

MOYIE CK.

885600

Area

THIS PROSPECTUS CONSTITUTES A PUBLIC OFFERING OF THESE SECURITIES ONLY IN THOSE JURISDICTIONS WHERE THEY MAY BE LAWFULLY OFFERED FOR SALE AND THEREIN ONLY BY PERSONS PERMITTED TO SELL SUCH SECURITIES.

NO SECURITIES COMMISSION OR SIMILAR AUTHORITY IN CANADA HAS IN ANY WAY PASSED UPON THE MERITS OF THE SECURITIES OFFERED HEREUNDER AND ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

**PROSPECTUS**

**DATED: JUNE 27, 1988  
AMENDED SEPTEMBER 1, 1988**

A.L

Gold Run Creek

82F/8

**PARTNERS OIL & MINERALS LTD.**  
(hereinafter called the "Issuer")  
611 - 470 Granville Street  
Vancouver, B.C.  
V6C 1V5

**OFFERING**                      **500,000 Shares (the "Shares")**

Price to Public	Commissions	Proceeds to Issuer (1)
\$0.40 (2) \$200,000	\$0.05 \$25,000	\$0.35 \$175,000

(1) Before deduction of legal, audit and printing expenses payable by the Issuer estimated not to exceed \$20,000.

(2) The price of the Offering has been determined by the Issuer in negotiation with the Agent.

THERE IS NO MARKET THROUGH WHICH THESE SECURITIES MAY BE SOLD.

A PURCHASE OF THE SECURITIES OFFERED BY THIS PROSPECTUS MUST BE CONSIDERED A SPECULATION. ALL OF THE PROPERTIES IN WHICH THE ISSUER HAS AN INTEREST ARE IN THE EXPLORATION STAGE ONLY AND ARE WITHOUT A KNOWN BODY OF COMMERCIAL ORE. SEE "RISK FACTORS".

THE VANCOUVER STOCK EXCHANGE HAS CONDITIONALLY LISTED THE SECURITIES BEING OFFERED PURSUANT TO THIS PROSPECTUS. LISTING IS SUBJECT TO THE ISSUER FULFILLING ALL THE LISTING REQUIREMENTS OF THE VANCOUVER STOCK EXCHANGE ON OR BEFORE JANUARY 8, 1989, INCLUDING PRESCRIBED DISTRIBUTION AND FINANCIAL REQUIREMENTS.

THIS OFFERING IS SUBJECT TO A MINIMUM SUBSCRIPTION OF 500,000 SHARES BEING RECEIVED BY THIS ISSUER WITHIN 180 DAYS OF THE EFFECTIVE DATE OF THIS PROSPECTUS. SEE "PLAN OF DISTRIBUTION".

