

1710 - 609 GRANVILLE ST  
PO BOX 10363  
VANCOUVER BC  
CANADA V7Y 1G5  
(604) 683-7265 FAX 683-5306

# George Cross News Letter

"Reliable Reporting"

WESTERN CANADIAN INVESTMENTS

COPYRIGHT  
ALL REPRODUCTION  
RIGHT RESERVED  
PUBLISHED DAILY  
SUBSCRIPTION RATE  
\$350.00 + GST

RECEIVED  
FEB 11 1997  
E. M. P.

NO. 27 (1997)  
FEBRUARY 7, 1997

NO. 27 (1997)  
FEBRUARY 7, 1997

## ISLAND-ARC RESOURCES CORP.

[IAR-V] 6,933,285 SHS.

TODD CREEK PROPERTY OPTIONED - Kim Philips, president, reports Island-Arc Resources Corp. has completed a letter of intent with Geofine Exploration Consultants Ltd. to acquire an option to acquire a 100% interest in the Todd Creek property situated in the Stewart gold-silver camp of northwestern BC, subject to regulatory acceptance. The property, comprising 430 units covering about 135 square km, is situated to the east of the Premier Mine and north of the Royal Oak Red Mountain property which has geological reserves of 3,000,000 tons averaging 0.262 oz. gold/tonne.

The property encompasses a number of significant gold-copper and base-metal showings, associated with large alteration zones similar in nature to the alteration at Red Mountain. Host rocks are andesitic flows, pyroclastics and associated rocks of the Upper Triassic to Lower Jurassic Unuk River Formation within the Hazelton Group. In addition, rocks of the Mt. Dilworth Formation and Betty Creek Formation may be present. A number of intrusive feldspar porphyry bodies cut the volcanics, and circular magnetic features may indicate underlying intrusive bodies. The zone of intrusive and associated alteration and mineralization appears to be a north trending feature bounded on the west by the American Creek fault and on the east by an un-named north-trending fault. Work had been done on the property as early as 1959 by Newmont, later by Amax, and finally in 1986 by Noranda, who drilled three zones. Many showings, particularly the large alteration zones are as yet untested by surface trending or diamond drilling.

The Amarillo Zone is a large alteration zone on Orange Mountain with a pronounced gossan anomaly resulting from iron oxide (jarosite), quartz, pyrite, barite, sericite alunite and clay. This zone has an associated potassium channel radiometric anomaly and a

104A 106

p. 10f2

# George Cross News Letter

"Reliable Reporting"

WESTERN CANADIAN INVESTMENTS

COPYRIGHT  
 ALL REPRODUCTION  
 RIGHT RESERVED  
 PUBLISHED DAILY  
 SUBSCRIPTION RATE  
 \$350.00 + GST

RECEIVED  
 FEB 11 1997  
 E M D

NO. 27 (1997)  
 FEBRUARY 7, 1997

NO. 27 (1997)  
 FEBRUARY 7, 1997

gold-silver-lead-zinc-copper-cadmium-arsenic-barium anomaly in soil and rock which has not previously been trenched or drilled. Boulders of pyrite and barite are present as are stockworks and lenses of quartz-barite. The strong base-metal anomalies, based on similar zonation in the Stewart camp, are thought to be indicative of proximity to gold mineralization.

The North or A Zone in the central part of the property flanking the large Orange Mountain potassic radiometric anomaly was an original Newmont discovery where surface mineralization of copper and gold gave trenching results up to 3.8 grams gold/tonne over 14 metres. Noranda and Goldnev tested this zone with IP and by 11 short drill holes totalling 1,266 metres. In trenches, the A zone is seen to be up to 30 metres wide and has been traced over a strike length of 330 metres. A number of drill intersections are:

LENGTH METRES	GOLD GR/T	COPPER %
1.75	6.21	0.60
1.70	3.43	.73
2.00	3.95	.22
1.95	2.83	.58
31.85	3.47	.75
INCLUDING		
5.95	14.47	2.06

This zone has a number of immediate drill targets.

North B Zone is a quartz vein stockwork system with surface values up to 9.53 grams gold/tonne and 0.35% copper over 1 metre. Additional mineralization has been traced to the south and north, with surface values up to 5550 ppb gold and up to 6% copper. One massive sulphide boulder assayed 4490 ppb gold and 6.03% copper. No trenching or drilling has been done on this zone.

Fall Creek and Ice Creek Zone: IP and soil geochemistry outlined an anomaly 900 metres by 450 metres. Noranda completed four drill holes totalling 368 metres on this zone. Mineralization is associated with quartz-sericite pyrite zones, quartz-pyrite-chalcopyrite-barite veins and stockworks. Intersections included:

LENGTH METRES	GOLD GR/T	COPPER %
1.45	6.72	
1.25	12.10	
13.00	2.73	0.59
INCLUDING		
5.25	5.41	.50
2.00	4.34	
7.90	3.94	
INCLUDING		
4.75	4.71	

In 1990, Goldnev tested a number of IP targets with 10 shallow drill holes. Intersections included 1.35 grams gold/tonne over 15.35 metres, including sections of 5.18 g/t and 2.44% copper over 1 metre and 3.50 grams/tonne and 3.72% copper over 1 metre.

Yellow Bowl Zone is a large pyritic sericitic alunite and jarosite altered zone in sulphidized felsic volcanics. Mineralization consists of east-west and north-west trending quartz-pyrite +/-chalcopyrite veins. Many of the rocks sampled have anomalous base metals and gold values up to 1678 ppb. There is a strong arsenic-gold correlation. Limited chip sampling returned up to 1.67 grams gold/tonne over 1 metre. The zone has never been trenched or drilled. Many other mineralized zones have received only limited exploration. Some of these are as follows:

Ridge Showing: Pyrite, chalcopyrite and malachite over an area of 300 by 200 metres in basic volcanics, strongly altered.

Knob 1 Showing: Chalcopyrite zones in a prominent gossan.

Northeast Zone: Barite quartz-galena vein cutting a feldspar porphyry. Little sampling done.

American Creek Zone: Headwaters of American Creek. Little sampling, but float up to 262 ppb gold. Silt sample 90 ppb gold. A separate showing of copper mineralization in rhyolite. Other areas exist with strong arsenic-antimony anomalies, and base metal

anomalies.

Many other completely untested alteration and mineralized zones exist on the property, including two alteration zones freshly-exposed by receding glaciers; in total at least 12 separate showings.

In 1994, the vendors spent about \$200,000 on the property, taking 665 samples and documenting the numerous zones. The vendors participated in the discovery of the Golden Patricia gold-exhalite and Red Mountain properties. Island-Arc can earn a 100% interest in the Todd Creek property by paying \$200,000 and spending \$850,000 over four years. The vendors have 100% interest in the 430 claim units. They will retain a 2% NSR which can be bought out for \$2,000,000. Island-Arc is planning an initial comprehensive program of data compilation, ground geophysical surveys, trenching, mapping and sampling prior to selecting and prioritizing drill targets. (SEE GCNL NO.219, 13Nov96, P.2 FOR LABRADOR PROJECT INFORMATION)

104A 6  
 p. 2 of 2