

Copy to Tom Schroeder

TOS → WYSE-RABBIT

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Tel. & Fax 687-3337

889804  
Wyse-Rabbit  
92 I/10E

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Mineral Exploration Consultants  
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Tel. 294-2660, Fax 294-3568

Phil Whitfield  
Planning Manager, B. C. Parks  
Chair of Regional Protected Area Team  
1050 W. Columbia Street,  
Kamloops B. C.  
V2C 1L2

Dear Mr. Whitfield:

Re.: WYSE-RABBIT mineral claims in the CHUWHEL'S Mountain proposed Study Area, N.T.S. 92I/10E.

We own the Wyse-Rabbit claim group situated partly in the proposed Chuwheels Study Area. These mineral claims were located variously in 1989 and 1990 and we have carried out exploration on them every year since location. Our key claims are shown on Plate 2. We are no strangers to this area. As early as 1970 one of us conducted exploration work for Cominco Ltd. in the area of Wyse 1 and in 1979 we were back doing further work on behalf of Cominco Ltd. These projects were directed at bulk minable copper-molybdenum deposits. The current interest is in gold and we have identified several targets of ongoing interest. One of these is partly in the proposed Study Area and this is, of course, of particular concern to us because any reclassification of the land could hamper our ability to raise money for exploration and development. It would be difficult, or impossible, to raise exploration funds for a project in this area if park status is a possibility.

No operator would want to invest in a mineral property if he faces possible confiscation of his mineral rights without compensation. As it is, we have spent a lot of time and money on this property and anticipate a reasonable return on our efforts should the property be productive. We are small operators who earn a livelihood by acquiring and advancing mineral properties to this stage so as to interest the major companies who have the financial strength to do the drill testing and any development work warranted. We have had a technical interest in this area for 24 years and the present exploration success on our own claims is the results of great effort and expense.

Understandably after Tatshenshini, as an industry we are greatly concerned with the dwindling land base available to mineral exploration.

The Chuwhels Study Area proposal is for 3781 ha, or about 38 square kilometers. Loss of mineral land of this magnitude in this part of the Province is a very serious matter because of the productive nature of the region in general. The southcentral interior is part of the most productive copper- gold-molybdenum belt of B.C. The attached Plate 1 shows the location of the Wyse-Rabbit in relation to the principal mining camps in southcentral B. C. You will note that our property is situated about half-way between the Highland Valley and the Kamloops mining camps. Those of us who believe in the high potential of this area are confident that many new mines will be found given more favorable economic circumstances.

It is a particularly sobering thought that all of the major copper mines in the Highland Valley (Plate 1) fit into an area approximately the shape of an equilateral triangle having 8 km sides. This includes the following producers: Valley Copper, Bethlehem Copper, Highmont, and Lornex mines as well as the undeveloped JA deposit (ref.: GSC Map 42-1989 ASHCROFT GEOLOGY). If one included the tailings ponds, the total disturbed area is about 40 square km. The overall economic benefits of these mines to B. C. has been, and remains very large, indeed. The Highland Valley is the most prolific mining camp in B. C.

It remains to be determined what the potential of the proposed Chuwhels Study Area is. At the present time, there is simply too little data on which to base an assessment. However, based on the position of Chuwhels in the overall mineralizing belt under consideration, the probability of the Study Area containing a significant copper-gold deposit of the Afton or Copper Mountain type is relatively high. And, if established patterns of deposit distribution prevailed, a cluster of several deposits could occur.

We note that a second reserve, of approximately the Chuwhels size exists only a few kilometers away at Lac le Jeune. We question the need for two reserves in such close proximity.

The Wyse-Rabbit property has undergone a variety of biogeochemical, soil geochemical and conventional geophysics, prospecting and rock sampling techniques. Each of our targets is for underground minable gold deposits. The actual widths of mineralization are likely to be less than 100 m, although substantial lengths and vertical extents would have to be demonstrated for an economic operation. These are all "blind" targets i. e. targets with little, surface expression. The biogeochemical anomalies are viewed as 'leakage' anomalies from buried deposits. None of these targets have been tested by drilled to date.

