

TGS

886327

**french peak
two
target
programme
august 1976**



AALENIAN RESOURCES LTD.

Cover Photo

Diamond drill core from hole No. FP-76-1 which provided the following assays:

Silver	Oz. per ton	338.0
Gold	Oz. per ton	0.13
Copper	%	10.5
Lead	%	30.8
Zinc	%	3.0

Introduction

Smithers area of central west B.C. has long been known for both its high grade mines and its large tonnage, lower grade deposits. Examples of the high grade mines are the Silver Standard Mine, Cronin Babine and the large tonnage mines are Granisle, Bell Copper and the Sam Goosley. In the spring of 1976, Aalenian acquired an option to buy a 100% interest in the French Peak Silver mine, located approximately 40 miles northeast of Smithers which has a history of very high grade silver production, a good potential for substantial tonnages of additional high grade silver-lead-zinc production and a geological environment favourable for the discovery of a large tonnage massive sulphide ore body.

Access to the property by way of a government road to within six miles of the workings with the balance of the road recently up-graded to all weather status by the company. There is ample water supply on the property and experienced crews are available in Smithers.

In early May, the company initiated a drilling, trenching and geophysical prospecting program designed to test the two targets on the property.

Target One

HIGHGRADE SILVER-GOLD-COPPER VEIN STRUCTURE

The first target had been located by previous property owners who trenched the vein on surface and shipped 44 tons which averaged 161 ounces silver per ton, plus 14% lead. The initial drill holes tested this showing at depth with successful results as seen in the table of assays shown below. When the program began, the known mineralization was 75 feet long on surface. The first phase extended this to 120 feet along strike and to a minimum depth of 80 feet. This area contains an indicated mineral reserve with a gross value of in excess of \$1,000,000 which will generate a significant cash flow and profit upon mining. Prospecting and geological mapping has

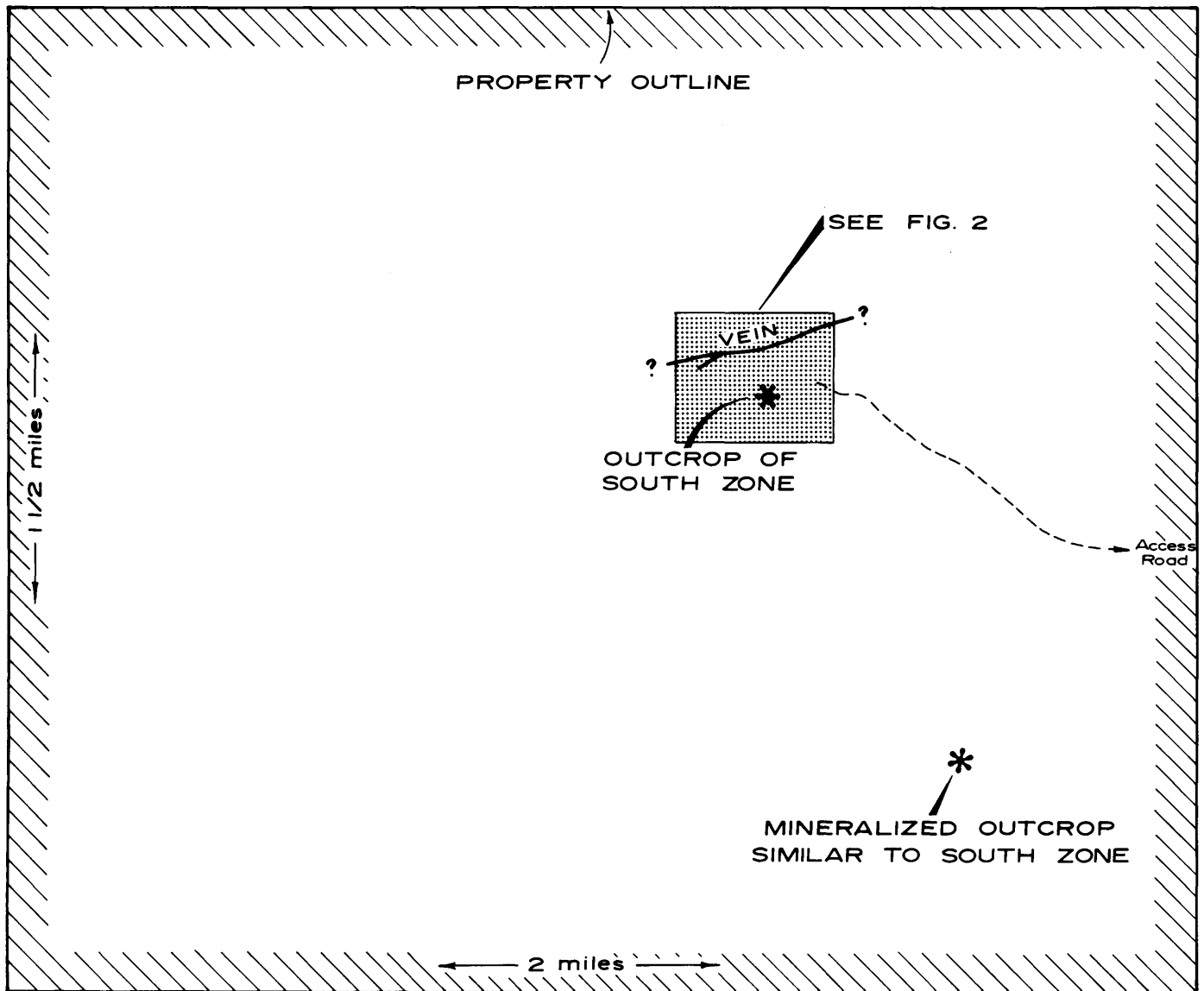
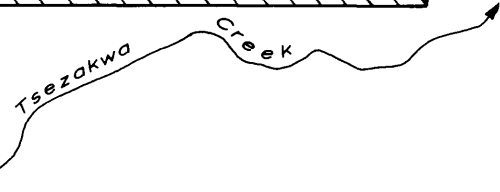


