

EXPLORATION NEWS FLASH - October 3, 1989

New Gold Discovery at Red Mountain (Willoughby Cr.)

PROPERTY: Red Mountain Project (incl. Willoughby Creek)

LOCATION: ~~15 km~~ ^{20 to 25 km} east of Stewart, B.C. in predominantly glacier covered area

ACCESS: Helicopter only (from Stewart)

OWNER: Bond International Gold 100% plus option agreement with Chuck Kowall (Prospector on B.C. Gov't FAME program).

OPERATOR: ~~Bond International Gold~~ ^{Bond Gold Canada Inc.} - Vancouver office - contact David Kennedy ^(tel. 607-7091) Toronto office contact - David Malloy (fax. (416) 947-1257)

CORPORATE LINK: Bond International Gold head office in Denver, Colorado ~~with~~ - a major international gold producing company with mining interests in North and South America (and Australia)

DEVELOPMENT REGION: North Coast

EXPLORATION BUDGET: 1989-90 est. \$2 M.

EXPLORATION STATUS: ~~is~~ Brand new discovery - surface work, accelerated diamond drilling (>25 holes), ^{-2 machines} geological mapping, geochemistry, and geophysics.

CLAIM STATUS: staked or optioned approx 3600 units covering approx. 225,000 acres

MORP STAGE: 0

Red Mtn. - Wrath & Hrothgar
from D. Creamonese (Teuton Res.)
Willoughby - Gold Mtn, Willoughby & (Del, Gold Mtn. i) surr. area of influa

