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PROPERTY FILE

KERR COPPER-GOLD DEPOSIT

Kerr B 104B/91

Sulphurets Gold Corporation, a subsidiary of Western Canadian Mining Corporation, owns 100% interest in the Kerr Property located in west central British Columbia approximately 62 km north-northwest of Stewart, B.C.

Diamond drilling in 1988 confirmed the presence of widespread copper mineralization within an alteration zone 500 m wide and 1500 m long. Along the eastern margin, a thick, consistent high-grade deposit, called the B Zone, grading between 0.8% and 1.0% copper and 0.34 grams of gold per tonne has been defined by 12 drill holes. Only a portion of the property has been explored and the potential to establish considerable reserves is excellent.

The B Zone deposit dips 50° to the west and has been intersected over a 1000 m length, a 200 m width and an average 100 m thickness. Additional diamond drilling is required to confirm reserves; however calculations, using a specific gravity of 3.0 and the above dimensions, yield a deposit of 60 million tonnes. The average grade of the intersections in this deposit is 0.86% copper, 0.34 grams gold per tonne and 2.06 grams silver per tonne. The deposit is open to the north and south and at depth.

Copper mineralization consists of chalcopyrite, tennantite, bornite, primary chalcocite, some secondary chalcocite and traces of native copper, occurring as fine disseminations or in veinlets. The host unit is a quartz-sericite schist, probably originally a dacite tuff, that is well foliated and broken by faulting.

Induced polarization gives a low resistivity-high chargeability anomaly coincident with the high-grade mineralization. This anomaly is open and extends 700 m north and 150 m south of the existing known mineralization.

Peripheral to the porphyry deposit are numerous high-grade gold-silver veins that have also been explored. Values of up to 144 grams gold per tonne and 500 grams silver per tonne have been obtained.

The Kerr Property is rapidly developing into a major deposit. An intensive program of diamond drilling, induced polarization surveying, geological mapping, camp and road construction, and metallurgical, economic and environmental studies is recommended for 1989.