FIG. 1
PROPERTY MAP



SMITHERS
42 mi.



traced this vein structure over a length in excess of 1,500 feet. The structure disappears under overburden at both ends and is open to further extension with additional surface work or drilling.

An underground program of 600 feet of drifting is now underway, to upgrade the presently drill indicated reserves in the proven class and prepare for mining and production.

Drill testing for the extension of this ore shoot and for other ore shoots along the 1500 feet of the vein structure will be undertaken as conditions permit.

Target Two

KUROKO TYPE VOLCANOGENIC MASSIVE SULPHIDE DEPOSIT

Second target on this property is a large tonnage ore body of the type described as massive sulphides and associated with acid tuffs formations with geological similarities to the Texas Gulf-Kidd Creek deposit. There are a number of geological and geophysical features on the French Peak property which encourage the search for such a large target. One of the features of a massive sulphide deposit is a cap rock or marker bed of hematite overlying the massive sulphides. Such a hematite horizon has been indicated on the Aalenian property. In addition, a large electromagnetic anomaly has been drill tested by five holes. Each of the holes encountered massive sulphides. These holes carried sections assaying in 17 ounces silver per ton, plus 0.06 ounce gold per ton. Disseminated tetrahedrite, a highgrade copper-silver mineral, similar to the Sam Goosely deposit, was encountered in these holes. A further feature is the location within the anomalous area of a trench some 400 feet south of the vein structure which has yielded grab samples in the 100 ounces silver per ton range.

An extensive program of testing of the massive sulphide potential is continuing.

