

# WESTPINE METALS LTD.

## Production Potential from the Taseko Copper - Gold Property

VSE: WM

1991/1992

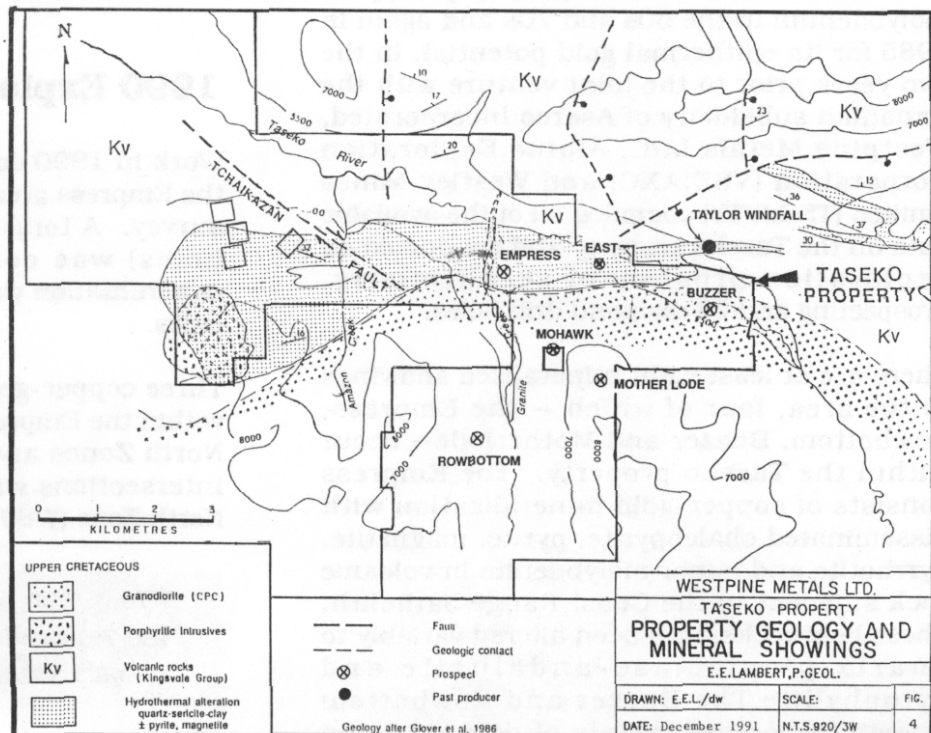
### Preliminary Pre-Feasibility Report

In less than three years since it was founded, Westpine Metals Ltd. has achieved several of its key goals as a junior natural resource company. It has arranged financing, established an ongoing relationship with one of North America's most successful mining companies, and it has delineated a geological mineral inventory on its Taseko copper-gold property.

A March 1991 preliminary pre-feasibility study by James Askew & Associates, Inc. of Denver, Colorado, calculated in situ resources within the Empress area on the Taseko property to be 11,078,000 tons grading 0.61% copper and 0.023 ounce per ton gold using a cut-off of 0.40% copper (not copper equivalent). The Askew report recommends an open pit operation as recovered reserves are optimized and operating costs are lower. The report calculates 10,474,000 tons of mineable reserves grading 0.582% copper and 0.022 ounce per ton gold with a stripping ratio of 5.9:1. This figure was arrived at using a 10% dilution of in situ resources with a grade of dilution estimated to be 0.20% copper and 0.015 ounce per ton gold.

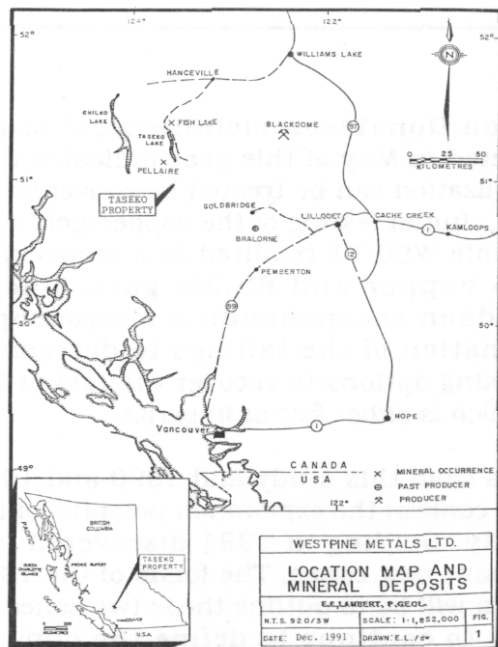
A Bacon Donaldson metallurgical study completed in May of this year indicates that mineralization can be treated by conventional milling. Initial testing of the copper-gold core from Hole W90-21 resulted in a recovery of 97.1% copper and 69.3% gold. Bacon Donaldson recommends a microscopic examination of the tailings to determine processing options to recover the rest of the gold which is either free or in pyrite.

