Province of British Columbia



Ministry of Energy, Mines and Petroleum Resources

GEDLOGICAL SURVEN BRANCH

Suite 301, 865 Horrioy Street Vancouver British Columbia V6Z 2G3 Telephone (604) 660-2708 Fax, (604) **775-0313** 

November 15, 1991

File: Skinner

Louis M. Berniolles Ottarasko Mines Ltd. c/o P.O. Box 41 Tatla Lake, B.C. Vol 1V0

## Re: MT. SKINNER PROJECT

Thank you very much for the information package and details on the Mt. Skinner project. I believe you're on the right track. Unfortunately, with the status of the industry at present, your "fortunes" for next year may depend on the success/failure of the 'nearby' Fish Lake project. Good luck and Bob and I look forward to seeing you next year.

Yours truly,

 $\mathcal{M}$ 

Tom Schroeter, P.Eng. Sr. Regional Geologist

TS:JB

# TCHAIKAZAN EXPLORATION SERVICES LTD.

P.O. BOX 41, TATLA LAKE, B.C. CANADA VOL 1V0 TEL: (604) 476-1104

managing the properties of **Ottarasko Mines Ltd.** Tel: 476-1180 Fax: 476-1104

November 8, 1991

Mr. Tom G. Schroeter Senior Regional Geologist B.C. Geological Survey Branch 159 - 800 Hornby Street Vancouver, B.C. V6Z 2C5

Dear Tom,

As I told you over the phone a couple of weeks ago, Northair has pulled out of the Mt. Skinner project, which is now 100% owned by my small outfit again. To move ahead I don't have too many options, and the most appealing is to go public and raise some money for exploration that way. In view of the sick state of the market, this is a bit like selling Christmas cards in late March, but what the hell, here is my chance to make a few dentists happy!

With a public issue in mind, you can well imagine that playing it close to the vest is the last of my concerns, and if I can get a little exposure before next spring it will be very welcome. I enclose a couple of information documents; one is being sent to a few brokerage firms to test the temperature of the water, it contains a short description of Ottarasko's properties; the other was knocked together essentially with you in mind and is a compilation of results to date on the Skinner vein: this will give you the overall picture should you wish to mention this project (and Ottarasko Mines) in the next Mineral Exploration Review.

I hope to make things interesting again around here, so that I'll have another chance to see you in the area. All the best.

LOG NO: NOV 12 1991 VAN ACTION: MOB (FYE) Confident of MOS Pob (FYE) Confident of FILE NO: 11) Skinger ( Sincerely yours,

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Louis M. Berniolles Ottarasko Mines Ltd.

#### Ottarasko Mines Ltd. - Corporate data

This document was prepared in early November 1991 and the information presented in it will be current to the early part of 1992. The objective of this data sheet is to help investigate the opportunity of going public with the company during the summer of 1992.

- Incorporated March 21 1990 Federal charter
- Unlimited no-par common shares
  Registered office: 1040 999 W. Hastings, Vancouver, B.C.
- Head office: Box 41, Tatla Lake, B.C. VOL1VO Tel: 476-1180
- Legal: Scott, Bissett Vancouver, B.C.
- Accounting: Bruce F. Jamieson & Co. Vancouver, B.C.
- Bank: Royal Bank of Canada Williams Lake, B.C.

#### Stockholders

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750,000 @ 1¢ for cash Louis Berniolles: 960,000 sh. 210,000 @ 25¢ for cash Victoria Berniolles: 210,000 sh. 210,000 @ 25¢ for cash François Berniolles: 30,000 sh. 30,000 @ 25¢ for cash Total issued 1,200,000 sh. for aggregate \$120,000

## Directors

Louis Berniolles - Prospector - Tatlayoko Lake, B.C. Victoria Berniolles - Prospector - Tatlayoko Lake, B.C. Jean Berniolles - Metallurgical engineer - Versailles, France

Note: One or two additional directors will be appointed before Ottarasko goes public, at least one of which will be a Public Engineer registered in the province of B. C.

## **Officers**

President: Louis M. Berniolles - Tatlayoko Lake, B.C. Secretary: Graham H. Scott - Vancouver, B.C.

