

FAME
Premier Application
886107

SUMMARY REPORT

WESTMIN RESOURCES LIMITED
SILBAK PREMIER GOLD-SILVER PROJECT

STEWART, B.C.

SKEENA MINING DIVISION 104B/1E

May 29, 1986

86-300

INTRODUCTION

The Silbak Premier Mine produced 4.7 million tons with a recovered grade of 0.38 oz gold and 8.0 oz silver per ton during the period 1919 to 1953 and 1959 to 1968. It is accessible by all-weather road 15 km north from the mining and port town of Stewart, B.C. The property consists of 87 Crown-granted mineral claims under option from British Silbak Premier Mines Ltd. (Silbak), one reverted Crown-grant, and 3 modified grid claims (5 units) for a total of 93 claim units encompassing an area of 13 sq. km. Westmin purchased an initial 2% working interest and can earn an additional 48% interest by making expenditures of \$4,700,000 before December 31, 1987 at which time Silbak would elect either J.V. participation or a 20% net profits carried interest. Cumulative expenditures to the end of 1985 are \$2,513,583 with a requirement of \$3,500,000 by December 31, 1986. Westmin purchases a 10% Carried Net Profits Royalty by paying Silbak \$300,000 annually for 5 years beginning January 1, 1984. Westmin currently has a 12% working interest and a 6% royalty interest. The minimum budget to meet the 1986 commitment is \$1,090,000 (\$103,000 has been spent to date).

CURRENT STATUS

Exploration by Westmin is directed to defining the open pit potential centered on the old workings, mined prior to 1936 at a cutoff grade equivalent to 0.2 oz Au/ton. Current geological reserves in the Glory Hole zone are 6.37 million tons grading 0.060 oz/t Au and 2.52 oz/t Ag. Work by Westmin includes geological mapping of surface and underground workings, a 1200 sample soil grid, 700 m of rock trenching and 7634 m of diamond drilling. All drilling and most trenching have been in or proximal to the area of the current reserves. Budgeted 1986 work program is aimed exclusively at definition of the distribution, grade and tonnage within the proposed open pit to assist mine planning and feasibility study.

Historically little exploration was undertaken beyond the immediate area of the mine workings. Recent exploration by Silbak consisted of soil geochemistry, geological examination and sampling of known showings, and 5,500 feet of diamond drilling. Westmin has done soil and rock sampling, and geological evaluation of the known mineralized zones and ranked them as to their potential.

GEOLOGY AND MINERALIZATION

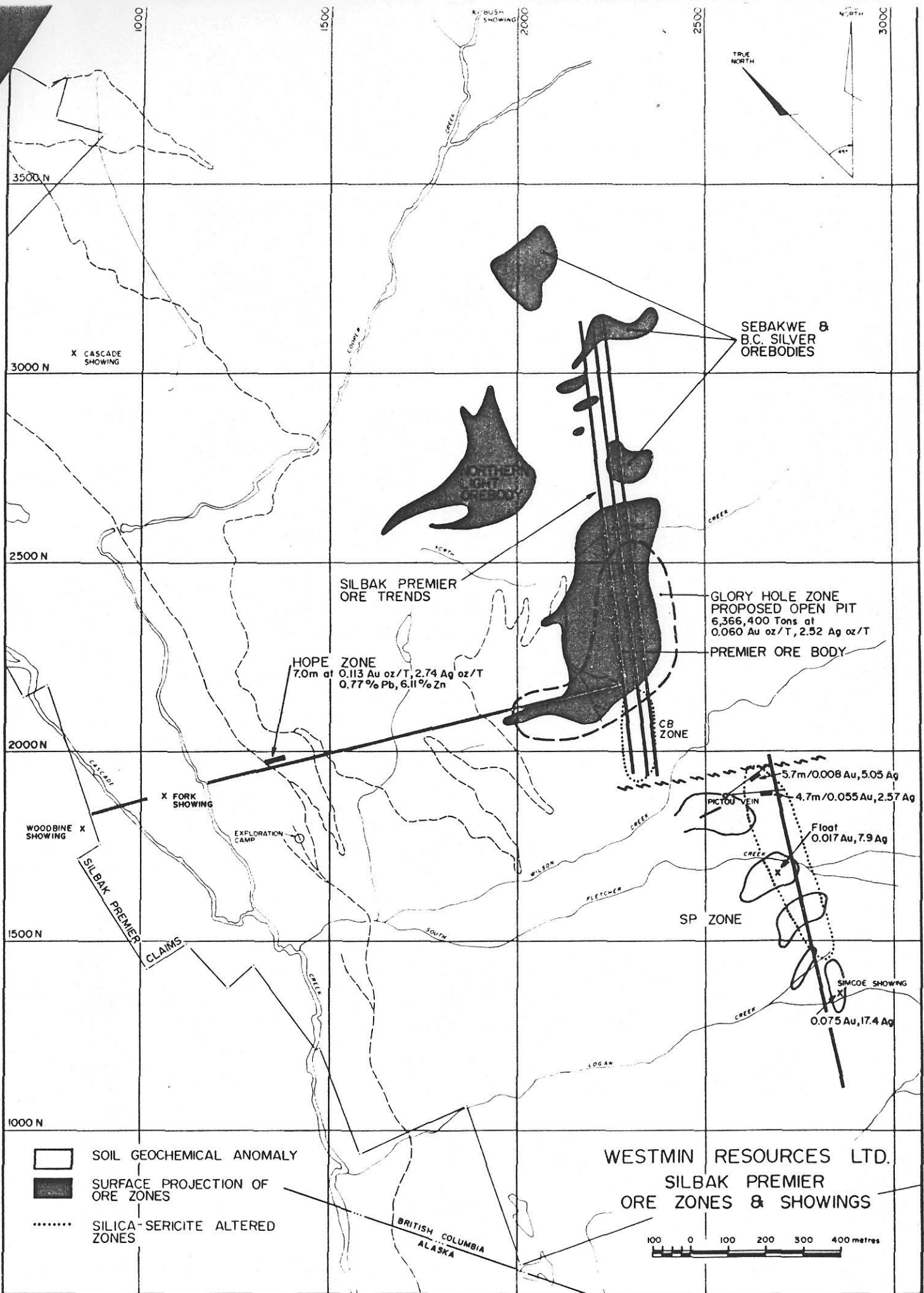
Silbak Premier is underlain by the Early Jurassic Hazelton Group. Green and maroon andesitic volcanic rocks are intruded by coeval sub-volcanic porphyry intrusions varying from hornblende-plagioclase porphyritic andesite to quartz-potassium feldspar-hornblende-plagioclase porphyritic dacite. Porphyry is complexly distributed and constitute irregular dikes and crude sills.

