

Turnagain

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RG → RG  
- Smithers

I N T E R O F F I C E M E M O R A N D U M

Created: 18-Jun-1998 04:24pm PDT  
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TO: See Below

Subject: Weekly report, June 25

Tulsequah Chief update: Still no money for Redfern's underground definition drilling. Looks doubtful that program (and others in the region) will be done. Revised Northwest exploration spending estimate to \$9.5 million, lowest figure this office has ever recorded.

Bren-Mar Resources released the balance of drill results from their Turnagain nickel program (more intercepts averaging 0.25% Ni over 130-200 metres) and announced plans to conduct 50 km of surface and bore-hole IP, and determine metallurgical recovery. The metallurgical program, based on drill core, will utilize Cominco's patented technology and will consist of concentrate production, pressure leaching, solvent extraction and electrowinning of Ni, with by-product Co and Cu. Average Co content is less than 100 ppm! Cu is reported to range from 100-3500 ppm! (I guess the average to be close to the lower end of the range.) The IP and metallurgical work are to be done in July so that, pending results, a 10,000 m drilling program could begin in August. [continuing credibility gap on this project]

RGS release for 93M, 93N, 94C: facilitated Smithers pick-up for Royal Oak, Gary Thompson and Dan Ethier.

Examined/evaluated Gary Thompson's (ROX) claims in the appropriately named Mosquito Hills near Tahtsa Reach south of Houston. Narrow fracture/gouge zones contain fine pyrite and are strongly anomalous in Pb, Au, As. Host rocks are unaltered Cretaceous Skeena Group(?) sandstones and nearby pyritic Hazelton volcanics, none of which appear very prospective. Gary Thompson is an inexperienced but very keen new prospector. Gave Gary suggestions on how to proceed with his property.

Morice Mtn  
Examine Crow-Raven porphyry Cu-(Mo-Ag) prospect on Morice Mountain with prospector Wes Moll. Property has been optioned by Sino Pacific Development who are still having trouble raising any money for IP and drilling. I was impressed by extensive copper mineralization disseminated in Bulkley granodiorite stock and in country rock, fractured rhyolite? Early work circa 1966 was conducted by Amax who obtained a drill intercept of 0.3% Cu over