

NO. 2 (1990)  
JANUARY 3, 1990

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WESTERN CANADIAN

CONSOLIDATED GOLDWEST RESOURCES LTD. (KGG-V)

GALORE CREEK RESULTS - Murray Pezim, chairman, reports Consolidated Goldwest Resources' results of the 1989 exploration on the Pass Lake option project and the Pup project, in the Galore Creek area, 105 miles NW of Stewart, B.C. Goldwest can earn a 51% interest in the Pass Lake project from PASS LAKE RESOURCES LTD. (PLJ-V) by paying \$50,000, issuing 200,000 shares and spending \$2,500,000 on exploration by 31Dec91. For the Pup project, Goldwest can earn a 100%

interest from D. Caulfield by paying \$95,000, issuing 200,000 shares and spending \$1,000,000 on exploration, subject to a 1.5% net smelter return royalty.

The Pass Lake work included grid establishment, geological mapping, soil and rock chip sampling and prospecting. Several new precious and base metal occurrences were discovered on the Scud River and Sphaler Creek portions of the property.

The most significant showing was at the Deluxe zone north of Sphaler Creek where it is localized along a northerly-striking shear zone and has been traced for a minimum of 1,250 meters along strike. Grab samples returned best values of 0.306 oz.gold/ton. Float samples of gossanous material returned 0.277 oz.gold/ton. A second type of mineralization consists of quartz veins with pyrite, chalcopyrite and sphalerite. Float samples from the projected strike extension of the Deluxe zone assayed up to 8.251 oz.gold/ton, 20.54 oz.silver/ton, 1.83% copper and 1.98% zinc. Similar veins up to 20 centimeters wide are present in Deluxe zone outcrops, but returned low values.

On the Scud River portion of the Pass Lake project, additional claims were staked to the east of the original claim block following the discovery of massive sulphide boulders consisting of chalcopyrite, pyrite, pyrrhotite and arsenopyrite. Best results were 0.140 oz.gold/ton from a float sample.

On the Pup project, the Saddle zone is comprised of pyritic sheared and foliated sediments and intrusives with chalcopyrite and galena in quartz veins. Sampling returned up to 0.038 oz.gold/ton. In the Malachite zone, a 300-meter by 200-meter area of malachite staining with 1-3% pyrite and chalcopyrite yielded up to 0.036 oz.gold/ton. In addition to these zones, numerous showings which have provided gold values of 1,000 - 2,000 parts per billion remain to be evaluated. (SEE GCNL No. 170, 5Sep89, P.3 FOR EARLIER DATA).

104G 96