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S U M M A R Y

RACING RIVER COPPER PROJECT

March 2nd 1990

The Racing River Copper Project covers a mineralized area of 15 by 40 miles. The 19 mine properties in the project conservatively contain a target tonnage of 20,000,000 tons of high grade chalcopryrite mineralization with gold and silver credits. With the copper content averaging 5% (100#/ton), there would be 2,000,000,000 pounds of contained copper. The mine properties include the Magnum-Churchill Mine with its production history and present ore reserves, the Davis-Keays Mine with its ore reserves, the Windermere-Bronson, Fort Reliance, Copper Keays, Toro North and Toro South properties and eleven additional properties all covered by over 50,000 acres of claims.

The main vein system of these mines have thousands of feet of linear extent. Each vein can be traced nearly 2,000 feet. Where the veins are developed they exhibit multiple-near-vertical vein structures, containing chalcopryrite mineralization with values in gold and silver. Nearly all of the mineralized zones are associated with Gabbroic Dikes and both the chalcopryrite mineral assemblage and gabbroic dikes have penetrated zones of structural weakness along anticlinal limbs principally within the Aida and Gataga argillitic formations. The regional structural northwest-southeast linement in the target area, is controlled by thrust faulting. The underlying potential parent sources of the mineralized magmatic segregations have not been determined or drilled in the target area.

The Magnum-Churchill Mine ores have been extensively produced with excellent recoveries (above 96%) and yielding a 30% copper concentrate. The Davis-Keays ore reserves respond well to the same processing.

We believe the 19 mines can all contribute 10 to 20 % contained copper concentrates for multi axle truck shipments above 40 tons, down the Alaska Highway to Fort Nelson, B.C. These concentrates will be produced from mine run ores by comutation, screening, cycloning and gravity concentration. The gangue is argillite, quartz and calcite.

In Fort Nelson, the concentrates will be processed in a refinery based on the patented Great Central Mines chloride leach-electrowinning process (SX-EW) to produce 99.99% copper as a powder with recovery of the sulphur as a separate purity product and recovery of the separated gold and silver.

Recent test work on our ore by Bacon-Donaldson using the chloride leach process gave exceptional results. For northeast British Columbia the low fuel cost area of Fort Nelson makes this process even more attractive (profitable). Total costs from mining through to production of wire bar grade copper 99.99% are \$.60 Canadian plus a credit for the separate purity sulphur, gold and silver.