

Pilldolla

92K/08E Pilldolla
836358

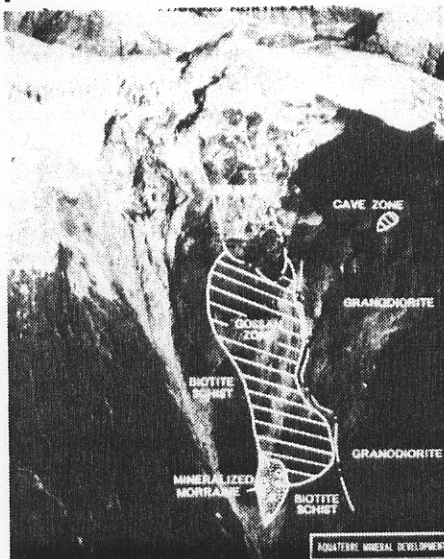
The Prospector
Jan/Feb. '95

Banking on BC's coast

By Adrian Leonard

The properties

Aquaterre's search of the cliffsides and fjords of BC's rugged coastal areas started with a review of existing data, which led in 1993 to the immediate staking of several properties. The 6,000 acre JI Property, due east of Powell River on a peninsula in Jervis Inlet, contains a copper geochemical anomaly. The results of five line kilometres of IP survey carried out in 1994 "correspond directly with peak copper values in the geochemical anomalies... of the Gambier Complex," according to a company news release. Soil assays from the anomaly reached .29% copper.



The Pilldolla property looking northeast.

Just north of the inlet, geologists trained in rock climbing techniques have contributed to the mapping of a six to eight kilometre mineralized shear zone on the Pilldolla property. Massive sulphide boulders on the claim have assayed 10,000 ppb gold. One sample taken

While many junior explorationists have taken their search for the mother lode to the far-off lands of South America, Asia, and Africa, a recently-listed VSE company is exploring BC as if it were a new frontier.

Aquaterre Mineral Development's (VSE:AQT) unique exploration strategy is to make extensive use of helicopters, specially trained crews, and leading-edge geophysical and geotechnical exploration techniques to probe the hard-to-reach, precipitous coastal regions of British Columbia. Many such areas have been skirted by previous prospectors due to their inhospitable terrain, heavy timber coverage at low altitudes, and high snow packs at higher elevations.

The goal of Aquaterre's exploration is the discovery of volcanogenic massive sulphide deposits. Such geology is the source of ore for many major precious and base metal deposits, including Westmin's Myra Falls Cu/Zn/Au/Ag mine near Campbell River, which has operated since 1966.

So far the strategy has led to staking or negotiation of option agreements on six properties. Four are on or near Jervis inlet, near Powell River, and two are just south west of the American Barrick/Lac Minerals Red Mountain project in the Skeena Mining District.

As noteworthy as the company's unique exploration agenda is its management team, headed by president and CEO Tom Waterland, a former BC Minister of Mines and past head of the Mining Association of BC. Waterland, who was born and raised in the province's mining camps, leads a group including director of exploration John Kerr, a UBC-trained geological engineer who has consulted on hundreds of projects, and director Bob McClelland, another former BC mines minister who is the current chairman of the Fraser Fund Venture Capital Corporation.

in 1993 assayed 1.7 opt gold, 3.5 opt silver, an 1.29% copper. A drill programme is planned for 1995.

Most recently acquired by Aquaterre is an option agreement with Blackline Oil Corporation, whereby Aquaterre can earn a 50% interest in Blackline's Georgia River property just south of Stewart, BC on the Canada/US border. Twenty vein systems have been identified on the claims, and previous work on the property has confirmed drill indicated and inferred reserves totalling 304,000 tons grading 0.81 opt, including 72,000 tons grading 1.57 opt.

Aquaterre's first work on the property will comprise infill drilling to upgrade the reserves to drill-proven. Waterland hopes to have the property in production in four years; ore may be shipped by barge for custom milling. The company has calculated a net present value for the property of \$53 million, based on a mining cost of \$150 per ton, gold at US\$400, and a 90% recovery rate.

The option agreement requires Aquaterre to pay \$40,000 to Blackline and to spend \$960,000 exploring the

property over three years.

Half a kilometre south east of the Georgia River claims lies Aquaterre's Ashwood property. The company bored seven diamond drill holes there in 1994, but have thus far been unable to pinpoint the source of the property's high grade soil geochemical anomalies and persistent rock chip samples exceeding .24 opt gold.

The drilling intersected a 1,200 metre shear zone, but Aquaterre director of exploration John Kerr told *The Prospector* "we have not found the grades that reflect the surface and rock chip samples. There may be another intersecting structural control... an intersecting structure could be very important".

Work on site has halted for the season, and an aggressive programme is planned for 1995. Pending further funding (Kerr says Aquaterre hopes to raise nearly \$1,000,000 over the coming months) drilling on the JI property will commence in January or February, and continued work on Ashwood and Georgia River will recommence when weather permits.

Debt free Aquaterre has completed an initial distribution of 1,700,000 shares at a price of \$.55 per share. The company's capitalization is 20 million shares, 4,644,001 of which were outstanding at the time of the initial distribution.



**COAST
MOUNTAIN
GEOLOGICAL LTD.**

MINERAL EXPLORATION CONSULTANTS

**Experienced Diamond, Base and
Precious Metal Explorationists**

1680 - 650 W. Georgia Street
P.O. Box 11604
Vancouver, B.C. V6B 4N9

Tel: (604) 681-0209
Fax: (604) 687-4670

WALSH LAKE