Late last year we conducted a soil reconnaissance of our principal target and subjected these samples to a recently developed analytical technique called Enzyme Leach. This technique has been tested in the U. S. with very encouraging results over gold and base metal deposits as well as over an oil field. Several of the major gold producing companies in North America are using the method in their quest to locate new reserves in the U. S. and abroad. We are probably one of the first

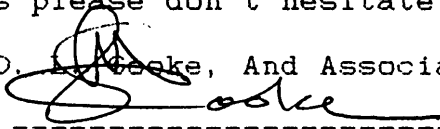
to use this method in B. C. Its strength seems to lie in its ability to detect buried deposits covered by thick layers of soil or cover-rocks. The result of our preliminary Enzyme Leach survey are very encouraging in that it corroborated our principal anomaly as defined by geology, multi-element bark sampling and geophysical surveys.

Inspite of the fact that the Wyse-Rabbit property looks very interesting at this juncture, it is difficult to sell a project in B. C. at this time. This is a sign of the time! However, with the chances of a part of our target area becoming a Study Area, our difficulties will be compounded. We estimate a total of at least \$ 90,000 has been spent on our Wyse 1, 2 and Rabbit 7 and 8, out of this, our own effort, counting our time and hard money, is in the order of \$42,000. Our effort in the area has come at a time of major decline in mineral exploration investment in B. C. We think this speaks well for our commitment to the area. This commitment is based on a good understanding of the geology of a broad area, and a proven ability to find significant mineralization. We are going to work hard towards achieving the drill testing that our various targets warrant. If we are successful, the economic benefits could be far-reaching.

How would the proposed Study Area affect our livelihood? The present uncertainty in land status makes it difficult to find someone willing to drill test gold targets in the Wyse-Rabbit claims. Part of our income is derived from option payments for the rights to explore and develop our properties. Without such option payments we're unlikely to get a return on our investment. If the west boundary of the proposed Study Area were moved east of Paska and Face Lakes, that would serve for the moment, but there is still the overall potential of the overall Chuwhels area. Should the entire Chuwhels Study Area proposal be scrapped? Could alternate Study Areas be found east or west of the major copper-molybdenum-gold belt indicated on Plate 1?

APPENDIX 1 and 2 gives details on exploration history and expenditures to data on Wyse 1, 2 and Rabbit 7 and 8.

Thank you for your time. We look forward to hearing from you in due course. If you have any questions please don't hesitate to call either of us.

  
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D. L. Cooke, And Associates Ltd.

D. L. Cooke, Ph.D., P. Eng.

Geologist

Ragnar U. Bruaset & Associates Ltd.

  
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Ragnar U. Bruaset B.Sc.

Geologist

February 13, 1994

Attachments:

Plate 1 Map of southcentral B. C. Cu-Mo-Au belt 1:2,000,000

Plate 2 Wyse-Rabbit Property Map 1:50,000

APPENDIX 1 Exploration history and future plans for Wyse # 1, 2 and Rabbit # 7 and 8. (2 pp.)

APPENDIX 2 Estimated exploration expenditures on Wyse 1, 2, Rabbit # 7 and 8

Copy to:

Ron Smyth, Rick Meyers, Bill McMillan, Graham McLaren,  
Andre Panteleyev, Tom Schroeter, Rolf Schmitt,

Jack Patterson, B.C. & Yukon Chamber of Mines

Robin Price, Placer, Leo Lindiger, Fred Daley, Teck  
W. J. Wolfe, Cominco Ltd.