MINFILE NUMBER:

~~~10 km~~ <sup>WNW</sup> Red Mtn. - #220

New discovery (needs number) of MT 103 P006. of willoughby - new

NEWS ITEM: Released from Denver, Colorado on September 29, 1989.

Brand new discovery, <sup>(Red Mountain) assay</sup> located 15 km east of Stewart. Best drill intersection to date (from 13 holes) yielded 66 meters (216.5 ft.) grading 9.88 grams of gold per tonne (.29 opt) plus 49.29 grams of silver per tonne (1.44 opt). Discovery consists of two steeply dipping zones which intersect each other on surface. Strike lengths have been traced on surface over 500 meters. Visible gold is present. Six km east of Red Mountain on Willoughby Gosson Zone, 10 drill holes intersected significant gold mineralization with the best intersection being 20.5 meters (67.3 ft.) grading 24.98 grams of gold per tonne (0.73 opt) and 184.21 grams silver per tonne (5.37 opt). A number of other zones of gold mineralization have been identified.

~~ISSUES: Unusual for a major company like Bored to make a News Release (i.e. must be confident/excited).~~

ISSUES: ~~at~~ Too early to assess.

REMARKS/IMPLICATIONS:

- Unusual for a major company like Bored to make a News Release (i.e. must be confident/excited).
- Brand new discovery in a very underexplored region.

- sample submitted by Schroeter (Jan. '88) assayed 77.5 ppm gold (2.26 opt), 37 ppm silver (1.08 opt), 0.13% Cu, 3.43% Pb, 7.15% Zn, 8.1% As. Result led in part to option agreement between Kowall and Bond. <sup>and 308 ppm Sb</sup>
- area is nearly completely covered by glaciers
- gold/silver intersections in drill core are over long intervals (eg. up to 142 metres). ~~with higher grade intersections~~
- property geology not well known but may have similarities to Eskay Creek i.e. volcanics with 'massive sulphides' and epithermal veins.
- Bond plans to continue drilling until winter conditions force them out.
- Dealing with a very large area
- Bond has been almost the only company in this immediate area. Others will surely follow
- A portion of the claims cross the Stewart - Meziadin ~~Highway~~ Highway, along which a power line has recently been constructed.
- Another great boost to the town of Stewart
- Expediting done from Smithers

MINISTRY CONTACT : Tom Schroeter  
Senior Regional Geologist  
Vancouver Tel. 660-2812

- plan to visit project mid-late Oct. (if still there)

NOV 21/89

①

Bond Gold

Willoughby Ptry

September 16<sup>th</sup> 1:30 - 7:00 pm

with Stewart  
Stacy (expedit.)

- wasn't able to coordinate  
trip with T. Schneider

Dave Kennedy  
Brown Bear H 497760

- fogged in in Stewart till  
3:15:00 am

- high broken cloud

- snowing at higher elevs

Red Mountain - snowing  
- already 2<sup>nd</sup> mgd ②

Wax Zone - alluvial alt.  
site seen previous from air  
# snow holes

6 km N along slope

dealtic - hornblnd X stuff

Qtz stockwork to NW → same M<sub>0</sub>

dis. py. - seen 21 18m

to Benson. for Au

② spiral

infr. v. quartz. fine lichen + quartz

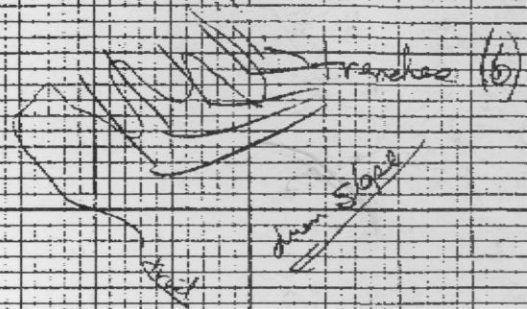
dominant

NW trend dip NE ~~60°~~ zone of X stuff

NE trend dip SW 60

NOV 21 11:27 EMPR SMITHERS

Site ② - see photos from  
previous fly over



Bl

- snowing  
1-2" on ground



# Willoughby Gossan / Main Zone

Main Zone  
 - pods / pyrox (mass in place)  
 - pods: sil in stream 15m  
Iron tail  
 - Mg / Fe in foot  
 (see notes in file)

Core } depth ~ 100 m on mast  
 within 500 m in air (3)

Main Zone - MZ-89-2 B10  
 53.53 → 58.42 m  
 - pods of <sup>mass</sup> pyrox / pyx  
 - ank under clay  
 - Chl, qtz + pyx  
 - alt: ser / chl / sil

Hole 5 + sp / gr

Hole 4 vg

pyrox - Crystall / pyx  
blk - ORP / CR  
blk - black  
 ? Egn. blk. sh - ash / stuf ?  
 - seals (argil)  
 Bind to do thin sections

NOV 21/89

Willoughby dth MZ-89-2 (4)

Bx 1 3.05 →

3.5 m (yellow) X 1.1 - phos  
- plussive pyx of matrix of phos  
2.11.5m 2 small

7.5m? black / buff matrix  
mass gran. pyx in buff matrix

25m → 37m

rusty orange shear zone within  
buff matrix

37 → 39m

buff tuff shards amid lat. matrix

39m → 43m

lat. pyx → ml gran. andes. ? ch. with  
buff tuff

43m → 45m

2.5m of buff tuff with patches/pods of  
pyx. matrix

45 → 46m

rusty orange shear zone with buff tuff  
in buff matrix of matrix - small  $CaCO_3$   
veins 1mm →

(5)

46m → 48m

mass pyx - 70-90% sharp contact  
at top - start of grey pyx  
near base of zone

48 → 54m

Ext? bleached ch/andes with  $CaCO_3$   
veins 1-2cm.  
gran. pyx with pods of pyx.

54m → 56.5m

54 → 55.5 - gran. pyx with pale pyx  
in the ch/andes

55.5 → 56.5m

mass pyx with  $CaCO_3$  & buff tuff/agg  
ch? veins.

56.5m → 62m

56.5 → 58.5 - mass pyx - 0-90%

58.5 → 62m - mass pyx with buff tuff  
veins/bx & some pyx.

62m → 76.5

for lat → matrix andes. with  
with gran. dissem-pyx  
occas. buff patches.

(6)

76.5m → 81

volcanic lat? buff - lat. ch/andes + dk tuff/agg?  
some gran. pyx

81m → 89.3m

Volcanic as above? agglom. some  
3.1m ch/andes buff tuff/agg  
some gran. pyx

89.3m → 90.5

$CaCO_3/O_2$  vein - lat. 5m  
mixed ch/ $CaCO_3/O_2$   
- no clear matrix

90.5 → 110m

volcanic lat. 5m → 5m on  
ch/andes - agglom. + gran. dissem + gran.  
- lat. gran. matrix with buff + light  
tuff/agg - 1cm  $CaCO_3$  veins

99.3 - 98.5 - shear zone / matrix  
short thin lines of dys in  $CaCO_3$  vein

99.5 - shear zone

102 -  $CaCO_3$  strings ≈ 0.5m

8.2cm → 1.5cm pyx. string

105 -  $CaCO_3$  50%

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P. 5/5

NOV 21 '89 11:30 EMPR\_SMITHERS

①

90.5 → cont'd 110

(≈ 0.1m) 106 - CaCO<sub>3</sub> str. (1mm)  
" 106.5 " " "

110 - 112.5 <sup>veinlets, fracture?</sup>  
(2-3) long thin (1mm) blk lines in mass pyg.  
in str. section

≈ 111 - 112.5 - elongate <sup>blk</sup> irreg clasts

112.5 → 115.5

- 2 agglom? as above in occ strags  
CaCO<sub>3</sub> + strags mass pyg. (1-2cm)

115.5 → 119

- highly CaCO<sub>3</sub> + Qtz rich blk/strags  
occ. fgs mass pyg. - 1 prod. chalc. zone  
zone showed some small elongate

119 → 121.5

- volcanoclastic - 2 agglom sand  
with occ CaCO<sub>3</sub> strags (1-2 mm)  
- some fgs. discern pyg. - fgs. CaCO<sub>3</sub> x 2mm  
pinnacled

121.5 → 122

