges this summer and have located a new zone ("southwest") with chalcopyrite, and plan to recommend re-drilling the Zn-rich breccia zone from a different direction. It will be interesting to see how Cameco proceeds in this area.

GEOFINE

On August 20th I had a brief chat in Stewart with David Kennedy (ex-Bond Gold). He and 3 others (Geofine) are working in the Bear Pass area, presumably looking for a Red Mtn. look-alike.

WILLOUGHBY - [MI-103P006]

On August 21st Paul Wojdak, Dani Alldrick, and I visited Camnor Res./Gold Giant's Willoughby gold property located 26km east of Stewart and 15km east of Red Mtn.. Dave Visagie was our host. John Watkins is also a consultant on the project. In 1989 Bond Gold (under an option agreement) spent approx. \$1 million on drilling (14 holes totalling 1709m) on the Willoughby property - all testing targets on steep to precipitous slopes surrounded by glaciers. The most significant drill hole intersection was MZ 89-6 which returned 20.5m grading 24.89 g/t Au and 184.21 g/t Ag from the North zone. At least 10 significant zones of mineralization have been identified, hosting gold and silver-bearing pyrite (and/or pyrite) that appear to be genetically related to Early Jurassic hornblende feldspar porphyry intrusive rocks (equiv. to Goldslide Intrusion at Red Mtn.?). The sulphides occur in pods, veins, stockworks, and breccia zones within highly altered (carbonatized vs silicified or K-spar rich rocks). Other metallics identified include: sphalerite, galena, arsenopyrite, chalcopyrite, native gold, electrum, Bi-telluride and Ag-telluride.

Camnor had just completed their \$0.5 million program (cf. planned \$1.1 million - lack of financing) drill program comprised of 17 short holes totalling approx. 1750 metres [Willow (ex-Willoughby) zone: 1 ddh; Wilby zone: 9ddh; North zone: 6ddh; and Upper Ice Fall zone: 1ddh].

The North zone is hosted by highly altered (sericite/carbonate) hornblende feldspar porphyry with a 5 to 10% pyritic stockwork, plus quartz veinlets carrying visible gold and auriferous pyrite. [Note: no K-spar, cf. Red Mtn.]. DDH 94-15 (first hole in 94 program) returned 11m grading 1.3 opt Au and 3 opt Ag. The other zones consist of pyrite-rich, chloritized/sericified andesitic lapilli tuffs. The Willow zone contains bryozoa fossils replaced by pyrite, tourmaline alteration, and a sulphide breccia pipe with a 2% Zn. The Wilby zone located SE of the North zone consists of massive sulphide (py/po) occurrences' in andesitic tuffs with abundant calcite gangue, trace quartz and minor cpy, PbS, and ZnS. DDH 94-22 returned 4.2m grading 0.457 opt Au. Other assays are pending. The Upper Ice Fall zone consists of sphalerite, galena, and pyrite in carbonized andesitic tuffs. Lithochemical analyses suggest an overall Na-depletion. Additional prospecting, mapping and sampling will be undertaken until early September.

GENERAL - STEWART AREA

On August 20th Paul Wojdak, Dani Alldrick and I talked with the Mayor of Stewart, Andy Burton, about the desirability/need to improve the "Granduc Road" as part of the mining history of the area, as well as for the tourism values.

HUCKLEBERRY - [MI-93E-036,037,038]

On August 25th Paul Wojdak and I visited New Canamin's Huckleberry copper project located south of Houston. Hosts on site were Kelly Illerbrun (Project Manager) and Jim Hutter, Jr. (Geologist). Drilling (unless further