Finances since incorporation	(to end of to nearest	1991) \$500)	(figures	rounded
Income				
Sale of shares for cash Income from options, etc.		\$	120,000 61,500	
	Total	\$	181,500	
Expenses				
Administrative, legal, accounting Purchase of claims Staking of claims Exploration expenses		\$	21,500 50,000 12,000 94,000	
	Total	\$	177,500	
Cash on hand				

#### Cash on hand

\$ 4,000

a further 240,000 shares @ 25¢ will be purchased by Note: insiders before the company goes public. The total issued capital of Ottarasko will then be 1,440,000 shares sold for a total of \$180,000.

## Related party transactions

The company retains the services of Tchaikazan Exploration Services Ltd., controlled by L. and V. Berniolles, under a Management and Exploration Services contract calling for a fee of \$800 per month for managing and administering the company, plus per diem fees of \$175 for L. Berniolles and \$125 for V. Berniolles in relation to exploration field work, all other items being billed at cost.

The company has purchased 11 claims (140 units) from the Tchaikazan Explorations partnership (L. Berniolles 50%, V. Berniolles 50%) for the sum of \$50,000. This is a transaction at cost; the exploration expenditures spent on these claims by the partnership are established by several assessment reports.

Properties

100% ownership of 43 claims covering approximately 31,000 acres in the Niut and Potato Ranges of the West Chilcotin region, 150 km west of Williams Lake. Six properties in three blocks, map areas 92N/9, 92N/10 and 92N/7 (see attached map)

SKINNER - Gold property - 17 claims, 180 units -Discovered and acquired by staking June 1990 - Intrusive hosted mesothermal gold vein system - Control: Yalakom transcurrent fault - Main showing: Victoria vein, surface strike length 110 m, open to the west and at depth - Best surface chip sample: 1.4 m of 1.69 oz/ton gold - Best drill intersect: 1 m of 1.82 oz/ton gold at depth of 30 m - Sizeable program (> \$100,000) on this property during summer of 1991, including 6 drill holes - Three additional gold targets on this property over a strike length of 1.6 km.

**OTTO** - General geochem target - 1 claim, 20 units -Discovered 1981, acquired by staking September 1991 - Stream THM anomaly, extensive beds of supergene iron and manganese mineralization - Controls: Ottarasko and Tchaikazan transcurrent faults.

ATWOOD - Gold-copper-nickel-cobalt property -5 claims, 62 units - Discovered 1984, acquired by purchase from Tchaikazan Explorations partnership (see Related Party Transactions) - Controls: intrusive contact, Blackhorn thrust fault - Five target areas defined by outcrops and boulder trains - Best assays Cu 3%, Ni .4%, Co .1%, Au .46 oz/ton.

NIUT CREEK - Gold property - 5 claims, 74 units -Discovered 1988, acquired by purchase from Tchaikazan Explorations partnership - Control: Blackhorn thrust fault - four target areas, extensive outcrop - Best assays: 1.10 oz/ton gold in outcrop, 1.73 oz/ton in float.

FEENEY - Gold property - 7 claims, 71 units -Discovered 1990, acquired by staking and (partly) by purchase from Tchaikazan Explorations partnership - Control: Blackhorn thrust fault - Main showing: vein outcropping over 150+ m, width 30 - 120 cm - Best assays: .76 oz/ton gold across 30 cm, 2.60 oz/ton from float.

BLACKHORN - Gold property - 8 claims, 105 units -Discovered 1936, acquired by staking July 1990, August 1991, October 1991 - Control: Blackhorn thrust fault - Main

- 3 -

showing: gold-bearing quartz vein partly developed by adit (30 m) and drift (19 m). Vein values: 1.60 oz/ton Au across 60 cm. Numerous other showings - This property is consolidated for the first time ever; it has been under multiple ownership, with the attendant inefficiencies and legal complications, until now - This is a past producer on a very small scale (5 to 7 tons of ore for 8 oz of gold).