- CaCO<sub>3</sub> / Qtz strag with blk wall  
rusty stain

②

127 - 129.5m

'agglom' 50s (no. fgs. CaCO<sub>3</sub> is)  
- no blue pyg. min. zm.

129.5 - 131

129.5 - 130 - <sup>vein</sup> strags / sh. with CaCO<sub>3</sub>  
no blue pyg.

130 - 131 - mass CaCO<sub>3</sub> vein  
mid 0.5m blk with <sup>agglom</sup> fgs.

131 → ≈ 133m

'agglom' 50s - mass elongate  
blk. clasts.

133 - 134m

CaCO<sub>3</sub> 'blk' vein - buff / <sup>white</sup> prev. mass  
some rusty stain near base of z.

134 - 153 EOH!

- previous fgs. CaCO<sub>3</sub> x 2 (mill)  
agglom 50s irreg. fgs. blk. rest  
along / occ. 5th str. 1-2 mm.  
occ fgs. → pyg. → blk. pyg.

137 - 139.3 - CaCO<sub>3</sub> vein

143 - 144 - along blk 'clasts'

144 → EOH - # CaCO<sub>3</sub> strags (75mm)

fgs. discern pyg. down to ≈ 150 m.  
gran. to blk. pyg. below 150 m

CONFIDENTIAL

(1)

Wed. Nov. 22/89

RED MTN. - WILLOUGHBY CT.

- talk with David Kennedy (in response to my faxed memo dated Nov. 6/89 to Dave Malloy) - in Bond office  
[Note: all comments refer specifically to Red Mtn. unless otherwise specified (i.e. Willoughby)]

1. General Geologic Setting: - Min. in host volcs. (dacitic tuffs) near the contact with hornblende intrusive ( $\pm$  foliated). Intrusive doesn't have 'obvious' silica. (i.e. no Qtz. veinlets or 'eyes')  
Location: - above headwaters of Gddslide Cr. (SSE flank of Red Mtn.).

2. Alteration: - 'pervasive' silicification ('flooding') but no stockwork. Also no obvious propylitic or argillic alt'n (cf. Willoughby - sericite / chl? / carb?)  
? - significant hornfelsing ( $\pm$  'skarn' - without limy units)  
- alunite suspected (or jarosite) - X-ray work <sup>confirmed by</sup> being done by Brad (Mason)  
- 2 stages of pyritization - 1) earlier fm. gr. (syngenetic) and 2) coarse gr 'disseminations' (rare veinlets)

3. Structure: a key! - fault controlled (steep) NE, N-S, NW; Marc showing on photo in linear - Brad (lower showing) zone presumably connects up with Marc showing - can't prove!  
- no brecciation or deformation fabric. (hydrothermal bx. locally)

4. Similarities/Differences? - too early to assess (TGS) samples from Willoughby resemble Premier - Big Missouri - No! - deeper in system (closer to porphyry enviro)

5. Red Mtn. area ct. (~~Gold Mt~~ Wrath + Hrothgar) obtained from Dino Cream onese. (Featon Res. (Wotan Res.))  
Willoughby area ct. (Gold Mtn., Willoughby + 'surrounding' area of influence) obtained from Chuck Kowall (PAA)



(2)

Nov. 22/89

## 6. Mineralogy

### Red Mtn.

- mainly pyrite (up to 10%)
- no po <sup>No!</sup> - ab. po ✓
- <sup>sig</sup> ~~minor~~ ZnS ; tr. PbS
- Native gold on margins of pyrite grains (4 pol. sec.); otherwise no v.g. seen - also assoc. with cpy, ZnS + po!
- no MoS<sub>2</sub>
- minor barite

### Willoughby

- py + po
- minor ZnS + PbS
- cise native gold
- minor cpy
- gtz, sericite + barite, calcite
- 'neat' fossils (Bryozoa)

→ Red Mtn. showings approx. 1000 ft. from old MoS<sub>2</sub> showings (drill sites) - to NW

style? - Meso thermal (à la Rossland?) ✓

7. - 4 old 2-post Falconbridge cts. (NW-trending) - Bond to check. ✓ Lost Mtn.

- deal with Lac completed prior to Nov. 21st.
  - best helicopter access up (eastward) from Bitter Ck.
  - 'discovery' made by: let off by chopper on flat spot (now location of emergency tent) + hiked across 'top' of talus slope to north = py-rich 'flat' = assay.
- Note: Mary Lou's black 'muds' = very fine gr. pyrite.

8. X-sections = large 'ore' secs. - some 'capped'.

(3)

## Synopsis of Mary Lou's notes (by VOS)

Note: notes refer only to Willoughby Zones (not Red Mtn.)

- 6 trenches along slope on Marc Zone (Red Mtn.)

- Dominant ~~NW~~ trend-dips to NE <sup>(1989)</sup> → NW (1990)

## Willoughby Gossan - Main Zone

- 'pods' of massive po (5-8m true widths) + py

- + carb, chl, ser.

- Hole #4 had v.G.



Tel. (604) 660-2812

FAX: (604) 660-2653

Nov. 6/89

Dave Malloy  
Bond Gold  
Toronto, Ontario

URGENT

Dear Dave:

Re: Red Mountain Project - B.C.

I have been asked to provide some 'basic' details on your exciting 'new' discovery at Red Mtn. The requests come from my superiors i.e. Ron Smyth, Chief Geologist, Bruce MacLae, ADM, and Doug Horswill, DM.

I have discussed the matter very briefly with Dave Kennedy today. I am not interested in any further assays. I appreciate and respect the delicate nature of the Lac-Bond situation.

I am off to Victoria tomorrow, the 7th, and would very much appreciate any comments you might be able to provide to the following questions (I have to leave by noon, tomorrow).

1. General geologic setting - basic rock types, etc.
2. Alteration - are there some key indicators of alunite?
3. Structure - the key 'control' in BC - how 'bout at Red Mtn.?
4. Similarities/Differences of mineralization at Red Mtn. to other prospects in the Stewart - Alice Arm areas?
5. Sulphide mineralogy - key association(s) ? - Red Mtn. vs. Willoughby 'ck. showings?
6. Can Bond supply photo(s) +/or slide showing location of mineralization? I will show Dave what we have.
7. Is there anything the Geological Survey Br. can help with?

Nobody from our Ministry will be speaking at length about Red Mtn. at the WMA - only a mention in 'Highlights'

Yours sincerely,  
Van Schriebe

Oct. 5/89

Willoughby Ck.

- Mary Lou Mallet

Main Zone - head of glacier - massive po, py in  
~6 km to west of Main Zone = Red Mtn.

Red Mtn. - 2 Zones i) Mark ii) Brad

Black sst/argillite or tuffs  
- alunite near Red Mtn.  
Silica? - alth.

sericite

Not similar to Premier

→ M.L. really doesn't know what geology is present.

Re: Red Mtn. Project

July 3/90  
3:50 pm

- 'Personal' Office Discussion with David Kennedy
- Problem is Peter ~~Atkins~~ in Toronto (also Chilean trip)
- 'Don't worry about helicopter access around property'. Also - 'Someone will act as 'tour' guide.
- Basic plan maps being constructed - will make topo map avail. to us (no geol. maps)
- about to submit Assess. Rpt., any day.
- no comment re - 2nd visit + wait to hear response from Toronto
- Explained my reasons for visiting:
  - As a scientist to document factual info
  - incl. Minfile
  - to help thru MDRC
  - look at road rte.