Results from this study and 1990 and 1991 drilling confirm the exploration potential of the property. Drilling in 1991 discovered two significant new zones. The focus of the 1992 program will be to outline these two zones as well as to continue to define the mineral inventory in the Empress area.



## Property Geology & Development History

The 25 square-mile Taseko property, which has an exploration history dating back to the 20s, is located 140 miles north of Vancouver, British Columbia and is accessible by road via Williams Lake.



The area was explored for porphyry copper-molybdenum in the 60s and 70s and again in 1985 for its epithermal gold potential. In the two years prior to the joint venture with the Canadian subsidiary of Asarco Incorporated, Westpine Metals Ltd., Alpine Exploration Corporation (VSE:AXC) and Westley Mines Limited (TSE:WTY) compiled all of the available data on the Taseko property and conducted an exploration program of geochemistry, prospecting and 23 diamond drill holes.

There are at least eight mineralized showings in the area, four of which -- the Empress, Rowbottom, Buzzer and Motherlode-- occur within the Taseko property. The Empress consists of copper-gold mineralization with disseminated chalcopryrite, pyrite, magnetite, pyrrhotite and minor molybdenite in volcanic rock adjacent to the Coast Range batholith. These host rocks have been altered variably to quartz-plagioclase-andalusite and pyrophyllite. The Buzzer and Rowbottom Showings consist mainly of disseminated chalcopryrite and molybdenite within the granodiorite.

## Funding the Taseko Project

Westpine Metals financed its own work on the property to May, 1990 when it signed a joint venture agreement with ASARCO Exploration Company of Canada, Limited. Under this agreement ASARCO was granted an option to earn a 60% interest in the property by funding \$3.65 million in work through 1993 and completing option payments to Westpine totalling \$344,000 by January 15, 1994.

The agreement with ASARCO calls for minimum yearly work commitments as follows:

<u>Year</u>	<u>Work Commitment</u>
1990	\$ 300,000
1991	750,000
1992	1,000,000
1993	1,600,000
<b>Total</b>	<b>\$3,650,000</b>

ASARCO has fulfilled its work commitment of \$1,050,000 for 1990 and 1991. Westpine owns the Taseko Property subject to a 2.5% royalty from production and the ASARCO earn-in agreement.

## 1990 Exploration Program

Work in 1990 consisted of a drill program in the Empress area, and an airborne geophysical survey. A total of 11,490 feet of drilling (19 holes) was completed, and significant mineralization was encountered in 12 of the 19 holes.

Three copper-gold zones have been identified within the Empress area: the Upper and Lower North Zones and the 76 Zone. Key drill-hole intersections within the 76 Zone and Upper North Zone (W89-8) include:

W76-3:	180 feet of 1.20% Cu, 0.055 opt Au
T88-7:	149.5 feet of 0.53% Cu, 0.015 opt Au
W89-8:	342 feet of 0.35% Cu, 0.012 opt Au

Much of the high-grade Lower North Zone was defined during this program. Below are results from selected holes from this zone:

Lower North Zone Selected Assay Results				
Hole	Interval	Width	Cu(%)	Au(opt)
W90-17	472-652'	180'	1.41	0.054
including	581-629'	48'	2.27	0.105
W90-18	163-512'	349'	0.53	0.019
including	363-494'	131'	0.96	0.027
W90-21	503-718'	215'	0.90	0.036
including	509-569'	60'	1.78	0.061
and	599-627'	28'	1.92	0.087
W90-22	472-647'	175'	1.03	0.036
including	511-599'	88'	1.52	0.056

## 1991 Discovery of Two New Zones

The main objective of the 1991 program was to drill targets outside of the Empress defined by "Empress look-alike" geophysical anomalies as well as copper soil anomalies and results from previous drilling. Two potential new zones were discovered:

- **The East Zone:**  
3400 feet east of the Empress area, which is similar geologically to the Empress;
- **The Granite Creek Zone:**  
800 feet north of the Empress, which has characteristics similar to porphyry copper-type mineralization.

