

TO: Ron Cameron

CC DONNA

TSACHA

**TSACHA PROJECT, an epithermal Au occurrence in the Nechako Plateau, B.C. (93F/3E.2W). J. Pautler, Senior Project Geologist, Teck Exploration Limited:**

888733

The 84 unit Tsacha property was staked by Teck Corporation to cover the Tommy epithermal Au, Ag showing, discovered by the B.C. Geological Survey Branch in 1993. The property is located 125 km southwest of Vanderhoof, B.C.

The property is underlain by volcanic rocks, which include quartz phyric felsic crystal, lithic tuffs, commonly welded, and augite porphyritic basaltic andesite flows, with minor volcanoclastic sedimentary rocks, all of the Jurassic Hazelton Group. An augite porphyry plug is exposed in the southern property area. The above units are intruded by late Cretaceous diorite dykes and sills. Numerous north to northeast trending veins and silicified stockwork zones are evident within a two km wide zone and are all hosted by the felsic crystal, lithic tuff unit.

Over the past 3 years a total of 40 trenches and 8300 m of diamond drilling in 58 holes has been completed on the property. Seven significant veins were discovered with the Tommy Vein being the most consistent and continuous. Almost half of the drilling concentrated on the Tommy Vein and the remainder tested other veins and silicified zones on the property. The Tommy Vein has been traced for 640 m along strike averages 4 m wide and is continuous down to a diorite sill that cuts the vein at an average depth of 120 m. An easterly directed thrust fault appears to offset the Tommy Vein beneath the sill. A preliminary resource estimate for the Tommy Vein is 478,600 tonnes of 8.7 g/t Au, 82.3 g/t Ag using a 3 g/t Au cut off. Drill intersections include 13.4 g/t Au over a 4.3m true width.

\$67M  
↑  
(13,3870)  
4,163,820g Au  
39,388,780g Ag  
(1,266,378oz)  
↓  
\$6.33M

The best potential on the property lies with the continuation of the Tommy Vein below the sill. Only three effective holes have tested the vein beneath the sill but did not intersect the Tommy Vein, probably due to the thrust. Three other veins with significant results still have potential but are difficult to follow due to faults. The Larry Vein has been traced for over 300 m with results up to 7.1 g/t Au over 5.1 m, including 16.1 g/t Au over 1.8 m. The Johnny Vein has been traced for over 100m along strike and over 100m down dip with values up to 6.2 g/t Au over 2.7m. The Barney Vein contains 14.1 g/t Au over 0.6m, appears to increase in width with depth but has not been traced along strike due to faults.

0.254 opt 2.4 opt

Total ~ \$73M  
revised  
Cdn. Au @ \$500/oz  
Ag @ 5/oz

MEG

Re: MEG

Post-it Fax Note	7871	Date	6/01/97	# of pages	1
To	Donna Baylis	From	Jean Pautler		
Co./Dept.	Chemex	Co.			
Phone #	NB - revised resource section	Phone #	372 0032		
Fax #	984-0218	Fax #	1285		

Disk requested

@ US \$400/oz Au  
US \$ 6/oz Ag  
= \$53.5M (Au)  
6.3M (Ag)  
US \$ 60M US