  - legal right (legislation) to visit
  - regional comparison

TCS



Province of  
British Columbia

# MEMORANDUM

TO:

Ron Smyth  
BCGS  
Vic.

FROM:

Tom Schroeter  
BCGS  
Van.

SUBJECT:

Access to Properties - Lac Minerals  
Bonded July 4/90

DATE:

July 4/90

FILE:

Red Mtn.

For Your Information

Please O.K. and Return

Please Discuss With Me

Per Your Request

For Your Signature

Please Process

Return With More Details

Investigate and Report

Please Answer

For Your File

Ron,

As you are aware I was planning a mini-project (4-5 days) on the Red Mtn. - Willoughby creek area this summer (previous memos cc. May 8/90 + June 19/90). Attached is a reply from Bond/Lac which I believe you and management in Victoria should be aware of. This is the first time in my 17 yrs. with the Gov't that I have had to 'formally' spend time in arranging a visit. In response to my follow up letter (attached-cc.), David Kennedy told me (off the record) that the 'boss' - Peter Steen (in Toronto) is the real problem. Apparently he was also responsible for the cancellation of the MOD Chilean visit to El Indio.

REPLY:

I will continue to work on this matter - see you in Stewart  
Tom

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Fold Here for Window Envelope

Red Mtn.

Aug. 17/90

'Confrontation' in Stewart with:  
Dave Kennedy - Van. } Bond Gold  
David Malloy - Toronto }

- Bond has purposely avoided 'everyone' - incl.  
not returning phone messages

- Bond 'avoided' Stewart Mini-Conference so  
as not to be 'noticed'

- Finally agreed to personal visit on Thurs.  
Aug. 23rd  
- Tour with Dave Kennedy



Province of  
British Columbia

# MEMORANDUM

TO: Bill McMillan  
BCGS  
Victoria

FROM: Tom Schroeter  
BCGS  
Vancouver

SUBJECT: Age Dating - Red Mtn.

DATE: Nov. 1990 FILE: Age Dating

- |                                                          |                                                   |                                                 |                                                      |                                             |
|----------------------------------------------------------|---------------------------------------------------|-------------------------------------------------|------------------------------------------------------|---------------------------------------------|
| <input checked="" type="checkbox"/> For Your Information | <input type="checkbox"/> Please O.K. and Return   | <input type="checkbox"/> Please Discuss With Me | <input checked="" type="checkbox"/> Per Your Request | <input type="checkbox"/> For Your Signature |
| <input type="checkbox"/> Please Process                  | <input type="checkbox"/> Return With More Details | <input type="checkbox"/> Investigate and Report | <input type="checkbox"/> Please Answer               | <input type="checkbox"/> For Your File      |

Bill,  
When I found out last month that there was a serious problem with the UBC lab, I started to look elsewhere. Here's some recent correspondence via Lindsay Balfour.

LOG NO: NOV 27 1990 VAN  
ACTION: [initials]  
FILE NO: Age Dating

REPLY: → Tom Schroeter  
FILE NO:

Thanks Tom, I will keep this on file for next fiscal. Bill

Fold Here for Window Envelope

Fold Here for Window Envelope



- MEMO -

①

June 5/92

To: Bob Lane

From: Tom Schroeter

Re: RED MOUNTAIN PAPER

- ① Wotan Resources Inc.
- ② 'Reserves' - a) I cannot find Lac Minerals 1991 Annual Report you used as a reference for the "preliminary geological resource of 933,000 tonnes grading 12.68 grams gold per tonne, and 36.08 grams silver per tonne".  
b) our Goldfile list reserves at 933,000 tons grading 0.37 opt Au (12.68 g/t Au) [Ref: Press Release - Feb. 9/91]  
c) I suggest you change the wording (incl. the reference) to read: (quote) "A mineral inventory of 913,725 tonnes grading 12.20 grams gold per tonne (uncut) and 36.08 grams silver per tonne has been calculated" (unquote) [Ref: The 1992 Cordilleran Roundup "Spotlight Session" - Vogt et al (as listed in References)]

Bray, Adrian, D. Bull, Katie, and Vogt, Andreas  
(1992); Geologic Setting and Mineralization  
of the Lac Minerals Red Mountain Deposit

(2)

③ No. of drill holes and total meterage

very confusing!  
My quick reading suggests:

1989: 21 ddh = 3,623 m on Marc Zone  
plus 1,107 m on Brad Zone

1990: 55 ddh = 12,424 m on Marc Zone  
plus 13 ddh = 1,147.78 m on 'others'

1991: 11 ddh = 2,628 m

'Total': ~~77~~ 92 Holes = 19,993 m  
(76 on Brad & Marc Zones + 16 on 'others')

These figures need to be verified with Lac. Please confirm before submitting paper

④ Re - Adrian Bray as co-author  
— ask Brian Grant how to treat  
in 'title' (sub-footnote or anything?).

Cheers,  
Tom

①

# RED MTN.

District 6

Oct. 2/92

John Watkins  
- 101 ddh = 21,000 m  
1992 - concentrated

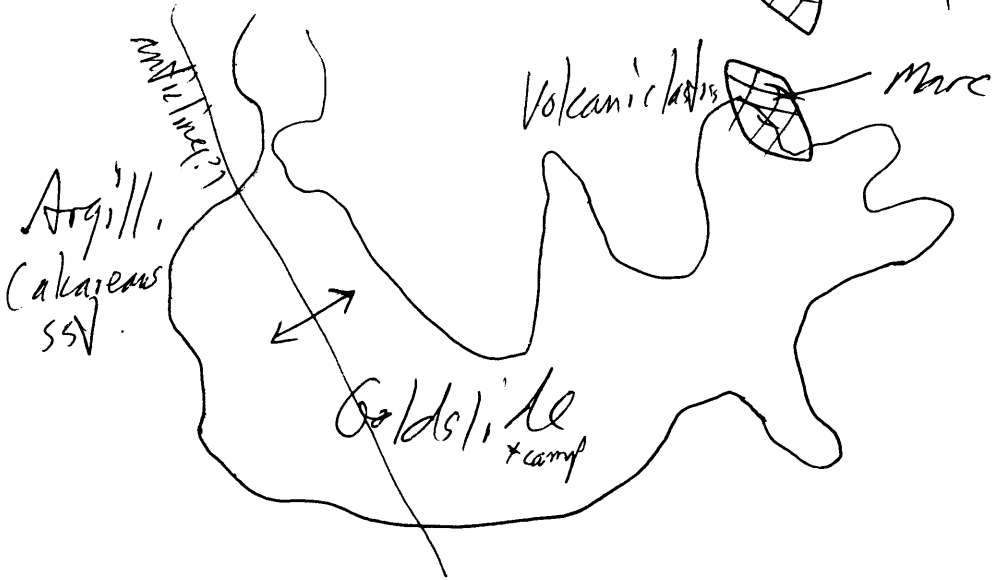
to date  
on North Zone  
Rio Blanco



North



Marc



- bedding NW / 45° NE

- very large resistivity anomaly - Marc Zone on east flank  
Lithology

- 1) well bedded ands. tuffs with interbedded heterolithic (150 gr.) tuffs
- 2) thin bedded black argillite - soft sed. bfm features
- 3) crystal tuff
- 4) Goldslide por. - hbl'd G-1
- 5) Alt'd por. - chl tpy veinlets cut (incl. 0.5 g/t Au) + tourmaline + axinite
- 6) ksp ar. alt'n (3-5% py; 0.5 g/t Au)
- 7) heterolithic bx with bedded argill frags, ands
- 8) tuff frags, alt'd por. frag, (5 g/t Au)
- 9)

(2)

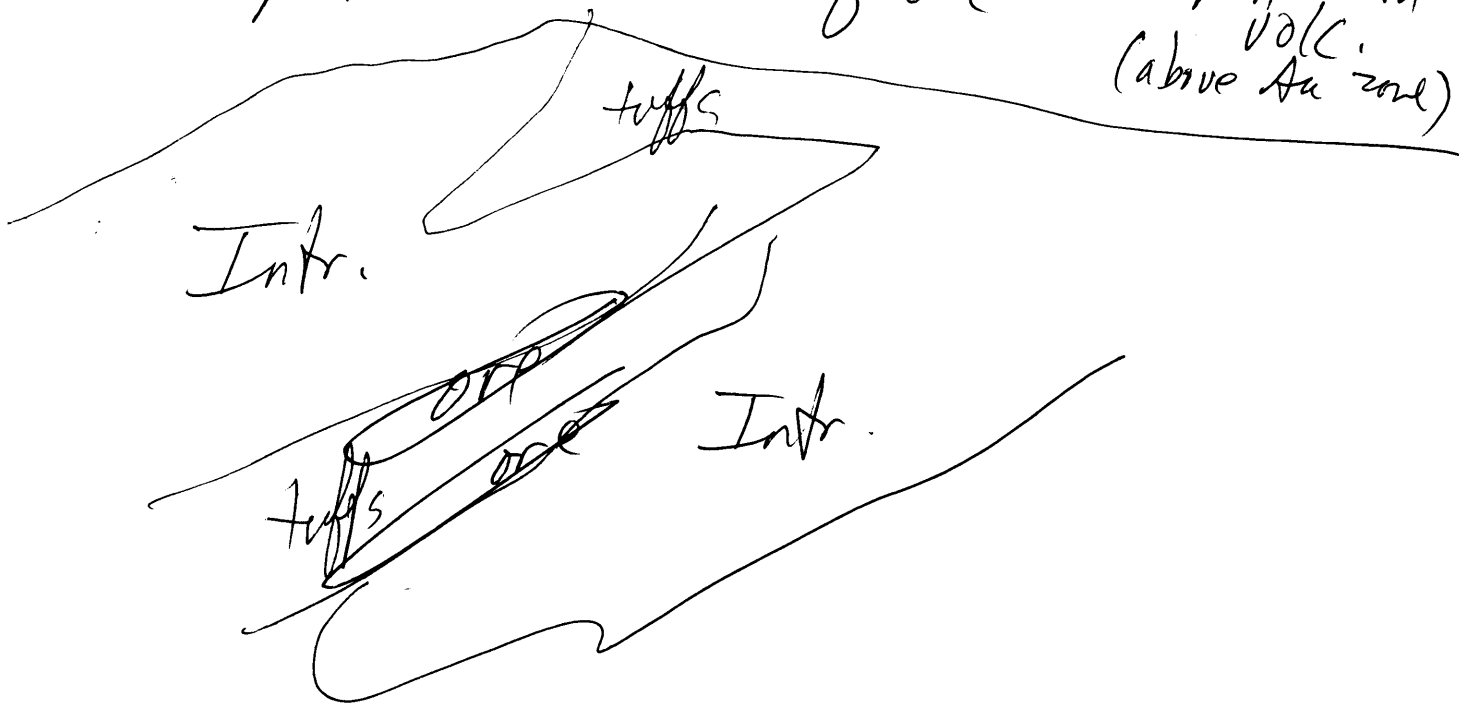
- best Au in semi-massive py
- heterolithic bx sandwiched between per.
- North Zone / Marc Zone

Marc Zone: eq. dth 35 - 11.7 g Au 51.2 g Ag 58.5 m  
ddh 43 - 11 g Au 20.1 Ag 31.5 m

300 m long / 150 m vert. / 20° NW plunge  
- very high grade conk!

eq. dth 40 36.4 Au over 25.5 m

Na<sub>2</sub>O dist'n / Zn dist'n As enrichment - wider  
→ depletion in FW of ore esp. HW in  
volc. (above Au zone)



- Sb - restricted to Au zones
- FW to gold zone - 35 m @ 1-2 g/t Au widespread

3

Whole rock Chem.

- high barium (in kspars!)
- Si: 50 to 53%
- Na<sub>2</sub>O: 5.9% → .5

- younger dykes cut min. in Marc zone

Mineralization

- assoc. with USE of PY
- po outside gold zone
- arsenopy - minor