In addition, a number of other areas of lower grade mineralization were identified.

Results of the 1991 program are as follows:

1991 Drill Results				Zone or Distance from Empress
Hole	Width	Cu(%)	Au(opt)	
W91-39*	72'	0.53	0.022	East
	224'	0.35	0.009	
W91-49	291'	0.23	0.008	Granite Ck.
W91-40	205'	0.23	0.008	5600' E
W91-41	273'	0.16		2300' E
W91-44	101'	0.14	0.004	1000' W
W91-47	26'	0.22	0.003	8000' W
	36'	0.22	0.002	

\* These two intervals are cut by two and four unmineralized dikes, respectively.

In spite of the relatively low copper-gold values in some of the drill holes, all are considered worthy of follow-up investigations in subsequent programs.

## Objectives of the 1992

The key objectives for 1992 will be to:

- Define the extent of the new East Zone
- Define the extent of the new Granite Creek Zone
- Explore areas of lower grade mineralization intersected in Holes W91-40, 41, 44 and 47
- Continue to expand the mineral inventory in the Empress area
- Explore for new zones

If you would like to follow Westpine's progress over the coming months, please fill out this card and return it to our offices in Vancouver.

**Please add my name to Westpine Metals Ltd.'s mailing list:**

Name: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ State/Prov.: \_\_\_\_\_

Postal/Zip Code: \_\_\_\_\_ Telephone: \_\_\_\_\_

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## CORPORATE INFORMATION

### SHARE INFORMATION

Authorized: 20,000,000  
Issued: 2,940,400  
Options: 269,000  
Escrow: 1,200,000

Exchange:

Vancouver Stock Exchange

Symbol: WM

12g3-2(b) Exemption #82-3116

Standard and Poor's Listed

Largest Shareholders:

Westley Mines Limited (TSE: WTY)

1,000,000 shares, 34%

Alpine Exploration Corporation

(VSE: AXC)

1,000,000 shares, 34%

### REGISTRAR & TRANSFER AGENT

Montreal Trust Company of Canada  
510 Burrard Street  
Vancouver, B.C.  
Canada V6C 3B9

### LEGAL COUNSEL & REGISTERED OFFICE

DuMoulin Black  
10th Floor, 595 Howe Street  
Vancouver, B.C.  
Canada V6C 2T5

### OFFICERS & DIRECTORS

Victor J.E. Jones, President & Director  
Willis W. Osborne, Chief Executive Officer  
& Director

D. Neil Hillhouse, Director

Thomas A. Richards, Director

### AUDITORS

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P.O. Box 10426, Pacific Centre  
777 Dunsmuir Street  
Vancouver, B.C.  
Canada V7Y 1K3

### HEAD OFFICE

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Printed in Canada

Lower North Zone. → TASEKO

British Columbia & Yukon Chamber of Mines

1991 "Snapshot" Review Form

WESTPINE METALS LTD.

~7.5 m  
@ .73 Gg  
1024 Ag  
.05 Ag

Property/Project

Authors

Name: **Taseko Property**  
NTS: 920/3W, 4E  
Claims: 232  
Acreage: 13,200 acres  
Commodities: Cu, Au, Ag, Mo

Willis W. Osborne  
Ellen E. Lambert

**Agreements** Westpine has earned a 51% interest in the property and can earn the remaining 49%, subject to a 2.5% net smelter royalty to \$1.5 million. ASARCO can earn a 60% interest in the property by paying Westpine \$344,000 and financing \$3.65 million of work by January 15, 1994.

