

northwest of Aiken Lake in the central Omineca Mountains. The company built a new drill road above where some limited underground development (Cominco, 1936-37) and diamond drilling had taken place (Hemlo Gold Mines, 1995). Four diamond drill holes were completed totaling approx. 500 metres this year and drilling may resume (pending encouraging results). The drill is still on site. Gold mineralization occurs in east to east-southeast trending shear zones that dip 40 - 70 degrees to the north, and cuts the host pyritic Takla volcanic-diorite sill package. Mineralized zones are bleached, intensely fractured and comprise 2-3% pyrite and traces of mariposite. Previous drill assays include a 3-metre interval that averaged 8.9 g/t Au and 28.4 g/t Ag (ddh 95-02) .

Kemess South. Construction continues at an impressive pace. The powerline, tailings impoundment, and mine site proper are major projects unto themselves. The volume of earth being moved is staggering. The three water diversion dams are close to being completed, the coffer dam is completed and work is advancing on the main tailings impoundment. Three 260-tonne Euclid haul trucks are now in operation and the northern wall of the pit is being developed as overburden and blasted rock is removed.

Marmot. Briefly visited the Marmot showing, McConnell Range, Toodoggone region. Examined showing where disseminated, as well as fracture-controlled, chalcopryrite, bornite, pyrite and malachite occurs in basalt on the margin of a bladed feldspar porphyry dyke. Elsewhere on the property previous workers report flow top copper mineralization, which is related to the structurally controlled style of mineralization observed.

McConnell Creek. Flew over the active placer operation and took a number of photographs for the record.

Red (Roy - 094D 078). Exito Minerals recently completed a 7-hole, 866-metre diamond drill program on the Red prospect, a Au-Cu alkalic porphyry, located 4 km south of the confluence of Two Lake Creek and the Sustut River. An examination of core, stored at the property, revealed that mineralization is hosted by a series of feldspar porphyry dykes that cut Triassic basalts. Mineralization observed consists of disseminations and veins comprised of pyrite, chalcopryrite and magnetite. Oddly, some of the best looking mineralization was in an unsplit section of hole 97-4!

#### OTHER

Taking holidays between August 18-29.

Bob.

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