- Hesseite Ag<sub>2</sub>Te<sub>2</sub>

- Electrum
- Petzite Ag<sub>3</sub>AuTe<sub>2</sub>
- Tetrahedrite (Au, Ag)Te
- Muthamannite AuSb<sub>2</sub>
- Aurostibite AuSbTe
- Montbraylite Te
- Calaverite
- Chalcopyrite
- Native gold

decreasing abundance ↓

Cyanide leach test = 87% Au / 90% Ag

Ex. Sillitoe, 1988 Model

- por. - high level intruded, coeval extrusive
- min. - early - Xcut by intr.
- basement rx. min. + alt'n
- prec. metal min. within wide kspars alt'n
- some skarn type min. (in seds)

# Red Mountain

WORK CODE

|        |                                                   |            |
|--------|---------------------------------------------------|------------|
| RM93-1 | handfed. argillite                                | P          |
| RM93-2 | altered int dyke. in massive                      | P          |
| RM93-3 | brecciated arg; sulphide rich (P4)                | P          |
| RM93-4 | Massive P4 from deep.                             | P          |
| RM93-5 | porphyry.                                         | P          |
| -6     | late sphalerite veins in CP4                      |            |
| -7     | banded. mass. P4, arg & int.                      | P          |
| -8     | massive P4 - fractured.                           |            |
| -9     | massive P4 - in carb, CP4, H, sulfosalt veins lat | P          |
| -10    | handfed (?) in P4, SPL & trace CP4                |            |
| -11    | handfed sel in coarse gr. diss P4                 |            |
| -12    | hbl. porphyry in diss & fracture P4               |            |
| -13    | massive P4 ± CP4 in fractures                     |            |
| -14    | hbl porph int. in diss P4 (small)                 |            |
| -15    | P4 + sph + carb in grey int(?). (small)           |            |
| -16    | P4 + (?) in intrusive dyke. (small sample)        |            |
| -17    | massive P4 (large sample).                        | P          |
| -18    | vein P4 c-gr in int. dyke                         | P          |
| -19    | vein P4, semi massive, in int dyke.               |            |
| -20    | massive to semi massive P4 from deep              | P - epoxy. |
| -21    | vein of semi massive P4 in arg                    | P          |
| -22    | int sediments in P4 bearing dykelet. (u/a)        | P          |
| -23    | intrusive (u/a).                                  |            |
| -24    | Mare Zone Surface - diss/fracture - P4 oxidized.  | P          |
| -25    | P4 veins from u/a in MARC zone (small)            |            |
| -26    | Massive P4 from u/a in Mare Zone                  | P          |

LAVES

RED MTN. - Adrian Bray c FEB '93 Apr. 20/93  
- 6 full time employees in Stewart  
final 3.8 km to be accessed by aerial tram

Host R. par } Tuff seds } Haz. Gp. (Whuk R. Funn) } GY-11 Zone (to west of AV & Marc Zones)  
→ strong geophys. sig.  
- well bedded andesite (top of Red Mtn.)  
- seq. upright  
- fault cose lapillistone (argill., tuff, alt'd par)  
- Au also in alt'd par (0.5 to 1 g/t)  
Au in py - as streaks in volcaniclastic unit sandwiched between par.

Marc. 300m x 150m ver.

AV 275m x 130m ver. - 1.31m @ 13.05g Au  
24.86 Ag  
- large Na depletion (esp. footwall)

Zn > 1000 ppm in ore zone

As > 100 ppm (best Hw) Sb > 20 ppm (best in ore zone)

SiO<sub>2</sub> ~ 55% of all rx. = common origin of tuffaceous rx. & int.  
Ba enrich.

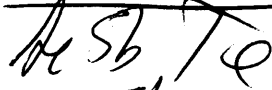
- Ore assoc. with cose gr. py.  
- Po - halo (outside) ore zone

Minerals

RED MIN.

87% rec.

Mantbrayite



Aurostibite



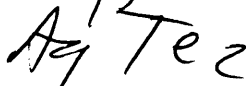
Muthamannite



Petzite



Hessite



Gold, electrum

Calverite

Tetrahedrite

Tourmaline - with chl, stilpnomelane

- no albite veining outside

- antiforms + synforms i.e. strong structural <sup>compensation</sup>

- 'replacement'



# NEWS FLASH

## RED MOUNTAIN

Oct. '93  
(1993)

Topography: Rugged, elev. @ ? m

owner/operator: Lac Minerals

Location: 25 km east of Stewart

Current Access: Helicopter from Stewart

Future Access: Road along Bitter Creek to base station

Expl'n History: <sup>1988</sup> - Discovered by surface prospecting ~~by~~  
by Bank Gold (now Lac Minerals)  
- 1989-1991 - approx. m of diamond drilling  
and geophysics

- 1992 - early in yr. - property available for joint  
venture. Re-interpretation of geology/structure  
by John Watkins yielded new targets. Drilling  
Launched large program on their own. during 1992 was very successful outlining  
an in situ resource of over 1 million ounces  
of gold.

Reserves (Spring '93): 2.5 million tonnes grading g/t Au  
(3 g/t Au cut-off).  
= contained 1, ounces gold

Target Reserves: approx. 4 million tonnes grading  
= contained 2 million ounces gold

Project Status: 1992 - Pre-prospectus filed with MDAP

## 1993 HIGHLIGHTS:

- 50-60 persons on site
- 15-20 persons in Stewart (core area)
- est. total 100 persons directly on Lac payroll in Stewart
- 4 surface drill rigs and 1 underground
- est. > 90,000 ft. of surface drilling
- Total expl'n expenditure est. @ \$7 to 7.5m
- <sup>up to</sup> 16 geologists on site at one time
- 3 mineralized zones being tested: Marc, AV, ~~SW~~ and SW (each approx. 500m long x 20m thick by 100m down dip).
- In-fill drilling on Marc and AV zones "successful"; exploration drilling on SW zone getting good results but needs more work. Note: Reserves expected to increase significantly (2 million ounces gold in situ?)
- Deep drilling of > 1000 ft. holes (Max. = 3200ft.)
- Underground decline with 5-6 crosscuts will loop down on Marc Zone and provide access to AV zone and later drilling of deeper SW Zone. (560m of underground development to date)
- Geometry of ore lenses appears to be S-shaped or sigmoidal, i.e. a structurally controlled ore bodies. Minimum 3 phases of deformation.
- Mineralization occurs ~~at~~ at/near contacts between intrusive rocks and volcanic rocks
- Distinct mineral zoning (alteration and ore)

- MEG -

①

RED MTN. - Hans Smit

Nov. 24/93

- est. > 200 persons  
- greatest # of 'new' members (~15)

Intro: Garfield MacVeigh

\* "porphyry-related" Au-Ag \*