History

Year	Company	Type of Work	Drilling	Cost
1964	Phelps Dodge	Trenching	5 DDH (144 m)	?
1969	Scurry Rainbow Oils Ltd.	Geology/Geophysics & Trenching	8 DDH (900 m)	?
1970	Sumitomo Metals Mining Canada	Geology/Geochem & Geophysics	38 PDH (3725 m)	?
1975-6	Quintana Minerals Corp.		39 PDH (1341 m) 9 DDH (1299 m)	?
1986	Esso Resources Canada Ltd.	Geology/Geochem & Geophysics		?
1988	Alpine Exploration Corporation & Westley Mines Limited	Geology & Geochem	7 DDH (458 m)	\$100,000
1989	Westpine Metals Ltd.	Geology & Geochem	16 DDH (1981 m)	\$300,000
1990	Westpine Metals Ltd. & ASARCO Expl. Co.	Geology/Geochem & Geophysics	19 DDH (3503 m)	\$500,000

Geology

**Regional:** The regional geological picture in the vicinity of the Taseko property features an irregular east-west contact between the Coast Plutonic Complex of Jurassic to Cretaceous age to the south and Upper Cretaceous Kingsvale Group volcanic and sedimentary rock to the north. A wedge of Eocene-Oligocene Sheba Group Volcanics occurs to the east.

**Local:** A large zone of Kingsvale rock within the property and adjacent and north of the granitic intrusion has been intensely altered. Three major mineral showings occur: the Empress Zone within the altered Kingsvale, and the Buzzer and Rowbottom Zones within the Coast Plutonic Complex.

**Alteration Minerals:** quartz, andalusite, pyrophyllite, plagioclase, clay and chlorite.

**Ore Forming Minerals:** chalcopyrite, gold, molybdenite, magnetite.

## Current Exploration Results 1988-1990

- i) **Geology** Work since 1988 has been concentrated on the Empress area where copper-gold mineralization occurs in intensely altered Kingsvale rock north and adjacent to the granitic intrusive. The contact trends east-west and dips moderately north. Alteration occurs in three, layered zones roughly paralleling the intrusive contact. From the intrusive upwards, these zones are: quartz-magnetite, quartz, and a combination of quartz-pyrophyllite-andalusite and plagioclase-pyrophyllite-andalusite. Copper-gold mineralization has been defined in three zones: the 76, Upper North and Lower North zones. The first two trend ENE, occur mainly in the upper zone of alteration and are probably fault controlled. The Lower North Zone occurs mainly in quartz-magnetite but overlaps into quartz rock and appears to be a contact mineral zone.
- ii) **Geochemistry** Scattered copper soil anomalies extend from Granite Creek (west of the Empress Zone) to the Buzzer Zone 3.7 km east. It appears that glaciation has resulted in some transport of rock and soil in the area. While the anomalous soil indicates the presence of copper-gold, etc., the movement of rock has made the use of geochemistry as a guide for drilling difficult.
- iii) **Geophysics** A correlation between copper-gold and magnetite makes a magnetometer a useful tool for exploration in the Empress area. A ground and air mag survey were completed in 1990. The ground mag results indicate much of the Empress Zone to be anomalous, however, interpretation of data is difficult because of high-grade magnetite occurring as float on the surface and in more than one zone at depth. The air mag survey is currently being interpreted.
- iv) **Sampling** Results from the four best holes on the Lower North Zone are as follows:

<u>Hole</u>	<u>Interval (feet)</u>	<u>Width (feet)</u>	<u>Copper (%)</u>	<u>Gold (oz/ton)</u>
W90-17	472-652	180	1.41	0.054
including	581-629	48	2.27	0.105
W90-18	163-512	349	0.53	0.019
including	363-494	131	0.96	0.027
W90-21	503-718	215	0.90	0.036
including	509-569	60	1.78	0.061
and	599-627	28	1.92	0.087
W90-22	472-647	175	1.03	0.036
including	511-599	88	1.52	0.056

## Reserves

TO BE ANNOUNCED

## Costs

<u>Year</u>	<u>\$</u>	<u>Optioner</u>	<u>Operator</u>
1988	100,000	Alpine - Westley JV	Alpine Exploration Corporation
1989	300,000	Westpine Metals Ltd.*	"
1990	500,000	Westpine-ASARCO	"
1991	550,000- 800,000 (est.)	Westpine-ASARCO	"

\* Alpine Exploration Corporation and Westley Mines Limited vended their collective interests in the Taseko property to Westpine in return for one million shares of Westpine.

# WESTPINE METALS LTD.

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FOR IMMEDIATE RELEASE

March 12, 1991

## WESTPINE SCHEDULES \$550,000 DRILLING PROGRAM ON TASEKO COPPER-GOLD PROPERTY

VANCOUVER, B.C. -- Willis W. Osborne, Chief Executive Officer, is pleased to announce that ASARCO Exploration Company of Canada, Limited will finance \$550,000 of exploration work on the Taseko copper-gold property in 1991.