## APPENDIX 1.

### EXPLORATION HISTORY AND FUTURE PLANS

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During the mid. to late 1960's and early 1970's, the northern parts of the Wyse 1, 2, Rabbit 7 and 8 underwent exploration for bulk minable copper and molybdenum deposits. In 1967, a junior mining company tested molybdenum anomalies in soil around Roper Lake using a diamond drill and encountered bedrock enrichment in that element. Bruaset, on behalf of Cominco Ltd., investigated an aeromagnetic high in the Wyse Lake area in 1970 looking for signs of intrusive rock and associated Cu-Mo mineralization. The area was found to be drift covered. Soil samples were collected but the results were not sufficiently encouraging warrant further work. In 1978, when the price of molybdenum was rising, D.L. Cooke of Cominco Ltd. managed to interest our employer in claims covering the Roper Lake molybdenum prospect. Bruaset was placed in charge of the field work. Following the first field season, which had been devoted to geological mapping, geochemical sampling, geophysical surveying and integrating all of the old data, drill testing began. The first drill hole encountered the Roper Lake deposit. This molybdenum deposit lacks surface expression. Cominco carried out drilling programs in, and around, its newly discovered deposit for three years and shut the project down in the Fall of 1981 after the bottom fell out of the molybdenum market. Some of the drilling results were released in a total of four assessment reports, but the bulk of this work was not recorded for assessment credits and the nature of the reserves discovered never released. In total, it is estimated that combined exploration expenditures in the Roper Lake area have exceeded \$ 1,000,000 in 1993 dollars since 1970 (Cominco Feb. 1994).

Apparently, in 1985 or 1986 some of the key claims around the Roper Lake deposit forfeited. A soil survey conducted by Doug A. Leishman in 1984 (Assessment Report 12,698) indicated local gold enrichment in the soil a short distance south of the Roper Lake molybdenum deposit. This ground was available for staking in the Fall of 1989. Bruaset confirmed the soil anomalies and detected nearby anomalies in conifer outer bark. This encouragement led us to acquire some ground that Cominco had abandoned and subjected that to bark sampling in search of gold. Initially, we collected both soil and bark samples in a target area, but it soon became apparent that half the number of barks, compared to soils, were far more revealing. Accordingly, we shifted almost entirely to bark sampling. A bark sample weighting 100 g collected every 200 m in a much preferred "cargo" to 1 pound of soil collected every 100 m!

In early Spring of 1990 when the Wyse Lake area was covered with 2 feet of snow, Bruaset obtained several samples of outer bark over parts of the Wyse Lake aeromagnetic anomaly which he had explored in 1970. These samples were generally anomalous in gold. Several stages

APPENDIX 1

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of follow-up sampling were carried out over the next few years yielding a total of four areas which we classify as "targets". Targets are areas where we have various geological, geochemical and geophysical reasons to expect the occurrence of gold. Our plan is to classify these targets through further surveys of this type.

We anticipate this will result in targets with high potential for early gold discoveries. Included in our interpretation of the biogeochemical data is the plotting of 1:5000 scale maps showing the distribution of all elements that may have an association with gold in this area. In some anomalous areas we have multi-element signatures involving more than ten elements. Such is a strong geochemical signature. In some cases we have geophysical anomalies coincident with the multi-element anomalies, further enhancing our targets. We have sought the advice of Dr. Colin E. Dunn, of the Geological Survey of Canada. Dr. Dunn is an internationally recognized authority on biogeochemistry with extensive experience in bark sampling. He indicates that the factor of particular interest in our data are the coincident patterns of relatively high elemental concentrations. He suggests possible explanations for this that include the possible existence of gold mineralization in the subsurface.

In 1992 Cominco Ltd. undertook an option on the Wyse-Rabbit. They carried out a so-called Induced Polarization survey on wide-spaced lines in search of bulk-minable copper-gold and/molybdenum deposits. The survey did not indicate potential for the size of deposits they were seeking and the option was cancelled. However, they recognized the potential for gold deposits, although they were not specifically interested in gold by itself. The work that Cominco did has been of great value to us in our efforts to more closely defining areas of gold potential within the broader multi-element biogeochemical anomalies.

We have also conducted a two-line soil survey utilizing state-of-the-art analytical procedures known in the business as Enzyme Leach. This sampling was an orientation survey designed to determine the applicability of this method here. Highly encouraging results were obtained. This data tends to corroborated biogeochemical anomalies. We plan to do more sampling of this type because the method has potential for more precisely locating targets than the biogeochemical method. Again, we have consulted with the principal authority in this field, Dr. J. R. Clark of Denver, Colorado. Dr. Clark has been very supportive and helped us with the interpretation of this data.

