

Creek zone and averages only 3.3 g/t Au. The Linda and 900 zones appear at this stage to be small, high-grade plums, while the Mineral Creek zone, where most of the tonnage potential occurs, is disappointingly low-grade. Constraints on the calculation include a cut-off grade of 1.7 grams/tonne and dilution of all intersections to a two metre minimum thickness, but the reported inventory still somewhat resembles a cold shower.

- Abco/Cotter Creek: Small drill programs were completed by Stoney Creek Mines and Gold Parl Resources around the former Abco mine on Cotter Creek. Initial indications are that the results were very disappointing.
- Myra Falls Operations: Steve Juras has passed on the information that Westmin Mines Limited (note formal name change) has approved a 1990 exploration budget of \$7.8 million, an increase of 20% over the 1989 budget. This reflects the serious need to quickly find new reserves at the mine property to extend the mine life beyond this decade. They have had considerable success in 1989 but the search is very slow and expensive since all exploration drilling must be preceded by new exploration drifting. The potential targets are numerous but widely spaced.

Nanaimo Mining Division

- Angel: John Stephenson, president of Nexus Resource Corporation, reported that the five holes drilled by Nexus were all located in the immediate vicinity of the original Angel showing. The showing contains narrow Au/Cu bearing quartz veins in the sheared and intensely ferrocyanate altered hanging wall of the regional Angel fault. The drilling results were disappointing in that they did not improve on the narrow and spotty gold intersections found previously in surface trenches and in one earlier drill hole. However, Nexus did define a strong I.P. anomaly with a strike length of 350 metres, still open at both ends, which has not been investigated outside of the showing area.
- Vananda Gold: At the Vananda Gold skarn property on Texada Island, Freeport-McMoRan Gold drilled three holes totalling 787.6 metres in November. They included one hole on each of the Eagle grid, the Sandy grid, and at the Little Billie mine. I have no detailed information yet about the results but Ted Trueman confided that they were quite disappointing (STRICTLY CONFIDENTIAL). It sounds very likely that Freeport-McMoRan, in spite of some good intersections earlier at the Little Billie, the Sandy grid, and elsewhere, are discouraged and may withdraw from the joint venture with Vananda Gold Ltd.
- Mt. Washington: Better Resources Ltd. has purchased title to base metals from Imperial Metals Corporation on the major part of the Mt. Washington property. They had previously acquired the base metal rights in the Murex area from Fording Coal. That now gives Better Resources full title to both base and previous metals over the entire property and they can stop pretending that their gold ore does not contain copper!
- Dove: Westmin Mines Ltd. drilled five holes totalling about 600 metres in December on the Dove property (Ideal claims) on the east flank of Mt. Washington. They were testing a series of soil/VLF anomalies strung out along a north-trending, steep-dipping regional structure which they feel has concentrated epithermal gold-copper mineralization. A train of well mineralized boulders is associated with one anomaly. Rick Walker informs that they did get some narrow sulphide intersections in the drilling and are waiting for gold assays (CONFIDENTIAL). Westmin has employed the property owner, FAME grantee Joe Paquet, to do systematic boulder prospecting, a tool they consider very useful in this area of generally thick till cover.
- Bruno: Doromin Resources Ltd. reported encouragement from a short drill program on the Bruno property, located southeast of Schoen Lake Park in central Vancouver Island. A 2.4 metre section in one hole is reported to have assayed 5% copper, 41.1 g/t Ag, and traces of gold. The target is

Debbie
(cont'd)

Western
Mines

Texada
Is.

Mt.
Washington