### 1992: Potential "window of opportunity" for going public

During the month of June 1992, the B.C. Ministry of Energy, Mines and Petroleum Resources will release the results of a Regional Geochemical Survey for map area 92N (where Ottarasko's properties are located). In addition the Geological Survey of Canada will publish revised detailed mapping for the area, and may also release regional aeromagnetic data. Two recently revitalized mining projects in the vicinity of Ottarasko's properties will help to focus attention on this area: Noranda's Newmac copper-gold project in the Niut Range, and Taseko Mines' Fish Lake copper-gold project on the Yalakom fault, southeast of the Skinner property. Taking all of the above in consideration, this area will probably receive more attention during 1992 than it ever has in the past, and this may represent a good opportunity to market the securities of Ottarasko to the public.

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NTS: 92N Property Location Map - Ottarasko Mines Ltd. -



All values in this projection are assay values in oz/ton Au across 1.5 m true width of vein material + dilution rock. In some cases the dilution rock has been sampled and contributes to the value posted; in other cases it was assumed to assay nil because of unavailable sampling results.

Each square centimeter represents 120 short tons of ore, assuming a density of 2.7 and a correction factor of 1.07 to account for the distortion caused by projection of the vein, with a dip of  $70^{\circ}$ , onto a vertical plane.

The above diagram outlines a high grade ore shoot (cut off 0.5 oz/ton Au) containing 3000 tons of 1.14 oz/ton Au, and a lower grade resource (between 0.5 oz/ton and 0.1 oz/ton) containing 10000 tons of .27 oz/ton Au, or, on a combined basis, 13000 tons of .470 oz/ton for a total of 6120 oz of contained gold.

#### MEMORANDUM

# INTERNATIONAL NORTHAIR MINES LTD.

TO: Don McLeod, Fred Hewett, Louis Bernoilles

FROM: Dave Visagie

DATE: October 18, 1991

RE: SKINNER PROJECT: DRILLING

In early October a six drill hole program totalling 259.9 metres was completed on the Victoria Vein located on the Skinner property near Tatlayoko Lake. Previous mapping had shown the vein to strike at approximately 055 and to dip to the north with dips ranging from 55-70. It is shear Hosted and occurs within granodioritequartz diorite intrusive. |Hand and mechanized trenching exposed the vein intermittently for 130 metres. To the northeast it appears to feather out, while to the southwest it is talus covered. At surface it exhibits pinch and swell characteristics with widths reaching a maximum of 1.4 metres. Grades throughout are variable. Vein mineralogy consists of a quartz gangue in which variable pyrite, up to 5%, occurs along with minor chalcopyrite, malachite and trace gold. In general the sulphides at surface are pitted leaving a boxwork structure. A composite of all available trench assays showed the zone to average .836 opt Au over an average width of 1.05 metres and a strike length of 59 metres. Overall alteration is weak with chlorite occurring in patches while epidote commonly occurs along fractures within the intrusive. Limited silicification occurs along the wall rock contact between the vein and the hosting intrusive.

Three drill sites were selected to test the vein over a 64 metre length at vertical depths of 16 and 32 metres (approximately 50 and 100 feet). The results of the drill program are summarized below.

Hole	From (m)	To (m)	Int (m)	Au (opt)
91-1	28.4	28.7	0.30	1.216
91-2				nd
91-3	24.5	·25.4	0.90	0.608
91-4	33.9	34.9	1.00	1.820
91-5				nd
91-6				nd

P.2

From the results it appears that the vein plunges to the southwest. Holes 91-1 and 2 were located so as to test the vein in an area where trenching had shown the best width and grade. While the shallow hole, 91-1 intersected a narrow section of quartz veining the deeper test, 91-2 did not. From a location 30 metres along strike to the southwest of holes 91-1 and 2, the vein was intersected at both targeted depths in holes 91-3 and 4. In both cases the vein width is similar to that located at surface while the grades are appreciably higher. In this section the vein is highly broken up leading to core loss. In hole 91-3, the shallow test, the vein is still highly pitted whereas in hole 91-4 the weathering out of the sulphides is less pronounced resulting in the appearance of noticeable pyrite and chalcopyrite. In general, the alteration surrounding the vein is limited; however in hole 91-4 both the foot and hanging walls have combinations of sericitic, argillic and silica alteration extending out from the vein in patches. Holes 91-5 and 6 located 34 metres along strike to the northeast of the first set-up failed to locate any significant values even though minor quartz veins corresponding to the zone were intersected.

If further testing of the vein is to be completed it should be done along strike to the southwest and at depth below holes 91-3 and 4.

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