

888835 Good aerial shot

1989 "SNAPSHOT" REVIEW FORM

→ TILlicum

Property/Project

Authors

Name : Tillicum Mountain
NTS : 82K 4E
Claims : 298 units

John S. Brock

Wayne J. Roberts

Acreage: 14,900

Commodities: Gold

Agreements

Esperanza Explorations owns 100 percent of the property subject to a 3% NSR royalty to the property vendor.

History

Past Exploration Techniques

By Whom

Amount

Type

Cost

Diamond Drilling
Underground

Esperanza

75,000 feet
3,200 feet

N.Q.
Drifting, raising
sub-levelling,

Bulk Sampling

Esperanza

3,800 tons

Mined and milled

TOTAL COST

\$8 Million

Past Development (if any)

By Whom

Amount

Type

Cost

Past Production (if any)

By Whom

Tonnage(s)

Method

Grade

- minor 4-zones identified

East Ridge
- to depth of 1200'
- 3000' strike length
(~ 200' wide zone of skarn alt'n)

Reasons for shut-down

Geology

- Elise Fm.

Regional: Rosslund Group andesitic volcanics and tuffaceous sediments intruded by quartz diorite and monzonite. Diorite porphyry has metamorphised volcanic metasedimentary units to calc-silicate, quartz and carbonate skarn.

Local: Gold occurs in multiple horizons of calc-silicate, quartz-sulfide skarn flanking porphyry sills.

Alteration/

Ore Forming Minerals: Skarn assemblages consist of quartz, plagioclase tremolite-actinolite, clinozoisite, biotite and microcline. Free gold occurs within and along the margins of quartz-calc silicate segregations. Variable amounts of pyrrhotite, pyrite, sphalerite and galena may also occur, but are not directly related to gold content.

~ 1.4 m tons
@ .27 opt Au
(i.e. ~ 386,000 oz. contained Au)

Current Exploration Results

1987-88

Surface diamond drilling on the East Ridge zone advanced a portion of the drill inferred or geological reserve to a drill indicated or probable category. Underground drifting, cross cutting and diamond drilling took selected reserve blocks to a proven category. Presently defined reserves remain "open" to depth and along strike.

Three other skarn zones have seen exploration with 24 drill holes in one zone returning gold values up to 1.3 ounces per ton over 13 feet.

Reserves

| | TONS | GOLD GRADE (OUNCES/TON) | CONTAINED GOLD (OUNCES) |
|----------------------|-----------|----------------------------|----------------------------|
| Proven/Probable | | | |
| (Underground) | 55,000 | 1.05 | 57,800 |
| Drill Indicated | 578,500 | 0.28 | 158,800 |
| Drill Inferred | 810,000 | 0.21 | 169,500 |
| <hr/> | | | |
| Total all Categories | 1,443,500 | 0.27 | 386,100 |
| <hr/> | | | |

Exploration Potential Open

Number of Zones - 1. Heino Money
 2. East Ridge A horizon
 3. East Ridge B horizon
 4. East Ridge C horizon

Number of Sample Points: in excess of 300

Average Grade: as above

Average Thickness: 7 feet

Cut-off grade: 0.12 ounces per ton gold

Costs: Recent - 1987 \$4.0 million
 Projected - \$3.0 million

Projected Development Costs: 500 tons per day @ \$15-18 million

Projected operating Costs: \$70 per ton
 \$200 per ounce

ESPERANZA EXPLORATIONS LTD

TILLICUM MOUNTAIN PROPERTY GOLD & SILVER DEPOSITS

LOCATION MAP

