

MINNOVA

DATE: August 10, 1990
A
TO: Ross Weeks
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DE
FROM: I. D. Pirie
SUJET
SUBJECT: Potential Iron Mask Option

As I mentioned to you last week, we have been approached by Getchell Resources (Gary Belik, Jim Gillis) about optioning their Galaxy property near Kamloops. It lies between Afton and Ajax, covers at least two, if not three of the major mineralized structures of the Iron Mask Batholith and has both established tonnage and good exploration potential.

There is a great deal of data available for the property. All I have done to date is review the highlights with Belik, examine a summary report prepared for Abermin in 1987 and drive around the property to "get a feel" for it. Before we expend any more time and effort in compiling data or initiating any negotiations I would like you to review the following summary and get back to me with your opinion, specifically - is this a viable target and is there room for Brenda/Minnova given the underlying deals?

The Property

- 110 units held under three separate option agreements. Well located between Afton and Ajax on the old Lac La Jeune road.

Known Mineralization

- Galaxy Deposit; open pittable tonnage of 3.5M tonnes grading 0.65% Cu and 0.01 opt Au confirmed by several sources. Getchell have drilled several percussion holes to confirm old drill data. There is some potential for expanding this tonnage but not significantly.

- Rainbow Deposit; also known as Nahatlatch, this was one of the big scams of the Afton discovery era. However subsequent re-sampling of drill core and re-evaluation of all available, reliable data indicates a deposit in the 5-10 million tonne range grading 0.65% Cu with unknown Au grades. Craigmont estimated 11M tonnes of 0.58% Cu with another 7.5M tonnes inferred. There seems little doubt that this would have to be drilled off again, but at least there is something there.

Exploration Potential

- Much of the property has undoubtedly been covered by IP in the past but data has either been lost or is hard to locate accurately. In addition, the area has, up to now, been several small properties with the inevitable data disruptions due to fuzzy property boundaries. Getchell did a small IP survey on the Venus claims to follow up a geological concept (cross structure on main Galaxy structure) and have defined a weak but distinct anomaly over almost a kilometre of strike length. No drilling is recorded anywhere in the immediate area.

- The potential for similar targets elsewhere on the two main structural trends is considered excellent. If the previously established reserve estimates for Galaxy and Rainbow are confirmed, I believe that there is good potential for doubling these to the 20 million tonne plus range.

The Underlying Deals

- Abermin 1. (Galaxy area) - Option to purchase mineral rights of six crown grants and two surface lots for \$30,000 payable \$10,000/year for three years (\$10,000 paid), subject to a 3% NSR EXCEPT, if Getchell sells or assigns its interest and is reduced to a NPI or NSR then Abermin receives the first \$200,000 of Getchell's ^{royalty} proceeds plus 40% of the remainder. In addition Getchell has an option to purchase surface rights held by Abermin over the Galaxy deposit for fair market (appraised value).
- Abermin 2. (rest of claims) - Option to earn 75% interest. \$20,000 payment due December 1990. \$750,000 work commitment over five years. Abermin can then elect to participate or be carried to production with monies spent fully recoverable at prime + 2% interest. Upon positive feasibility, Abermin must participate or reduce to 12 ½% NPI.
- Deak International - \$30,000 in payments over three years buys 100% subject to a 3% NSR. \$10,000 paid.