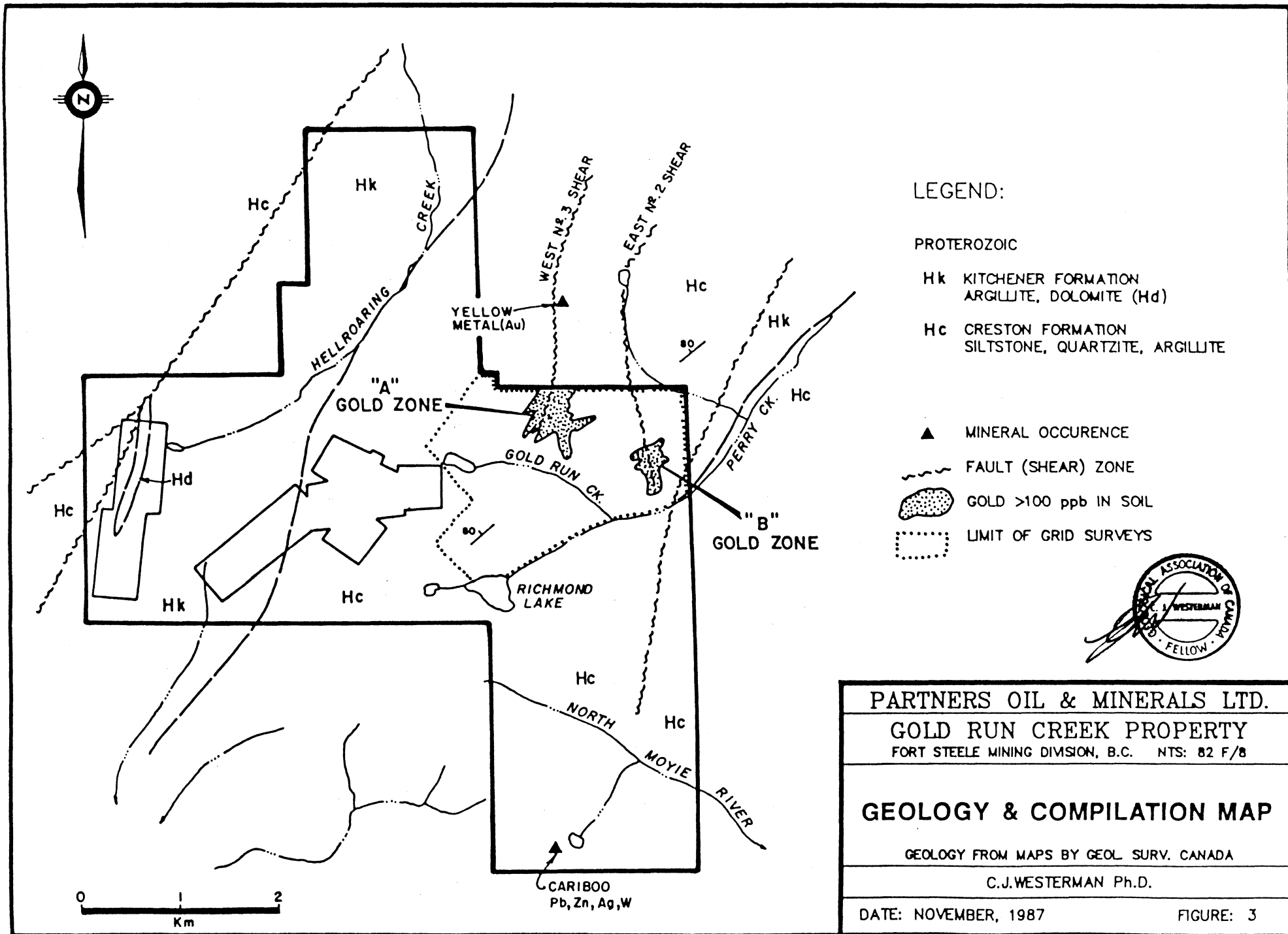
## GEOLOGY AND MINERALIZATION

The property lies within a north-northeast trending segment of the Proterozoic portion of the Kootenay Arc which originated as a thick prograding clastic wedge along the western margin of the North American continental plate. Subsequent accretion of allochthonous plates has created major folding within the arc. Brittle faulting has continued almost to the present day in response to development along major structural zones which include the Rocky Mountain Trench.

The Gold Run Creek property is underlain by clastic rocks of the Purcell Supergroup of Proterozoic age. Grey, green, white and purple quartzites and siltstones with minor interbedded argillite which underlie most of the property belong to the Creston Formation. These strongly bedded rocks strike N30°E and dip steeply to the northwest (Figure 3). In the area west of Hellroaring Creek, the Creston Formation is overlain by a dolomite-argillite package mapped as the Kitchener Formation. These rocks are also present in complex fault slices underlying lower elevations just west of Perry Creek (Banting 1987).

Gold mineralization in the Perry Creek area occurs in three different geological settings. Large quartz veins up to 20 meters wide generally carry gold values but in sub-economic amounts. Smaller quartz veins up to 2 meters wide cut both country rock and the larger quartz veins. These smaller veins carry significant amounts of gold and assays up to several ounces have been reported. A good deal of exploration undertaken at the turn of the century has suggested that these veins have erratic gold distribution and are relatively small irregular features. The third, and perhaps most significant, setting for gold mineralization is in major shear (fault) zones up to 100 meters in width which incorporate both brecciated quartz veins and host rock. These zones are weakly pyritized and are known to contain gold but systematic assays have not been recorded in the public realm. Dandy and Troup (1985) suggest that gold distribution is related to quartz vein stockworks in siliceous zones adjacent to microdiorite bodies which are intrusive into the shear zones. These zones are frequently topographically recessive.

To date, no detailed geological mapping has been undertaken on the Gold Run Creek property. Burton (1987) has reported the presence, however, of two major



LEGEND:

PROTEROZOIC

- Hk KITCHENER FORMATION  
ARGILLITE, DOLOMITE (Hd)
- Hc CRESTON FORMATION  
SILTSTONE, QUARTZITE, ARGILLITE

- ▲ MINERAL OCCURENCE
- FAULT (SHEAR) ZONE
- ◼ GOLD >100 ppb IN SOIL
- ⋯ LIMIT OF GRID SURVEYS



PARTNERS OIL & MINERALS LTD.	
GOLD RUN CREEK PROPERTY	
FORT STEELE MINING DIVISION, B.C. NTS: 82 F/8	
<b>GEOLOGY &amp; COMPILATION MAP</b>	
GEOLOGY FROM MAPS BY GEOL. SURV. CANADA	
C.J. WESTERMAN Ph.D.	
DATE: NOVEMBER, 1987	FIGURE: 3

shear zones on the Hawk claim immediately north of the CND 2 claim (Figure 3). Both of these zones project southwards onto the Gold Run Creek property. The western zone (Burton's No. 3 zone) is a 50-100 meter wide shear zone with associated gold values up to 0.89 ounces per ton in character samples from old trenches. The zone strikes N20E and dips steeply to the east thus cutting across stratigraphy. Burton has traced the zone along a 2,500 meter length to where it crosses the northern boundary of the CND 2 claim. At this point, the zone passes through a significant gold soil anomaly (Anomaly A) on the CND 2 claim. Rock samples collected in 1985 from a small trench within this anomaly did not return any significant values. The sampled area is, however, so small that it does not constitute a fair test of the anomaly.

