

887806

Aug. '95
MR

SOUP [MI 94D 025, 105]

On August 17th and 18th Paul Wojdak and I flew over the Soup property, discussed the project with Hemlo Gold, and very briefly examined the core. Under option from Athlone Resources Ltd. and Vital Pacific Resources Ltd., Hemlo Gold Mines drilled four holes in 1995. [Note: Only one partly completed]. The first hole was drilled on coincident talus fine (300 ppb Au) and ground magnetic anomalies in an area of quartz-magnetite stockwork UPDIP from DDH 89-2 which had intersected 40m of 5.4 g/t Au. The hole was abandoned due to water problems. The second hole was drilled approx. 350m north-west (upslope) of the first. It too ran into water problems (i.e. lost water source due to elevation (7,400 ft) and ice). DDH 95-4 intersected a 16m interval of massive magnetite and pyrite, approx. 12m in the projected hanging wall (or a fault offset of the Main Zone). The 'skarn' mineralization (really 'replacement') is hosted within footwall feldspar phyric volcanics and hanging wall augite porphyry, related to monzonitic to dioritic intrusions.

The Main Zone consists of quartz and magnetite in veins, stockworks and silicified zones. The target/model may be the rich Grasberg deposit in New Guinea which occurs within diorite in a high silica-magnetite zone [1991 reserves were 360 million tonnes grading 1.57% Cu, 1.97 g/t Au, and 3.24 g/t Ag]. [Confidential: unless 'significant' assays are received from 95-4, it is unlikely Hemlo will renew its option (unfortunately)].

M.R. Aug '95

JOHANSON LAKE AREA

On August 17th and 18th Paul Wojdak and I visited the Johanson Lake area along the Omineca Resource Road. Our hosts for discussions, fly-byes and brief property visit were Graham Gill and Linda Erdman with Hemlo Gold from their base camp at the south-east end of Johanson lake. Aside from Hemlo's property work commitments, it has/is conducted a fairly comprehensive 'reconnaissance-style' review of the regional geology and its mineral potential. The prime focus is gold, particularly intrusion related and structurally-controlled mesothermal sub-types. Hemlo could be "well-positioned" if the Kemess development scenario proceeds.