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CANARC RESOURCE CORP. (CCM-V)

ESKAY CREEK EXPLORATION RESULTS - Bradford J. Cooke,  
president, reports

Canarc Resource Corp. has received a report on the 1990 exploration program carried out by PRIME RESOURCE GROUP INC. (PRU-V) and STIKINE RESOURCES LTD. on the GNC 1,2 and 3 claims as shown on the map in GCNL No.49, 11Mar91, overleaf page 1. Canarc has an 33 1/3% carried interest with Prime holding a 66 2/3% working interest in the claims located on uncontested ground in Eskay Creek area about 65 miles northwest of Stewart, B.C.

Work last year included about 59 km of linecutting, 14.5 km of induced polarization/ resistivity geophysics, 2,378 soil samples, 282 rock samples and 22 drill holes totalling 10,886 feet. Two surface gold prospects were drilled, the Porphyry zone and the Tiptop zone, plus four other geophysical anomalies. Significant precious and base metals were found on the Porphyry, South zones.

Drilling the Porphyry zone, located less than one km from the 215 gold zone at the Eskay Creek project, returned 0.004 oz.gold/ton, 0.15 oz.silver/ton, 0.64% lead and 3.22% zinc over 19.7 feet. The Porphyry zone is 1,600 feet long, open along strike, and 300 feet deep and open at depth. Surface grab samples assayed: 0.20 oz.gold/t, 2.0 oz.silver/t, 5% lead, 10% zinc.

Drilling in the South zone intersected large widths of anomalous silver and spotty gold values in three holes, assaying as high as 0.055 oz.gold/ton over 6.6 feet and 0.32 oz.silver/ton over 237 feet, the entire length of hole GNC 90-18. Geophysics and geochemistry indicate a minimum strike length of 800 meters, only a small part of which has been drilled. Gold values run up to 280 ppb in soils and 0.14 oz/ton in grab samples.

Several gold prospects were also identified by geophysics and geochemistry located adjacent to and southeast of the TOK-KAY claims of Prime/Stikine, including the Valzez Lake prospect, a 700-meter long soil anomaly with gold values up to 5,300 ppb. The Central zone is traceable for 400 meters by a broad IP anomaly and elevated polymetallic values. Ground follow-up and diamond drilling is planned to test the best prospects this year. (SEE GCNL No.208, Oct26/90, P.1 FOR PREVIOUS PROJECT INFORMATION)

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