

→ MT. MILLIGAN

885731

1989 "SNAPSHOT" REVIEW FORM

Property/Project

Authors

Name: MT. MILLIGAN

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NTS: 93 N/1

Claims: 275 units

Acreage: 17,000

Commodities: Gold-Copper

Agreements

Joint venture: 70% United Lincoln Resources Inc. (operator), 30% BP Resources Canada Ltd.

History

<u>Past Exploration</u>	<u>By whom</u>	<u>Amount</u>	<u>Type</u>	<u>Cost</u>
1983	Selco			
Geological Concept Staking				
1984/85 Geology, Geochemistry Geophysics	BP			
1986 Trenching	United Lincoln			
1987/88	United Lincoln/BP			Total
Diamond Drilling		70 holes 8000m	NQ	To date \$2million

Geology

Regional Upper Triassic Takla Group volcanics are intruded by comagmatic alkaline diorite/monzonite porphyry dykes and plutons.

Local Augite porphyritic flows and fragmental units predominate over interbedded massive and thinly laminated tuffs. Units strike north northwest and have moderate easterly dips. Porphyritic dykes and sills related to a porphyritic monzonite stock all intrude the volcanics.

Alteration/Ore Forming Minerals The tuff, flow and fragmental volcanic units adjacent to the monzonite stock are strongly potassium metasomatized and host porphyry-type disseminated and veinlet (minor) iron and copper sulphides. Pyrite and chalcopyrite are both auriferous.

A very extensive envelope of propylitic alteration encompasses the stock and the zone of potassic alteration. Numerous shear-related auriferous pyrite replacement bodies are located within the propylitic alteration zone. Near the MBX zone propylitic altered volcanic units host important disseminated gold mineralization.

Current Exploration Results

1987-88

i) Geology

A 300m X 850m area of potassic altered volcanics host a porphyry-type gold-copper deposit which is open to extension both laterally and at depth. The zone has demonstrated vertical continuity to a depth of at least 300m. Peripheral propylitic altered pyritic volcanics host disseminated gold mineralization with little if any associated copper sulphide.

ii) Geochemistry

The MBX porphyry deposit and the replacement zones lie within a 9km² gold-copper soil geochemical anomaly, of which less than 25% has been explored.

iii) Geophysics

IP surveys outlined a broad circular zone of sulphides enclosing the monzonite stock. The IP anomaly is now being drill tested. Many lobes of the anomaly appear to extend beyond the limits of the area surveyed.

iv) Sampling

The MBX zone is covered by overburden. All sampling has been by NQ diamond drill core utilizing systematic 1.0m and 2.0m sample lengths.

Reserves:

Geological, possible, probable and/or proven

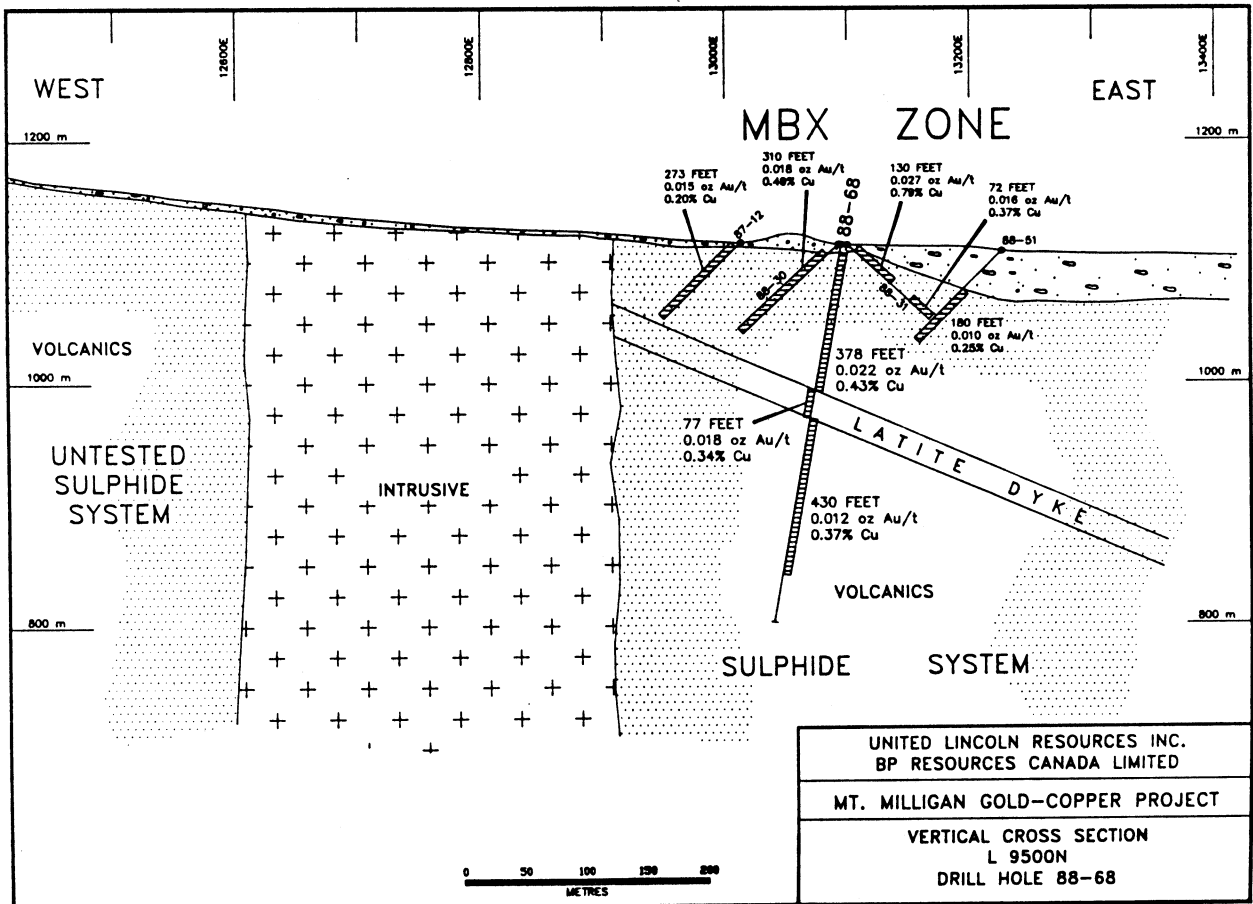
Porphyry mineralization grade ranges 0.2 to 0.5% Cu,
 0.01 to 0.07 oz Au/ton
 Replacement zones 0.1 to 2.9 oz Au/ton