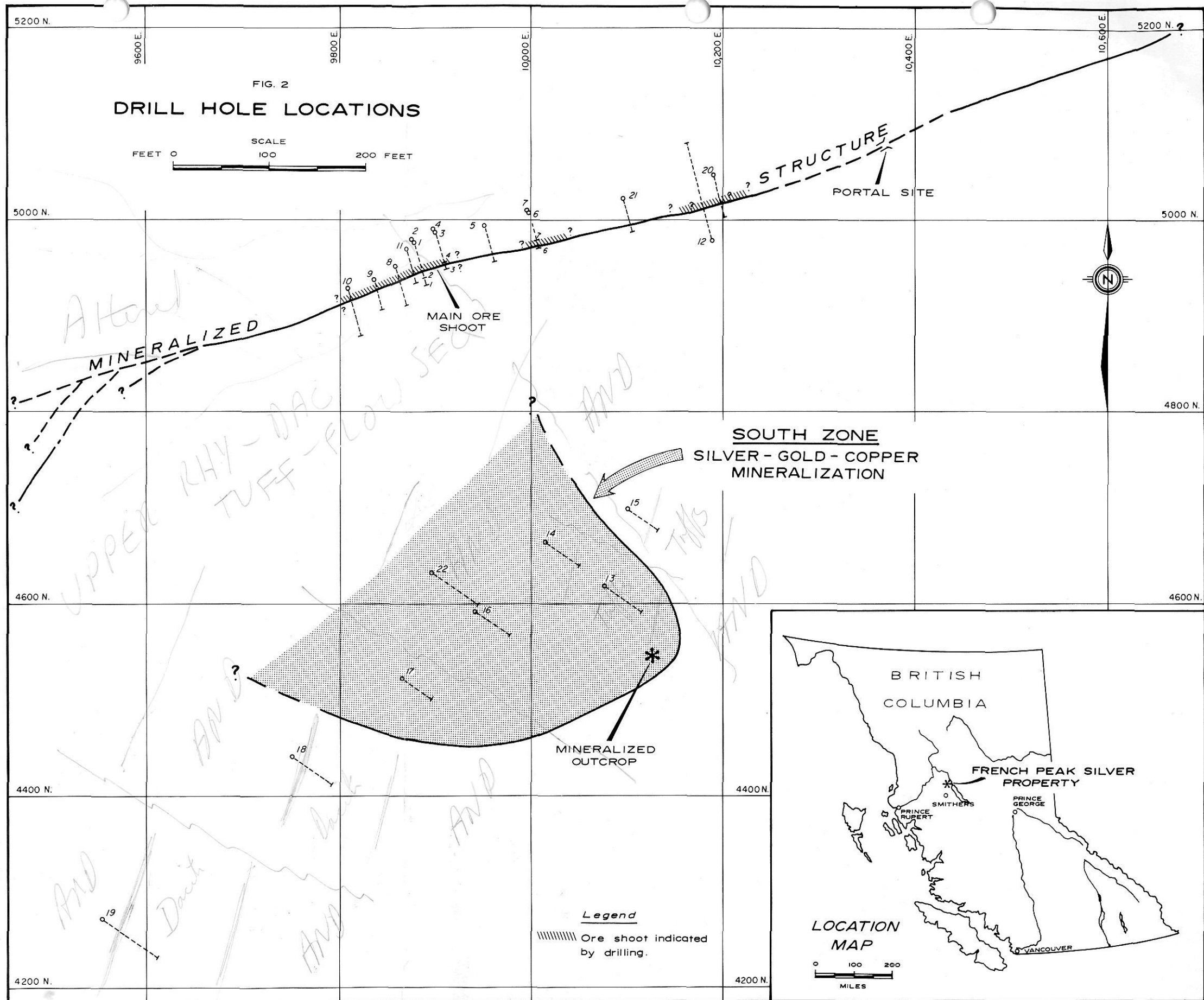


TABLE I ASSAYS ON VEIN

Hole No.	Inter-section	True Width	Weighted Averages *					Zinc %
			Silver oz/ton	Gold oz/ton	Copper %	Lead %		
FP76-1	12.8'	10.5'	17.8					
(includes		2.8'	60.1	.025	2.34	7.35	.68)	
FP76-3	16.5'	13.5'	14.6					
(includes		2.2'	74.86	.098	2.93	6.98	.89)	
FP76-4	11.5'	7.5'	6.6					
(includes		1.15'	37.32	.025	1.79	4.54	.91)	
FP76-6	4.0'	3.7'	8.0					
(includes		1.4'	20.31	.015	.79	4.34	.23)	
FP76-7	4.0'	3.3'	16.0					
(includes		1.1'	46.08	.023	1.93	3.21	.62)	
FP76-8	3.7'	3.5'	6.3					
(includes		1.2'	12.85	.01	.85	.97	.26)	
FP76-9	4.3'	4.1'	6.3					
(includes		2.4'	10.7	.012	.66	5.00	.42)	
FP76-10	3.5'	3.2'	3.81					
(includes		1.2'	9.31	.019	1.29	1.25	.05)	
FP76-11	12.2'	10.8'	3.64					
(includes		1.4'	23.80	.011	.92	3.78	.39)	

* based on specific gravity

ASSAYS ON MASSIVE ZONE

Hole No.	Inter-section	Arithmetic Averages				
		Silver oz/ton	Gold oz/ton	Copper %	Lead %	Zinc %
FP76-13	17'	5.8	.026	0.44	0.32	0.18
FP76-14	8'	8.5	.043	0.13	0.32	0.23
FP76-16	6.2'	3.5	.023	1.47	0.26	0.39
FP76-17	6'	0.7	.030	0.24	0.10	0.29

up to DDH 29 Sept. 28/76



Vein structure and South Zone



Mineralized outcrop similar to South Zone

AALENIAN RESOURCES LTD.

CORPORATE DATA

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LISTINGS:	VANCOUVER STOCK EXCHANGE AAN - TICKER SYMBOL
CAPITALIZATION:	AUTHORIZED 5,000,000 shares, NO PAR VALUE
OUTSTANDING SHARES:	2,127,353 (ONE OPTION OUTSTANDING OF 150,000 SHARES @ 60¢ NET. DUE ON SEPTEMBER 2, 1976)
WORKING CAPITAL — July 20, 1976:	APPROXIMATELY \$135,000