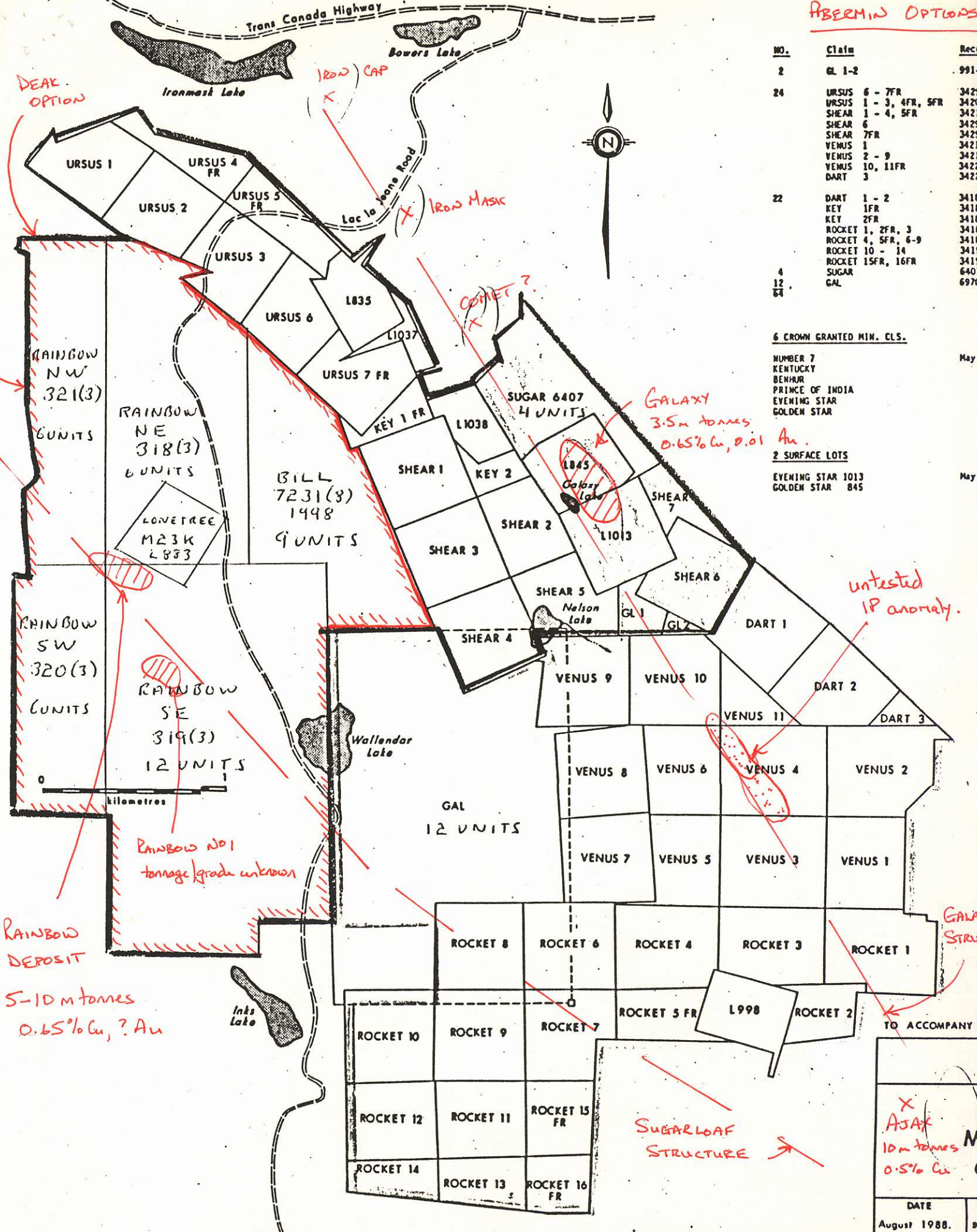
Obviously a deal with Getchell will have to leave room for them too. They would like the option to participate at some point "reasonably" far down the road.

ABERMIN OPTIONS

NO.	Claim	Recon
2	GL 1-2	991-2
24	URSUS 6 - 7FR	34293
	URSUS 1 - 3, 4FR, 5FR	34206
	SHEAR 1 - 4, 5FR	34211
	SHEAR 6	34290
	SHEAR 7FR	34291
	VENUS 1	34216
	VENUS 2 - 9	34217
	VENUS 10, 11FR	34225
	DART 3	34227
22	DART 1 - 2	34185
	KEY 1FR	34185
	KEY 2FR	34184
	ROCKET 1, 2FR, 3	34185
	ROCKET 4, 5FR, 6-9	34188
	ROCKET 10 - 14	34194
	ROCKET 15FR, 16FR	34199
4	SUGAR	6407
12	GAL	6970

6 CROWN GRANTED MIN. CLS.

NUMBER 7	May 6
KENTUCKY	
BENHUR	
PRINCE OF INDIA	
EVENING STAR	
GOLDEN STAR	
2 SURFACE LOTS	
EVENING STAR 1013	May 6
GOLDEN STAR 845	



GROUP GALAXY NORTH 67 UNITS GROUP # 191
 GALAXY SOUTH 43 UNITS GROUP # 192

DATE August 1988.