A 12,500-foot diamond drilling program is scheduled to begin in late May. Over 60% of the planned drill holes are outside of the Empress area, which was the site of drilling completed from 1988 through 1990. The new target areas have been defined by an interpretation of results from a Dighem airborne geophysical study completed last fall, copper soil anomalies and previous shallow percussion drill holes which intersected mineralization.

The objective of the Dighem survey was to identify a geophysical signature for the Empress area and to determine whether similar conditions could exist in other areas. The program was successful in its dual objectives.

On the basis of interpretation of the Dighem data, the anomalous area associated with the Empress appears to be over 6,000 feet long and up to 1,500 feet wide. The Upper North, Lower North and 76 Zones occur within the Empress. Only a small part of this area (less than 1,200 x 1,200 feet) has been tested.

At Westpine's request, Dr. Giles R. Peatfield completed a mineral inventory of the Lower North Zone. The results of this study indicate 7,455,100 tons of 0.73% copper, 0.024 oz/ton gold and 0.05 oz/ton silver in the probable and possible categories. In assessing the potential for increasing tonnage of the zone, Dr. Peatfield states: "One of the most encouraging features evident following this work is the apparently very good continuity and regularity of the mineralization, which has a thick, higher grade core area and thinner, leaner flanks. It is, however, open in several directions, and there may be no good reason to expect that higher grades may not be repeated at this elevation, especially to the northeast."


Outside of the Empress Zone, the geophysical interpretation identified at least five other similar areas. These areas, including the Empress, extend a length of over three miles (4.8 kms) in an east-west direction along the intrusive-volcanic contact.

Alpine Exploration Corporation will be operator on the Taseko project. Westley Mines Limited and Alpine each hold one million shares of Westpine Metals Ltd. of which there are only 2,710,400 shares outstanding.



Willis W. Osborne  
Chief Executive Officer

- 30 -

LOG NO: MAR 18 1991	VAN 5
ACTION:	
	
FILE NO: 30040	TASEKO

The Vancouver Stock Exchange has neither approved nor disapproved the information contained herein.

# WESTPINE METALS LTD.

## SECOND QUARTER REPORT

VSE: WM

FOR THE SIX MONTHS ENDING JUNE 30, 1992

Dear Shareholder:

I am pleased to report that drilling will commence in the near future on the Company's Shadow Mountain project, located in San Bernardino County, California.

The Company acquired rights to the Shadow Mountain Lease in June and in early August announced a joint venture with Pegasus Gold Corporation. Under the terms of the agreement Pegasus must complete \$200,000 US of expenditures on the property in order to vest 70% of the rights and obligations of the underlying agreement, and Pegasus has agreed to carry Westpine's 30% share of exploration costs on the property through to a production feasibility study. The agreement entitles Pegasus to recoup carrying costs out of a portion of the proceeds from production profits. Upon completion of the feasibility study Westpine is entitled to participate at 30% in production or may convert to a 10% carried net profit interest. These agreements are subject to regulatory approval.

Westpine earlier acquired a 50% interest in a lease agreement on the Shadow Mountain Property from Westley Mines Limited under the proviso that it must complete \$50,000 of work before completing an option with a third party in order to earn the full 100% interest and, at the completion of an agreement with a third party, pay Westley \$10,000. Instead, Westley agreed to assign the second 50% to Westpine for 100,000 shares of the Company now and a further 100,000 shares upon commencement of commercial production on the property.


No work will be carried out on the Taseko property this year due to the adverse climate for funding exploration in British Columbia. Management holds the long term prospects for the Taseko project in high regard and will continue to seek a suitable major company joint venture partner or direct equity funding when the dilution to current shareholders is considered acceptable.

There is however, work being completed in the Taseko area. B.C. government geologists are visiting the property for an examination and a company is drilling a hole on its claim which is surrounded by our property.

The Company is evaluating several other prospective acquisitions, and intends to proceed with financing for its corporate activities.

*On Behalf of the Board of Directors*

WESTPINE METALS LTD.

  
\_\_\_\_\_  
Victor J. Jones  
President

AUGUST 10, 1992

LOG NO: SEP 02 1992 VAN 6

ACTION:



FILE NO: TASEKO