A mineral occurrence of completely different character is located just south of the small lake in the headwaters of North Moyie Creek within the CND claim. Creston quartzites here host irregular masses of iron carbonate cut by a fine network of quartz veinlets and chlorite seams. Galena, sphalerite and scheelite occur in fractures along with the quartz veinlets. The main showing is reported in "Geology Exploration and Mining" for 1969 to be about 150 ft. long and 40 ft. wide. Sampling over a 14 ft. width is reported to assay 0.34% Pb, 0.68% Zn, 1.17% WO<sub>3</sub>. Selected high grade material is reported to assay 1.4 opt Ag, 4.58% Pb, 1.09% Zn and 0.34% WO<sub>3</sub>. No significant work has been undertaken on this showing in the past few years.

## GEOCHEMISTRY AND GEOPHYSICS

Reconnaissance soil samples taken along the trail above Gold Run Creek in 1985 indicated the presence of significant gold anomalies. Grid soil sampling undertaken in 1987 has covered the northwest and central parts of claim CND 2 and the east side of claim CND 3. Having analyzed geochemical results from gold prospects throughout western North America, it is the author's opinion that clusters of values greater than 20 ppb gold in soil sample data deserve detailed follow-up. In this case, however, about two-thirds of the grid area would be defined as anomalous in gold. In fact, the gold anomalous area encompasses most of the south and southeast facing slopes north of Gold Run Creek and Perry

Creek. Within this larger anomalous area there are two zones of significantly higher values (greater than 100 ppb Au) which contain values in excess of 500 ppb (Figure 4).

**Zone A** occurs at higher elevations in the northwest quadrant of claim CND 2. The zone is about 500 meters wide across slope and extends downslope about 400 meters to a fairly abrupt cut-off. This anomaly constitutes a southern extension of the gold-bearing No. 3 shear zone described by Burton (1987) from the contiguous Hawk claim. The centre of the geochemical anomaly is coincident with a single station magnetic anomaly of 800 gamma intensity and its southern tail contains a single station magnetic anomaly of 600 gamma intensity. Elsewhere on the survey grid, the magnetic and VLF-EM surveys showed generally flat responses.

**Zone B** occurs on a steep bluff overlooking Perry Creek in the northeast part of claim CND 2. This anomaly is almost confined to a single survey line which runs slightly oblique down the slope for a distance of 400 meters from the baseline. Gold values in excess of 1,000 ppb at the upslope end of the anomaly suggest a small high grade source. However, the author was unable to find anything to explain the anomaly during the field examination. It should be noted that the anomaly lies on the southern extension of the east (No. 2) shear zone described by Burton from the Hawk claim.


The Perry Creek drainage is known to contain "perched" gold-bearing glacial gravels which have locally been worked by placer operators in the past. The author is of the opinion that the A and B zone gold anomalies are not related to such gravels but rather reflect an underlying bedrock source of gold which requires further exploration. Three selected rock samples taken by the author from the areas of the A and B soil anomalies contained no significant metal values. A soil sample collected by the author from the B soil anomaly contained 315 ppb Au in confirmation of a sample taken by Partners' survey crew. Much more extensive and detailed rock sampling is required to locate the source of the anomalies.

## CONCLUSIONS AND RECOMMENDATIONS

The Gold Run Creek property is underlain predominantly by Creston Formation siltstones and quartzites. These rocks have been cut by major shear zones and quartz veins which, elsewhere in the area, carry significant gold values. Two substantial gold in soil anomalies have been identified by recent systematic surveys within the CND 2 claim. These anomalies deserve careful evaluation to determine if economic zones of gold mineralization exist in bedrock. Additional geochemical surveys are warranted to evaluate the remainder of the property.

It is recommended that a phased, success-contingent exploration program be undertaken on the Gold Run Creek property. Phase I of the program, at an estimated cost of \$100,000, should consist of detailed prospecting, sampling and mapping of the geochemical anomalies followed by mechanical trenching and a total of 500 meters of diamond drilling. Phase I should also include reconnaissance geochemical sampling of the remainder of the property. If results are sufficiently encouraging, it is recommended that Phase II of the program, also at an estimated cost of \$100,000, should consist of additional diamond drilling of existing targets and detailed surface surveys of any new anomalies discovered in Phase I. Continued success will warrant additional recommendations but such are beyond the scope of the current report.

November 30, 1987  
Vancouver, B.C.

  
C.J. Westerman, Ph.D., F.G.A.C.  
Consulting Geologist