1993 = 34,800 m (surface + u/g) <sup>(28,800m)</sup>

(1989-1993) = total = 58,582 m (u/g + surface)

- 3 x cuts in ore on Mac Zone

- 1 to 3 g/t Au material in "rounds" - stockpiled & then processed - crushed on site & then flew into Stewart for assay.

u/g ddk - 5800 m drilled to date

Other Work - 50 km geomorph.

- metallurgical - high 80% - low 90% using cyanide

- Geotech. - tram line 1200 m vertical

- Eco-tech labs (Stewart) + Chemex

- Upper part of Naz. strat. - host rx. (Charlie Greig)

- bedded volcanoclastics + calcareous sands.

- coarse volcanoclastics

Intrusions: hbl'd (Goldside) rare gtz phenox (Hillside)

- Chemically - co-eval with vols. ~ 200 Ma

- Iron Stock - 46 Ma

2 Phases of Fold. - post-mineral

- 1) early NE plunge to N (~20°)
- 2) NW plunge to N (~20°)

- Min. - gtz-py

- hbl'd fsp po + host rx.

→ highly "reduced" (vs. oxidized) environment (Po-Py)

(2)

Mare Zone - discovery by draughtsman  
(zone now trenched & well exposed)

- NW strike/SW dip 250 <sup>long</sup> ~~km~~ x 100m down dip x 30 <sup>well</sup>

av. 10-15 g/t over 20 m

= contained ~ 450,000 oz Au

AV Zone

Sec. 1100 N

- Goldslide Por (Intrusion)

- underlies ore zones.

- host rx. = blk, calcareous sed.

- "Hillside Por."

(above Goldslide)

- ore in & at contact of Hillside Intr.

- Au - ssk, dissem, pods, veins

- "well defined zone of min."

- by dykes along contacts

1200 X-cut - Por. (Hillside) - larger now

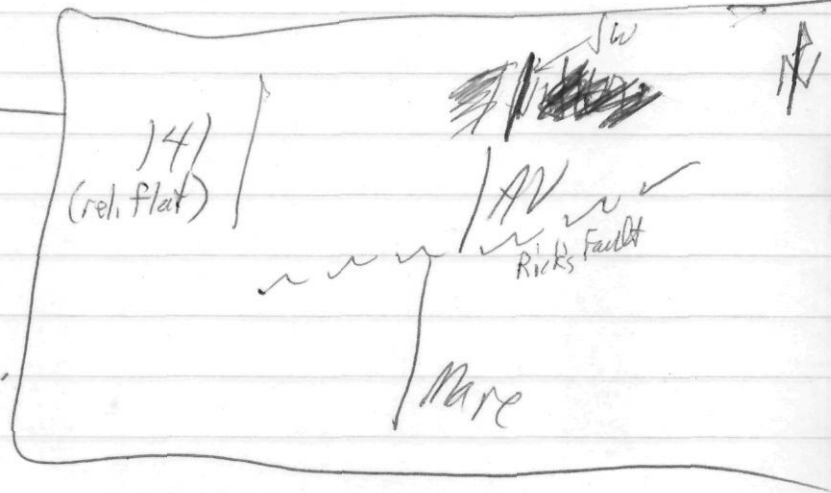
- up to 30m wide (6 to 12 g/t Au)

- zone cut by hbl'd por + gtz eyes (post-dates min)

Mare Zone

Po-ZnS halo - 1 g/t Au sharp line with py-Au

late stage gtz veins + VG = remobilized?  
± Sb.



(3)

Sec. 1275 N (High Grade)

10m @ 30 g/t Au

- AV zone on ~~west~~ <sup>east</sup> side of "Rick's" fault.
- one in Hillside par.

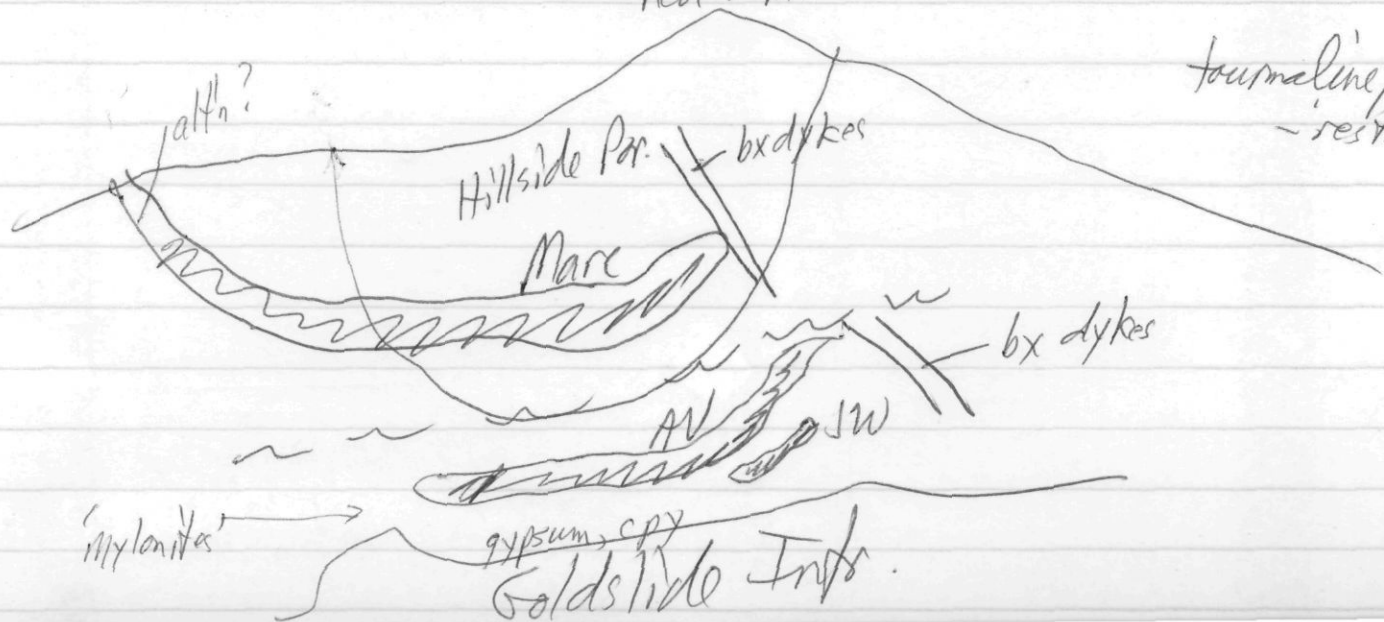
AV zone - similar to Marc zone  
 it may be fault offset of one zone  
 300m strike 10-20 g/t Au

SW zone 150m down dip, 100m strike  
 10-20 g/t Au

1330 N - Decline depth for 4/5 ddh  
 green mineral - Vanadium-chrome-rich mica's  
 (30 g/t Au)

Marc Zone - dip steep SW

1125 N - peters out (extension)  
 new area near portal (disc. by Rick Walker)  
 Red Mtn.



(+) Red Mt. - MEG, Nov. 24/93

- very explosive, remobilizing, rounding of frags.  
(esp. breccias)

Lower Porphyry - 'typical' <sup>(calc-alkaline)</sup> - nested, higher intr.

- Pyrite-rich - ~~bottom~~ 'bottom'  
Pyrrhotite-rich - 'top'

- .15 micron Au Mineralogy - see previous notes

Mare Zone - low grade in FW in po-ZnS seqs.

- intense KSPAR <sup>[.15 to 1 g/t Au]</sup> (intrusive - stained)  
- bx in FW

---

FUTURE? ore reserve calc.  
- move in extra  $4/5$  equip.

- 'Major' Au deposit

---

No time for questions  
Thank: Tom Schroeter

Discussion Afterwards (TGS): (1) Chemistry of intrusion(s) - alkaline

(2) Age-dating - Charlie Greig at GSC (Ottawa) - zircons  
- in progress

(3) Core shack + talk in Spokane (Bray/MacVeigh)  
Pre Fontaine

(4) Boron (tourmaline) most 'prevalent' in upper  
area (Hillside Intrusion) but also occurs in Brad Shring (Goldslide Intrusion)

(5) Potential for Scottie Gold (Intrusive?).

(6) Meeting between Lac (MacVeigh) + ADM - 'co-operation'

Nov. 22/93

John Watkins

Red Mtn.

- Hillside Intrusion hosts Marc Zone
- Younger Intrusion (with <sup>224 stz. eyes</sup> cups off Ore)
- chemistry of intrusive <sup>is</sup> very important - alkaline  
(dominant hornblende)
- Analogy: Cripple Creek? (not ~~Pomera~~)  
eq. - alkalic  
- tellurides
- Lac gave Stan Feish (Magma Chem) data for interp. (Nov. 21)

→ RED MTN.

RED MTN. - Garfield MacVeigh  
(New Discoveries Session)

NWMA Dec. 2/93

Au:Ag = 1:3

The Companies - Wotán, <sup>Dino Cremonese</sup> St. Joe, Bond Gold, and ~~Gold~~ + Lee, Lac

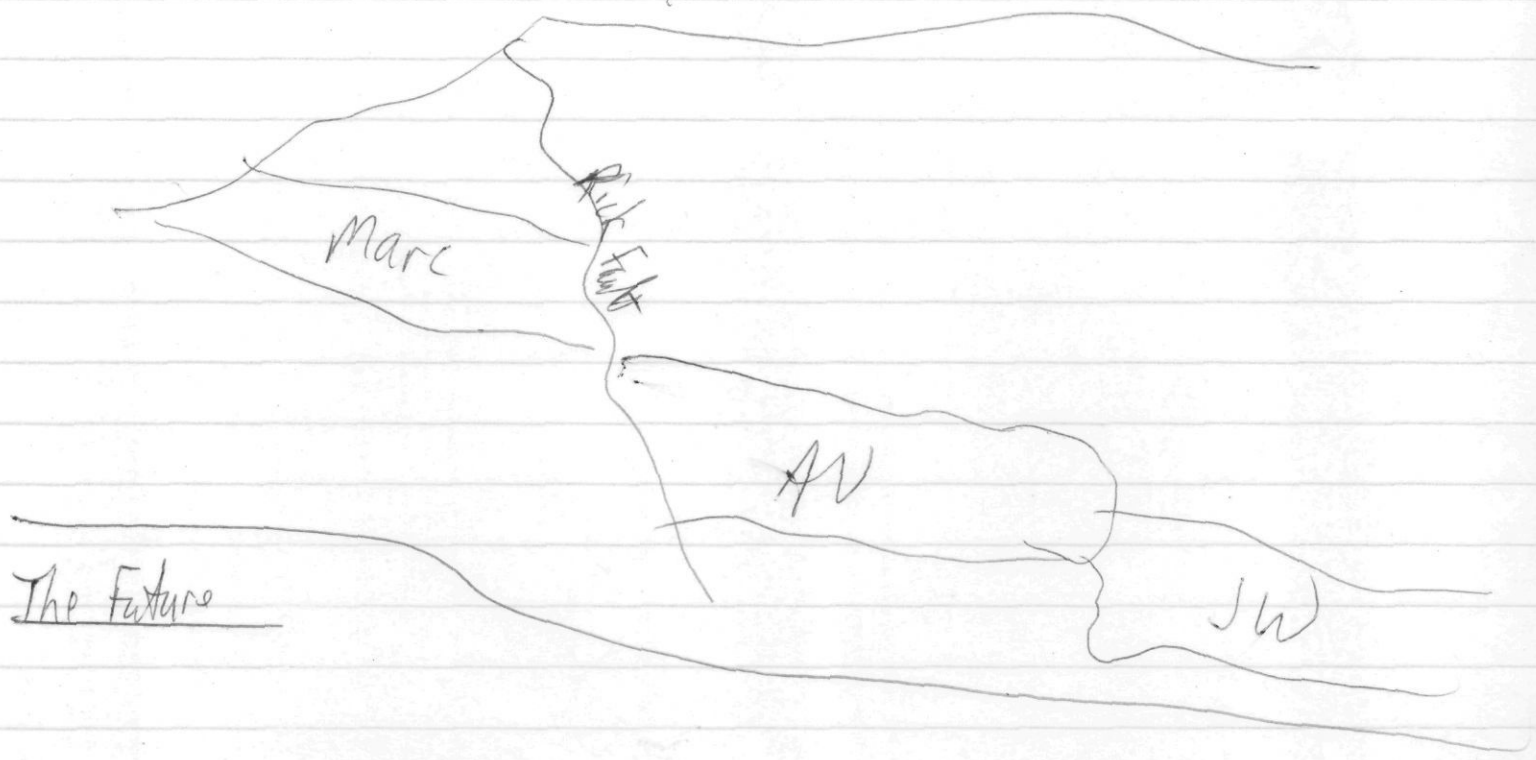
The People: Kowal, Cremonese, Malloy, Kennedy, Vogt, (Marc) Gauthier,  
Craig Nelson, John Watkins, Adrian Bray

Geol. Computer  
Tech.

The Techniques: 1 + Thematic Mapping + Mineralogy  
20m intervals - geochem of drill core.

Geophysical Techniques - "everything" - incl. ice penetrating radar  
- airborne Em (Aerodot)

Good slide - Composite Long Section



The Future



MINISTRY OF ENERGY, MINES AND  
PETROLEUM RESOURCES

To: Garfield MacVeigh

Date: Jan. 13/94

From: Tom Schroeter

- |                                                           |                                                          |
|-----------------------------------------------------------|----------------------------------------------------------|
| <input checked="" type="checkbox"/> For your approval.    | <input type="checkbox"/> Prepare reply for my signature. |
| <input checked="" type="checkbox"/> For your information. | <input type="checkbox"/> Prepare draft of reply.         |
| <input type="checkbox"/> For necessary action.            | <input type="checkbox"/> Return to me.                   |
| <input type="checkbox"/> Send me copy of reply.           | <input type="checkbox"/> File.                           |
| <input type="checkbox"/> For your comments.               | <input type="checkbox"/> For signature.                  |
| <input type="checkbox"/> Wish to discuss.                 |                                                          |

Re: RED MOUNTAIN

A few 'extra' photos<sup>(19)</sup> of  
rock specimens collected  
from Red Mountain - for  
your use.

Cheers,  
Tom

RED MTN. - Charlie Greig  
(Rock Talk VIII, Smithors)

Mar. 1/94

1,500 000 maps to come out this spring.

(i.e. GSC vs GSB 'turf' - TPP)

- host = upper part of Hazelton (+ coeval intr.)
- Bitter Ck. structure (antiform) ~~synform~~

- used Greig's map extensively 'Grovian Stratigraphy'

- Bitter Ck. rx. = basaltic (mafic) volcs. i.e. unusual for area!

- also bimodal (rhy-bst) volcs.

- hbl'd <sup>sp.</sup> rhy. (+ jasper) flows → most common proximal to Red Mtn. (i.e. pot. sig.?) regionally

[191-198 Ma (from Dilworth-type rhy. rx.)]  
GOLDSIDE STE. : magma emplacement into 'watery' host.

- (G dating in Ottawa - U/Pb → 202 ± 1 Ma (CG Apr. 14/94)  
(i.e. semi-identified)

- within one 'structural' domain (Red Mtn.)