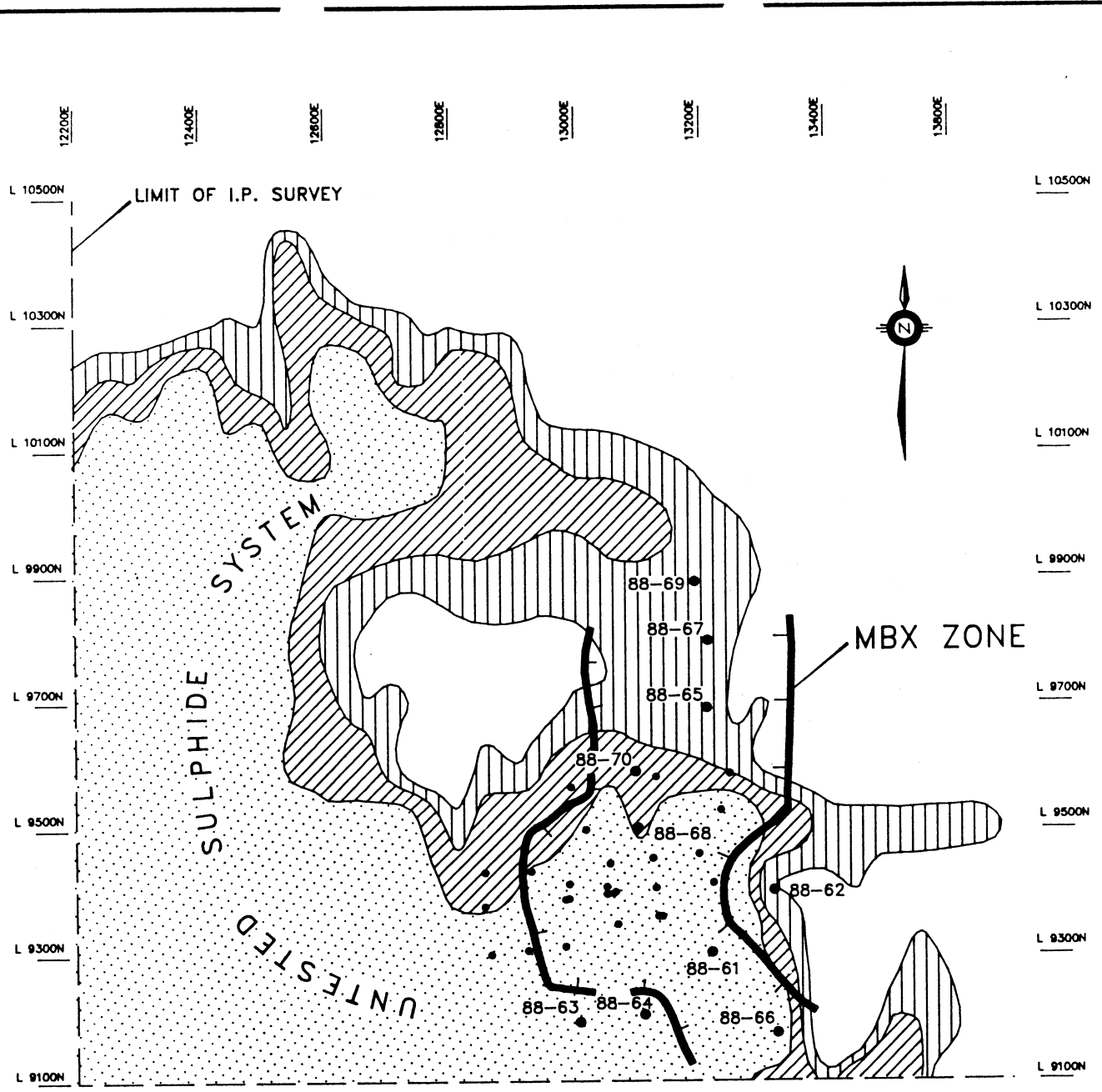
Number of zones

1 porphyry zone, 2 zones of shear hosted multiple,
 parallel replacement bodies




Costs:

Recent exploration costs, i.e. (relating to above)	\$1.2 million
Projected exploration costs of program to development (if any)	\$5 million
Projected development costs	\$150-200 million
Projected operating costs given positive economics	\$8.00/ton milled
Project annual metal production	200,000 ounces gold 74,000,000 pounds copper





INDUCED POLARIZATION SURVEY
DISSEMINATED SULPHIDE CONTENT

-  HIGH
-  MEDIUM
-  LOW

- 88-68 DRILL HOLE THIS RELEASE
- REPORTED DRILL HOLE



<p>UNITED LINCOLN RESOURCES INC. BP RESOURCES CANADA LIMITED</p>
<p>MT. MILLIGAN GOLD-COPPER PROJECT</p>
<p>PLAN DISSEMINATED SULPHIDE SYSTEM AND MBX ZONE DIAMOND DRILL COLLARS</p>