Our exploration of the Wyse-Rabbit claims is progressing orderly in the direction of target definition. We are actively seeking major funding for ongoing work. Many of the geologist that we have talked to have shown strong interest in our methods and the property. At a time such as this of rising gold prices, we feel that we could move ahead relatively rapidly if the matter of the west boundary of the proposed Chuwhels Study Area were resolved in our favour expeditiously.

APPENDIX 2.

ESTIMATED EXPLORATION EXPENDITURE ON WYSE # 1, 2, RABBIT # 7 and 8 AND WORK ON PREEXISTING CLAIMS COVERING THE SAME GROUND. ESTIMATES ARE IN 1994 DOLLARS.

1967: Five short percussion drill holes probed the northern boundary area of what is now Rabbit # 7. This drilling was directed at molybdenum which had earlier been indicated in diamond drill holes testing under and around Roper Lake. Ref.: Exploration records of the former Dominic Lake Mining Co. Ltd.: various reports by Gavin A. Dirom.

Value of work \$5,000

1970: Geological and soil traverse across a prominent aeromagnetic high centred on Wyse Lakes in the southern half of Wyse 1. (Plate 2) Target: bulk minable Cu-Mo deposits. Ref.: Bruaset's recollections.

Value of work \$ 600

1972: Geological mapping, geophysical surveying (magnetics) and soil sampling on OP claims which were claims in the general Rabbit # 7 and 8 area. Target was bulk minable Cu-Mo deposits. Ref.: Assessment Report 4110.

Value of work \$ 10,000

1979: Soil sampling, mapping and ground magnetics on Cominco's Happy Days and Amron claims generally covering area of present claims. About 15 km of lines soil sampled, mapped and surveyed with magnetics. Magnetic data available in assessment report file. Target was bulk minable Cu-Mu deposits. Ref.: Assessment Report 8580, Bruaset's recollections.

Value of work \$10,000

1980: A short percussion drill hole by Cominco near the centre of Rabbit # 7. This hole probed for geological information in outlying areas. Ref.: Data from Cominco Feb/93, and recollections of Bruaset.

Value of work \$2,000

1990: Reconnaissance biogeochemical sampling, staking of Wyse 1, 2, Rabbit 7 and 8. Target: gold.

Value of work \$ 9,000

1991: Geological mapping, biogeochemical sampling, soil sampling. Ref. Assessment report by Bruaset & Cooke Jan. 1992.

Value of work \$16,000

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1992: Geophysical survey and ground control by Cominco Ltd. Ref.:  
Assessment Report by Ingo Jackisch.

Value of work \$21,000

1992: Biogeochemical sampling, analysis, interpretation.

Value of work \$5,000

1993: Biogeochemical sampling, interpretation, Enzyme leach sampling,  
mapping and rock sampling.

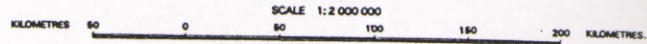
Value of work \$12,000

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Estimated total to date \$ 90,600