→ discussed Ar/Ar dating (by GSB) with Charlie  
- he thought they 'belonged' to Lac, is not  
properly referenced in GSC 'Activities Review'  
(he apologized, but should have been caught by reviewer.)

(TGS to send copy of age date data to GSC)

RED MTN. - Sue Creighton (fac) - (Rock Talk VIII, Smithers) Mar. 1/99

DRILLING

|     |   |        |        |
|-----|---|--------|--------|
| 189 | - | 4833   | metres |
| '90 | - | 12,765 |        |
| '91 | - | 2,185  |        |
| '92 | - | 3,999  |        |
| '93 | - | 34,800 |        |

---

~ 58,000 m

---

1,865m - portal collared - 18% decline

---

GEOLOGY - "Porphyry-Related"

Intr. rx. - similar chem. comp to v.d.c.s.

Hillside Por. - hbl phenox less distinctive (than in Goldslide)

- incl. bx. dykes; hydrothermal bx.

Ex. 15-30 g/t Au over 10m

920 m drill hole = propylitic - alt'd intrusive (+Cu, Mo)

- high fluorite, green-cr micas, kspars, barite  
(esp. gtz-carb. veins)

RED MTD. - Mark Prefontaine KFG Apr. 12/94

to date US \$16 million spent (US\$10m in '93)

- intrusion into pre-lithified <sup>semi-consolidated</sup> wet sed.
  - intr. - mildly alkaline - excellent aerial view
  - NW trend of intrusions + axial traces of folds + ore zones
  - host bedded mudstones (carbonaceous), wackes + ash tufts
  - hb/d - fsp diorite (+ x) tuff
  - breccia dykes; peperites
- atx-par. diorite - cuts the one / sharp contact with diorite
- NW plunging upright cylindrical folds.

APN Study: - complete in 6-8 wks.

- taurina line - can be porphyry (esp. in upper part of section)
- downsection - sericite takes over
- kspars - widespread. (Krenich's Na + Ca depletion)

930 m hole - gypsum veinlets (+ py) do. porphyry 'hint'

- ore assoc. with Cbe. gr. py - stringer style (ie. not violent ex. episode)
- \* - py replaced po?

→ vanadium-titanium (H. gran) mica in sed.

- ore in veinlets in py (+ tellurides) Metallurgical testing - high 80s
- bulk sampling see grades 'held up' very well.
- u/c bulk style mining

→ L. Sur. sediment-sill complex (high-level intrusion)

1994 350 m of u/c dev. (drift to 17000)

> 30,000 m of dth (infill + SW zone)

→ 141 zones

Ladner CK. (Carolin) - the shearer

KEG '96  
Apr. 1-3/96

Oct. 1/95 - now - > 2M  
> 7000m drilling = 600 ddh > 40,000 m [underground crusher]

# 40M spent previously

1.5km between Idaho + McMaster cross.

- 1st granite, talc carb. alt n

- min. related to 'certain' horizons - eq. Ladner op. turbidites

py-pb - arsenopy.  $\frac{1}{3}$  albite  $\frac{1}{3}$  silica  $\frac{1}{3}$  carbonate

- recently recognized shallow angle (eq. 25° N) faults

New min. (~100m to west of G) in volcanics

- similarities between Bralorne + Ladner CK. Ferrares. 1

COTTON BELT - Jan Sempke

- 3 min. 'horizons' - lower magnetite rich (up to 10%) ± garnet

+ Pb - Zn - Ag

- above = copper-rich zone

isolate - sillimanite metan grade

- Gordon Gibson - contact geol.

1996: ddh, incl. > 1000' into 'hinge' area.

Analogy: Broken Hill, Australia.

MICROBOLD - Jan Sempke - Stump Lk. area

- target bonanza-type feeder zone(s)

KEEGE

Apr. 98 - full prod.

Red Mt.

est. cap. cost = \$100 million

Mine life - 10-15 yrs

Res. 100,000 tons @ 238 g/t Au

Sept. '96 - f/c dev. plan

Dec. '96 - complete Feas. study  
start-up  
Comm. - 1999

(average 20% Fe)  
(f. 20% - bonanza)  
= 140-150°C  
= 18%  
= +18%  
31 ddh to end Dec. '98  
Crest - Hastings  
Keg '96

11.2M in '96

1/1

*Charles Jones*

New (1946) Zone (S.F.)

BEFFIELD

- extended u/g workings at depth to NW
- drilled 'ahead' from u/g, plus major surface program => discovery of new zone (S.F.) (after geologist, Scott Frigstad)
- surface drilling on S.F. zone encountered abundant, pervasive alt'n, with erratic, but good grades at depth.



Rick Fault

Mare

Cambria Zone

Plan sig. follow-up prog. in 197

also to test if Cambria & S.F. zones might be along same structure.

Jacques Heale  
Nov. 13/78

RED MTN

RFD MTD

Oct. 28/99

- chat in Tor. with Jan MacDonall (Pres., CEO)  
(re- Kalmel's nomination for Scholtz Award)
- 8 bids for property
- Wheaton R. came 2nd
- Mr. Shawn Morris (?) came first  
(his highest bid)
- Nobody seems to know who this person is.
- W & R still very much interested in project.

REF MTU.

July 4/08

- chat with John Kalmet

re-visit office (+ core) on Fri. Aug. 1<sup>st</sup>

Office (Stewart)  
- ex-Lac Bldg Tel. (250) 636-9110  
Fax (250) 636-9109

House (Stewart)  
- 1185 Raven St.  
Tel. (250) 636-2141

⇒ 3 wks. in / 1 wk. out

Andrew Hamilton  
Teresa Armstrong

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Fri. July 28<sup>th</sup> TGS faxed 'note' to Stewart office  
- Andrew Hamilton tel. TGS to say neither would  
be in office next week.

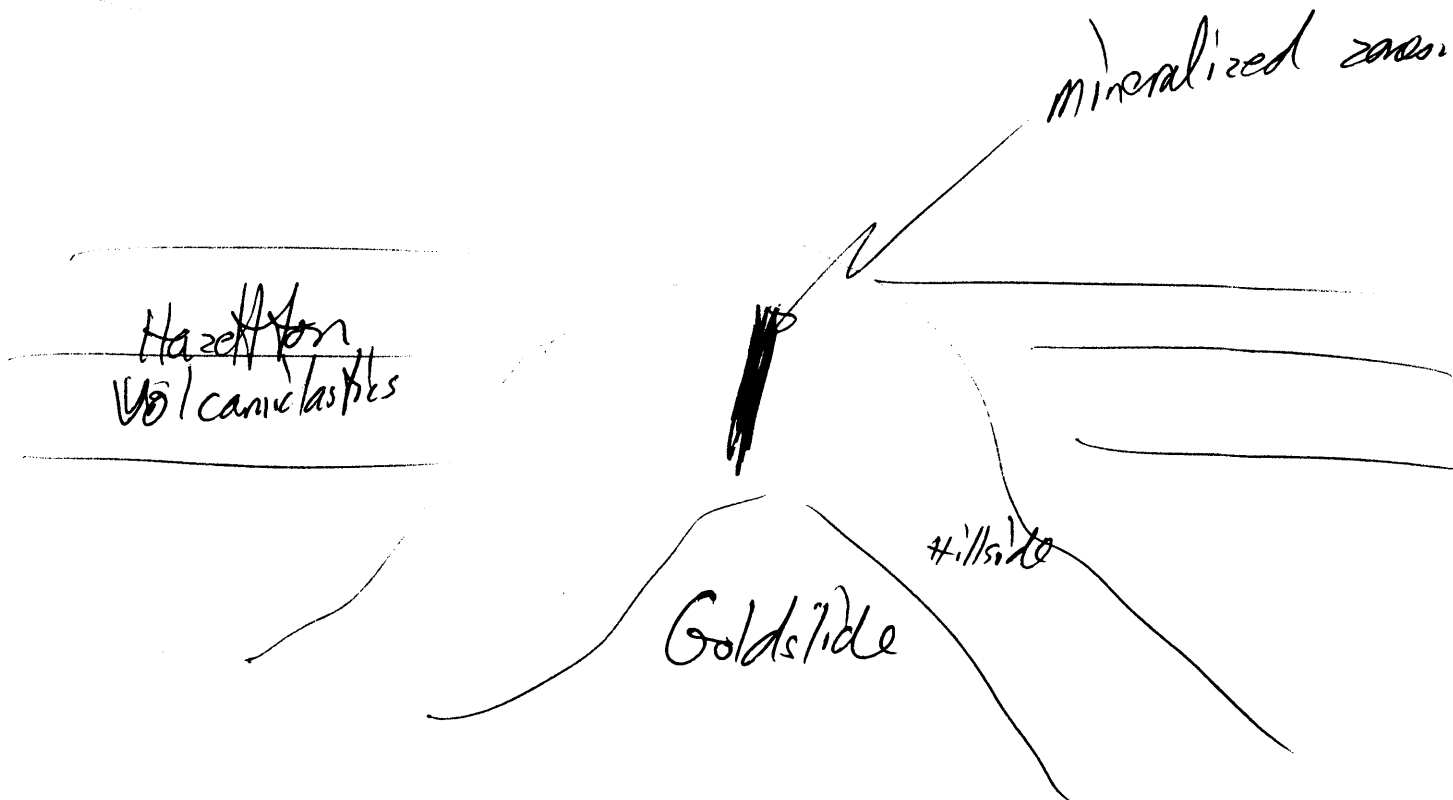
→ detailed core re-logging  
(+ Bill Barclay - structural studies)

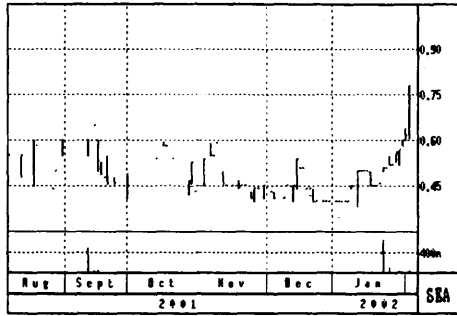


RED MTN.

Feb. 15/01  
TOS

- 'Shawy Tell' @ Wheaton River Minerals' office
- Andrew Hamilton + Dunham Craig
- Marc, AV + JW zones were once all the SAME deposit (> 300m strike)
- 3 diff. ore 'reserves' calculations to 1 g/t Au cut-off.
- 4/6 x-cuts are 'plugged up' with 'muck'
- 'inner' gold (auriferous) pyrite zone, flanked by  $Pb \pm Zn$





**News Release ... Seabridge to acquire Red Mountain gold project**

Mr. Rudi Fronk reports

**SEBRIDGE TO ACQUIRE RED MOUNTAIN GOLD PROJECT**

Seabridge has entered into an agreement with Wheaton River Minerals Ltd., through its subsidiary North American Metals Corp., to acquire a 100-per-cent interest in the Red Mountain gold project located near Stewart, B.C. In this transaction, Seabridge stands to acquire 483,000 ounces of gold resource (400,000 measured and indicated and 83,000 inferred) and certain other assets. Closing is subject to approval of the Canadian Venture Exchange, the British Columbia Ministry of Mines and third party royalty owners.

