

Yellow Giant
889820

I spent last week in Prince Rupert and you (Gib) should get the travel vouchers/helicopter chits shortly (total cost around \$7,000). Despite the weather, which was terrible, we got a fair amount done. We took a look at Surf Point and Yellow Giant, collected a few RGS samples inland on Porcher Island and spent a useful day with Dani Aldrick looking at the Ecstall belt. His mapping shows that the Scotia deposit is probably in a different pendant to the Ecstall (Red Gulch) deposit and that both may be related to a mappable belt of folded, gossanous stratigraphy.

The following notes are as much for my benefit as yours, but provide some back ground to two of the sites visited.

Pinsent, Aug. 4/00

Surf Point (103J017)/Edey Pass (103J015):

The past producing Surf Point/Edey Pass mine on Porcher Island is owned by Cathedral Gold Corp. and was, until very recently, under option to Tetra Metals Ltd.. According to last Thursday's Stockwatch, the latter has terminated its option "unable to attract the financing...". The mines produced 639,914 grams gold and 225,994 grams silver from near-surface workings between 1919 and 1939, when Reward Mining Company built a 50 ton/day mill to replace a smaller structure that burnt down the previous year. The operation probably closed as a result of staff shortages induced by the war. The ore came from numerous, steeply-dipping, shear-controlled, quartz-pyrite-gold "ladder veins" that formed near the apical tip of a composite flow-banded diorite pluton intruded into schist during Tertiary uplift and deformation. The veins are short, narrow and hard to project with any degree of certainty, so continuity can be a problem. There is almost no wall-rock alteration and the veins are tightly bonded to the diorite. The deposit is very similar to Harrison Gold.

Westmin Resources Ltd. had the property under option in 1994/5 and completed an internal feasibility study aimed at extracting 150,000 tons/year, reducing it on a 6 inch grizzly (to remove barren diorite blocks and upgrade the ore) to 90,000 tons/year and ship it to their Premier-Silback operation at Stewart for processing. They would have had to build a flotation plant to process the ore but, based on past experience, it would have netted them approximately 94% recovery and a concentrate running approximately 8 ounces/ton. The company attempted to permit a 10,000 ton bulk sample and may have done so, although as far as I can see it was never produced.

Porcher Island Gold Corp. drilled the property in 1996/7 and identified a "resource" of approximately 1,380,000 tonnes grading 6.86 g/t gold and 5.49 g/t silver, mainly in the AT zone which is currently accessible by means of an exploration adit. The existing camp is in remarkably good condition, despite its proximity to tidewater and Prince Rupert.

Yellow Giant: (103G021, 024, 025, 026):

The Yellow Giant property, on Bank's Island, is owned by Doublestar Resources Ltd. and Trader Resources Corp.. The former acquired its interest through its purchase of Falconbridge Ltd's assets in British Columbia. It is a large property with four gold deposits and several (minimum 10) other showings within an area of approximately 20 square kilometres. Most of the occurrences are sulphide-quartz veins and/or replacements in narrow pendants between quartz diorite and quartz monzonite plutons. They are found in dilatant zones formed through the interplay of structure and stratigraphy; particularly in coarse recrystallized limestone at the intersections of northwesterly trending faults, running subparallel to the pendant contacts, and northeasterly to easterly trending cross-structures.

The Bob (103G024 - 45,350 tonnes grading 40.1 g/t gold), Tel (103G026 - 71,349 tonnes grading 14.4 g/t gold) and Discovery zones (103G025 - 58,361 tonnes grading 15.5 g/t gold) are irregularly-shaped, sulphide-rich (pyrrhotite, pyrite, arsenopyrite, chalcopyrite, sphalerite, galena), lenses and sulphide cemented breccias in limestone and skarn. There is surprisingly little quartz in the system and, although Gerry Ray (Fieldwork 1987; Paper 1988-1) classifies the Discovery zone, as a "gold enriched skarn" the amount of skarn is relatively small. There is none at Tel, which he describes as a quartz-sulphide vein. Shearer et al. (1987) suggest that karst cavities at Tel may have been filled with sulphide prior to

deformation and later overprint by gold-bearing, quartz-pyrite veins. The Kim (103G021 - 77,896 tonnes grading 7.1 g/t gold) is decidedly different, it appears to be a quartz vein stockwork in sericitized quartz monzonite.

*P. Vincent
Aug. 4/80*

Falconbridge Nickel Mines Ltd. located the original Discovery zone in 1960 and the Kim and Bob zones in 1963. McIntyre Pocupine located the Tel zone the same year. Sproatt Silver Mines Ltd. and Hecate Gold Corp. held the property in the mid 1970s and drove a decline on the Bob zone in 1977. Trader Resources Corp. optioned the property in 1983 and drilled and trenched it in the mid to late 1980s. It submitted a proposal for a 1000 metre decline on the Tel zone in 1986, but does not appear to have been driven. Doublestar Resources cleaned up the old camp last year. Most of the core remains either in racks or stacks. It is reasonably good condition.

In 1986, TRM Engineering Ltd. prepared a report on a "Resource Assessment for Coastal and Western British Columbia and the Development of a Portable Modular Mill Design" for Trader Resources Corp., Fleet Development Ltd. and British Columbia Ministry of Energy, Mines and Petroleum Resources. In it, the company describes eight deposits/camps (Yellow Giant, Surf Point/Edye Pass (see above), Surf Inlet, Spud Valley, Privateer, Fandora, Hunter, Georgia River) with "moderate (20,000 to several 100,000) tonnage" and moderate to high gold grade that might benefit from the use of a portable, barge-mounted, mill. The report reviews the suitability of each deposit for flotation or cyanidation with or without gravity separation. It provides fairly detailed designs for two sample plants at 230 tonnes/day and one at 70 tonnes/day.

Doublestar Resources Ltd. owns the Fandora property (near Ucluelet) as well as its 51% interest in the Yellow Giant property. It had planned to build a small mill on Vancouver Island to process ore from Fandora and possibly other local deposits. However, now that it controls the Yellow Giant property, it will probably design the mill with that in mind.

Both Surf Point and Yellow Giant are in areas that are likely to be considered environmentally sensitive.

Robert