Mineralized zones are both concordant and discordant with host andesite and show a spatial association with structurally controlled porphyry intrusions. Mineralization consists of silica + K-feldspar + sulphide vein and breccia zones, peripheral stockwork veining and locally crustiform banded veins. Mineralized breccia zones occur at andesite/porphyry contacts but also transgress the hanging wall of the porphyry into andesite. Mineralization varies from a siliceous, low sulphide type with Ag:Au > 100:1 and trace base metals, to semi-massive base metal sulphide with Ag:Au < 10:1. Pervasive sericite forms a halo to siliceous low sulphide zones, but is less extensive about semi-massive sulphide zones, and is flanked by feldspar destructive carbonate alteration.

The SP Zone comprises a 700 m long poorly exposed target area on trend south of the Glory Hole zone. It includes two sub-ore grade drill intersections, adjoining a strong 350 m x 250 m silver soil anomaly associated with stockwork veined and sericite-altered porphyry at an andesite contact. Ore-grade float in the soil anomaly has high Ag:Au comparable to the structurally highest level of the main Silbak Premier ore zone and similar to the "low sulphide type". The Hope (Granduc Road) showing is a 7 m wide semi-massive sulphide zone similar to Northern Light mineralization and grades 0.11 oz/t Au, 2.74 oz/t Ag, 0.77% Pb, 6.11% Zn. Other showings suggest that this trend has considerable continuity of mineralization.

FAME-SUPPORTED EXPLORATION

FAME funds would be focused on the SP Zone and comprise a 20 line km induced polarization survey, drill site preparation, back-hoe and rock trenching followed by at least 800 metres of diamond drilling. Work would be carried out between July 15 and September 15, 1986. This work would constitute the first meaningful effort to explore new zones and has the potential to locate significant mineralization that could further encourage the development of the Silbak Premier property.



SEBAKWE &
B.C. SILVER
OREBODIES

GLORY HOLE ZONE
PROPOSED OPEN PIT
6,366,400 Tons at
0.060 Au oz/T, 2.52 Ag oz/T

PREMIER ORE BODY

SILBAK PREMIER
ORE TRENDS

HOPE ZONE
7.0m at
0.113 Au oz/T, 2.74 Ag oz/T
0.77% Pb, 6.11% Zn

5.7m/0.008 Au, 5.05 Ag
4.7m/0.055 Au, 2.57 Ag
Float
0.017 Au, 7.9 Ag

SP ZONE

SIMCOE SHOWING
0.075 Au, 17.4 Ag

X CASCADE
SHOWING

WOODBINE
SHOWING X

X FORK
SHOWING

EXPLORATION
CAMP

SILBAK PREMIER
CLAIMS

- SOIL GEOCHEMICAL ANOMALY
- SURFACE PROJECTION OF ORE ZONES
- SILICA-SERICITE ALTERED ZONES

WESTMIN RESOURCES LTD.
SILBAK PREMIER
ORE ZONES & SHOWINGS



BRITISH COLUMBIA
ALASKA

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