

Sullivan  
888143

Page 4 of 7

LOOKOUT  
(Bar, Vine)  
(deposit type)

excavated one large trench to test depth continuity of low-grade gold mineralization along the Cranbrook Fault. This is a bona-fide gold porphyry with no other metal commodity of significance. The gold is associated with disseminated pyrite in an intensely altered and quartz-veined quartz monzonite porphyry body intruding Creston Formation and Aldridge Formation quartzites along the trace of the Cranbrook Fault. The 1992 trench is at a lower elevation on the steep ridge directly below mineralization exposed in 1991. Unfortunately, the trench exposed the fault zone but hydrothermal alteration and mineralization were not present. This seems to severely restrict the potential size of the gold porphyry deposit below that necessary to be economically viable. This property was formerly called Bar and was originally staked by the Leasks for a deep drilling search for the Sullivan horizon that was also unsuccessful.

- at Mount Mahon east of Yahk (82G/4W), Minnova drilled 3 holes totalling about 560 metres in an attempt to locate the Sullivan horizon in the vicinity of an occurrence of tourmalinized Middle Aldridge argillites discovered and previously explored by Cominco. They obtained "no encouragement" for the third successive year and are unlikely to be back in 1993.

BLU STARR  
(new)

Marc Goldenberg (A.P.C. grad.) and his partner, Rod Luchansky, are continuing to recover sapphires, garnets, titanite and epidote crystals from pegmatite lenses in the Passmore Dome (82F/12E) of the Valhalla gneissic complex in the Slocan Valley (Blu Starr claims). They are being mounted and marketed by a Nelson jeweller and for a while this summer were the "talk of the town".

- on the Moyie River placer operation of Queenstake Resources Ltd., Fiorentino Bros. Contracting (operator) will have exhausted the known reserves and ceased mining in early October. That will be followed by a small test drilling program to try to find more reserves. This neat, well-managed placer mine, has recovered about 20,000 oz. of Au since 1979 from Tertiary gravels grading an average of 0.09 oz./cu. yd. Processing is done on site with a 1200 yds./day wash plant and a total of 20 employees. When it is gone, there will be no significant placer operations left in the Moyie River - Perry Creek camp.

SULLIVAN  
TWO

- at the Sullivan Two (formerly Dodge) property at Mt. Rykert southwest of Creston (82F/2E), White Knight Resources drilled two holes totalling 590 metres to intersect an expected intersection between a "tourmalinite feeder-pipe" and a layer of lead/zinc/silver sulphides in metamorphosed Middle Aldridge sedimentary rocks. The drilling found intermittent talc alteration and pyrrhotite-veined tourmalinite but did not discover "Sullivan Two" where it was projected. Trenching of a soil anomaly elsewhere on the claims uncovered a new occurrence of thin, conformable seams and pods of galena in distinctive garnet-biotite-quartz and calc-silicate layers. This is an interesting and enigmatic prospect which definitely deserves more work.

PHOENIX

- Battle Mountain Exploration Co. (Mike Caron) has confirmed that the Phoenix Cu/Au skarn property at Greenwood (82E/2E) has been returned to the owner, Kettle Valley Resources. Battle Mountain drilled 9 more holes this year in the area immediately north of the Phoenix pit. They have spent over \$1 million on the property; Mike feels they have given it a good test without any encouraging signs of significant new reserves. The 1992 expenditure was \$175,000.

- the Greenwood and Rock Creek areas have been relatively quiet since June with only low-budget surface surveys underway in a few areas. October, however, is expected to see drilling start up again with Minnova at the Rainbow-Tam O'Shanter and the Orvana/Placer Dome JV at the Motherlode-Greyhound and Thimble Mountain properties.