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# PRODUCER - NEAR PRODUCER PROPERTIES OF BRITISH COLUMBIA

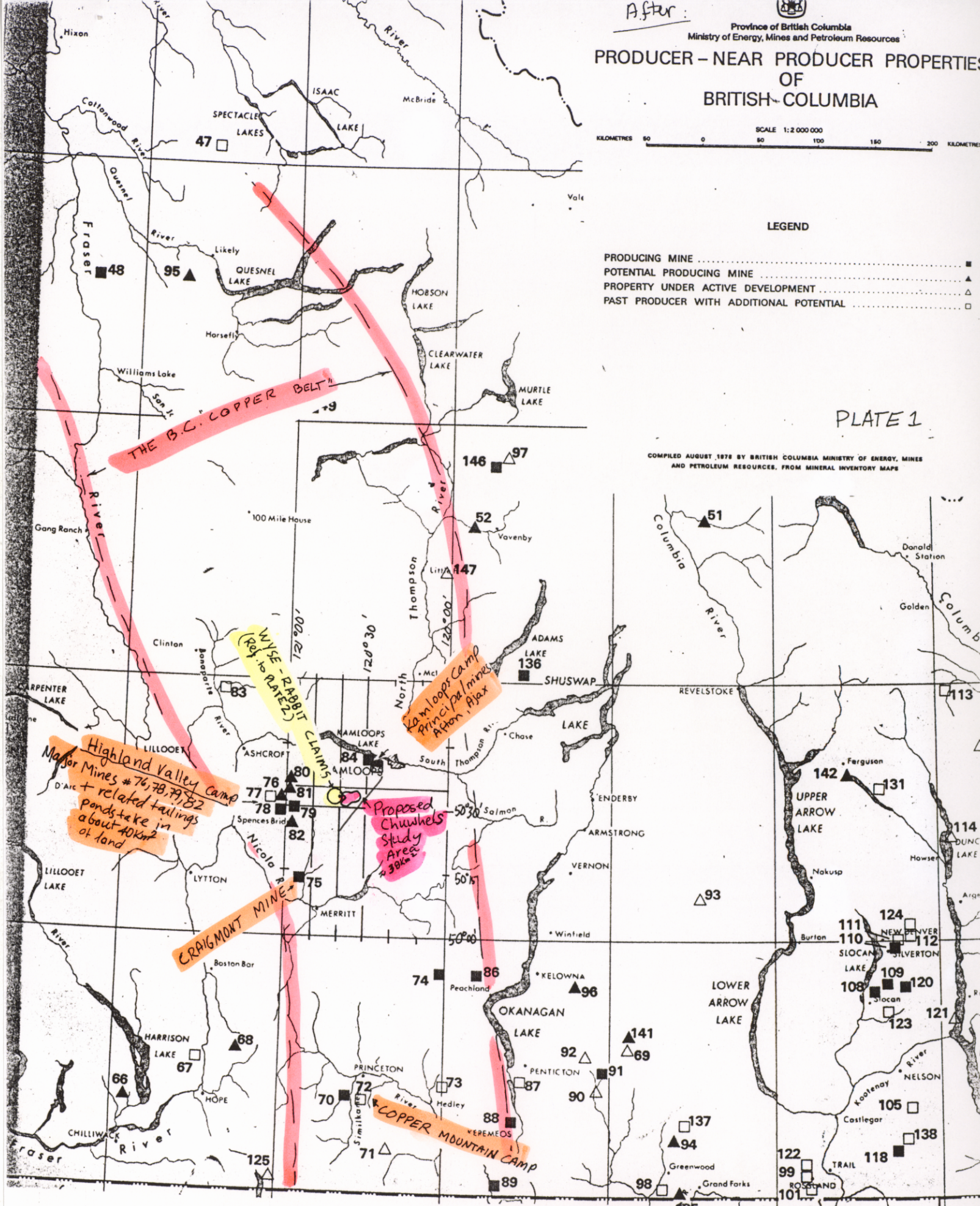


## LEGEND

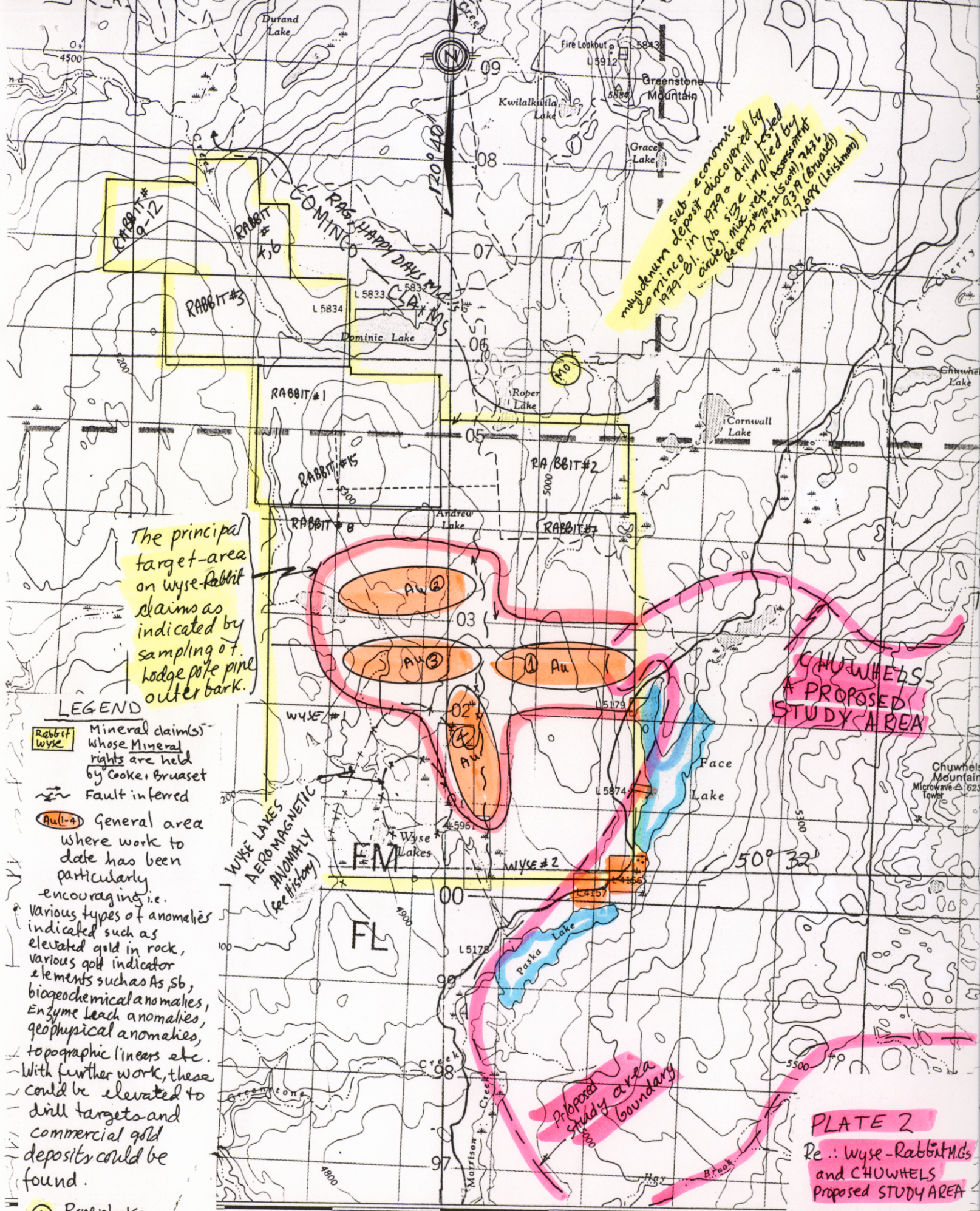
- PRODUCING MINE ..... ■
- POTENTIAL PRODUCING MINE ..... ▲
- PROPERTY UNDER ACTIVE DEVELOPMENT ..... △
- PAST PRODUCER WITH ADDITIONAL POTENTIAL ..... □

## PLATE 1

COMPILED AUGUST 1976 BY BRITISH COLUMBIA MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES, FROM MINERAL INVENTORY MAPS



# CHUWHELS



molybdenum sub-economic  
 deposit discovered by  
 20 minico in 1979 & drill tested  
 1979-81. (No size implied by  
 circle). Min. res. Assessment by  
 Re ports #923 (G. cont), 742, 744,  
 929 (Anusky), 1269 (Leishman)

The principal  
 target-area  
 on Wyse-Rabbit  
 claims as  
 indicated by  
 sampling of  
 lodge pole pine  
 outer bark.

**LEGEND**

- Rabbit Wyse Mineral claims whose Mineral rights are held by Cooke, Bruaset
- Fault inferred
- Au(1-4) General area where work to date has been particularly encouraging i.e. various types of anomalies indicated such as elevated gold in rock, various gold indicator elements such as As, Sb, biogeochemical anomalies, Enzyme leach anomalies, geophysical anomalies, topographic lines etc.
- With further work, these could be elevated to drill targets and commercial gold deposits could be found.

WYSE LAKES  
 AEROMAGNETIC  
 ANOMALY  
 (see history)

CHUWHEH'S  
 PROPOSED  
 STUDY AREA

Proposed study area boundary

**PLATE 2**  
 Re.: Wyse-Rabbit M.C.s  
 and CHUWHEH'S  
 Proposed STUDY AREA

(Mo) Roper Lake molybdenum deposit of Cominco Ltd