Red Mountain is a structurally controlled, advanced stage gold deposit, located 18 kilometres east of Stewart, B.C. The deposit was originally drilled by Bond Gold in the late 1980s, and was subsequently explored by Lac Minerals and Royal Oak Mines. To date, approximately \$39-million (U.S.) has been spent by previous owners at Red Mountain. Diamond drilling on the property has totalled 127,000 metres in 467 holes. In addition, 2,000 metres of underground workings have been excavated, including a 1,000-metre production-sized decline. Significant metallurgical testing has also been performed on the deposit with results indicating that recoveries of 87 to 90 per cent can be achieved through conventional milling activities.

Numerous resource estimates have been reported by previous owners of Red Mountain. In May, 2001, Wheaton River Minerals completed a comprehensive review and validation of the project's geological and environmental data. This review included relogging all drill core and the construction of a new kriged resource block model. The new model for Red Mountain estimates measured resources of 1.26 million tonnes grading 8.01 grams of gold per tonne (324,000 ounces) plus an indicated resource of 340,000 tonnes grading 7.04 grams of gold per tonne (76,000 ounces), for a total measured and indicated gold resource of 400,000 ounces. In the inferred category, NAMC estimates an additional 350,000 tonnes grading 7.45 grams of gold per tonne (83,000 ounces).

At closing, Seabridge will issue North American Metals Corp. 800,000 Seabridge common shares in exchange for a 100-per-cent interest in the Red Mountain project which includes: (i) 97 mineral claims comprising 19,030 hectares; (ii) all project data

including an extensive, high-quality database and drill core repository; (iii) an office/warehouse building in Stewart; (iv) a large complement of mining equipment at the Red Mountain site which has been independently valued at approximately \$500,000; and (v) mineral exploration permit MX-1422 and a related \$1.5-million cash reclamation deposit lodged with the B.C. Mines Ministry. In January, 2002, Wheaton River Minerals filed a revised reclamation plan with the B.C. Mines Ministry which could result in a release of a portion of the cash reclamation deposit which would be split between Wheaton River Minerals and Seabridge. At closing Seabridge will also assume obligations of various underlying property agreements which include net smelter royalty obligations ranging from 2 to 6.5 per cent. Annual holding costs on the project are approximately \$75,000. A finder's fee in accordance with Canadian Venture Exchange policies will apply in this transaction.

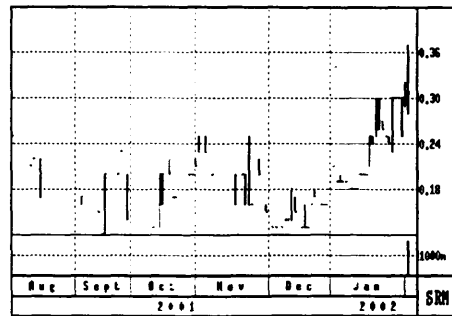
"Consistent with our strategy, this acquisition adds a quality gold resource with low holding costs. We also believe that we can realize additional value for Seabridge shareholders from the reclamation bond and subsequent sale of the mining equipment," said Seabridge president and chief executive officer, Rudi Fronk.

*Handwritten note:* Total = 1,920,000 tonnes @ 7.8 g/t Au = 15,072,960 g Au = 438,000 oz Au (15,072,960 g / 35.274 g/oz) = 1,241,999 oz Au

Shares issued 13,640,999 1 Feb 02 close \$ 0.32

**Directors**

Agar C Franklin Mulken David E  
Planche Donald R Strand Pamela D



**News Release ... Shear Minerals arranges 2.5 million unit financing**

Ms. Pamela Strand reports

**SHEAR MINERALS LTD.: PRIVATE PLACEMENT**

Subject to regulatory acceptance, Shear Minerals Ltd. will proceed with a non-brokered private placement in the amount of up to 2.5 million units of the company at a price of 25 cents per unit, for gross proceeds of up to \$625,000. Each unit consists of one common share and one share purchase warrant. One warrant and 32 cents will entitle the placee to acquire one additional common share of the company for a period of two years. A portion of the units may be designated as flow-through units. Insiders of the company will be participating in this financing. A finder's fee not exceeding 10 per cent may be paid on some subscriptions. No finder's fee shall be payable on amounts subscribed by insiders of the company. The

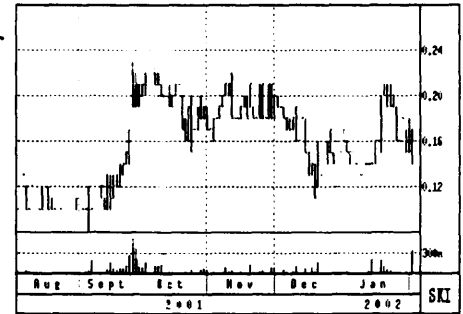
proceeds from the private placement will be used to explore new property acquisitions, advance Shear's current diamond exploration projects as well as working capital.

**Skinny Technologies Inc SKI**

Shares issued 4,892,839 1 Feb 02 close \$ 0.15

**Directors**

Aelicks Bradley Thomas Archer Robert A  
Cooke Bradford James Lockwood Stewart Leroy  
Munoz Javier Felix Walters Daniel C



**News Release ... Skinny releases Skinny WebPortal commercially**

Mr. Daniel Walters reports

**SKINNY WEBPORTAL(TM) DIGITAL ASSET MANAGEMENT PRODUCT RELEASE ...**

Skinny Technologies has commercially released its Skinny WebPortal product only one week after entering into a licensing agreement with software developer Where?Media. Skinny WebPortal is a Web-enabled digital asset management system that allows users to manage the production, transmission, proofing and archival of high-resolution prepress images over the Internet at lightning speed using the company's proprietary SkinnyScript technology. This new product is targeted at the publishing, prepress service bureau, printing and advertising markets.

President and chief executive officer Daniel Walters anticipates that this first niche market solution will set the stage for many more specialized applications of the company's revolutionary SkinnyScript technology. He is also encouraged by how quickly software developer Where?Media was able to integrate SkinnyScript support into its ImagePortal product. Actual image data file conversion in this first release of Skinny WebPortal incorporates the use of the company's recently released SkinnyScript Server.

Attested Where?Media CEO Benoit Manecjee: "We thought it would take us at least a month to customize our software to use the Skinny image encoding format. Once we began working on it we quickly realized we only needed to add encapsulated postscript (EPS) and Acrobat (PDF) file support in our software in order to read and archive Skinny files. Without any technical barriers, it is easy to imagine how easily this revolutionary process could be adopted as a de facto standard by the print industry in the near future."

**WARNING:** The company relies upon litigation protection for "forward-looking" statements.