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**THE RED CHRIS PROJECT COPPER-GOLD DEPOSITS**  
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The Red Chris property, located 18 km southeast of Iskut in northern British Columbia, contains a large copper-gold porphyry mineralizing system that is hosted within a 5 km long stock and adjacent volcanoclastic rocks.

Exploration conducted by the American Bullion (80%) - Teck (20%) joint venture during 1994/95 has defined three deposits within a 3 km length of the Red stock. A total of 244 drill holes in approximately 75,000 m of drilling has now been completed. The Red Chris deposit is the single largest deposit being 1.7 km in length, 200 to 800 m wide and open beyond a depth of 400 m. Both the smaller Gully and Far West zones in the Yellow Chris area remain open for expansion.

Preliminary resource calculations by American Bullion indicate the Red Chris and Gully deposits have a combined geological resource in excess of 300 million tonnes containing over 3 billion pounds of copper and 3.8 million ounces of gold using a 0.3 percent copper cut-off. Detailed reserve calculations and a prefeasibility study will be completed by independent engineers, Fluor Daniel Wright.

The Red Chris mineralizing system contains both hybrid alkalic and calc-alkalic porphyry copper characteristics. The host Red stock is predominantly a hypabyssal plagioclase-hornblende porphyry intrusion of monzodioritic to quartz dioritic composition. The emplacement of the intrusion and its subsequent pervasive alteration, sulphide mineralization and late-stage dykes are controlled by reactivated, east-northeasterly faulting. The entire stock appears to have a pervasive quartz-sericite-pyrite alteration overprint. Unique to the mineralization is an association with a quartz-ankerite-sericite-kaolinite alteration assemblage. Both gypsum and carbonate stock work veining occurs peripheral to the copper-gold mineralization.

Chalcopyrite and less bornite occur as disseminations and fracture fillings associated with well developed quartz-sulphide vein stock work zones which are spatially-related to east-northeasterly subvertical faulting that coincides with the axis of the elongate Red stock. Microscopic gold grains are intimately associated with the copper sulphides. Copper versus gold grade ratios (percent copper versus grams per tonne gold) of the mineralization change laterally in a westward direction from 1:0.8 to 1:4. This westward transition of copper-gold ratios is coincident with increased pyritization, decreased bornite mineralization and a dominate phyllic alteration facies. The varying copper-gold grades in the three deposits will allow for flexibility of metal head grades in a future mining scenario.