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the cliffs; sericitic steeply foliated strata and a biotite altered, high level diorite. A flat structure is postulated to separate these apparently auriferous rocks (drill assays not in yet) from overlying barren rocks.

Bonsai

* The EXPLORE BC assisted Bonsai project (no minfile #) of Prime Resources Group was toured with Andrew Kaip, John Thompson (MDRU), Fiona Child (MDRU) and Daryl Hanson on Aug 21. Bonsai is 10 km west of the Eskay Creek deposit at the same stratigraphic position, the contact between intrusive/ extrusive domal rhyolite breccia and overlying mudstone. The rhyolite is altered, gossanous and anomalous in Au, Sb, As and Hg. Black matrix-rhyolite breccia is a mixture of very irregular cusped and rounded clasts, texturally similar to breccia proximal to the Eskay deposit. The Bonsai showing, discovered by Teuton Resources in 1991 consists of bedded clastic pyrite but without significant Au content. Some clasts are internally laminated, many show well developed radiating structure suggesting conversion from marcasite. These features imply low temperature syngenetic origin, making Bonsai a worthy Eskay-type exploration target being tested by five drill holes along a 500-600 m strike length. The Eskay and Bonsai are on opposite limbs of a synclorium that causes the Eskay horizon to be (deeply?) buried beneath complexly folded overlying Bowser Lake Group sediments. In a separate program named MacKay Lakes, Prime has contracted Peter Lewis to unravel fold geometry within the synclorium and target Jurassic basement highs, preparatory to committed exploration program over the next several years.

Eskay

*Daryl Hanson and I were shown Eskay mine (104B 008) on Aug 22 by mine geologist/ MDRU student Tina Roth. We also spoke with Chief Geologist Jim Rogers. The mining operation has tight geological control, there are six geologists on staff. Ground control and ore blending are very important. Poor ground necessitates very expensive drift-and-fill mining using cemented river gravel. Even so, ground falls have resulted in reduction of openings from 3x3 m to 2.5 x 2.5 m and "miniature" jumbos etc replaced pre-production mine-design equipment. Stope development is planned to minimize rock exposure to air to a matter of days. The challenge of ore-blending is to maintain mercury content to less than 1200 ppm. Gold grade is not a problem but mercury is a serious smelter penalty item. With differing terms between smelters at Noranda and in Japan, the mining is further complicated to produce two different blends. Mercury distribution is a "bull's eye" pattern with highest mercury corresponding to the thickest central part of the orebody where gold grades are also highest. The operation is doing well with gold production 15% ahead of schedule. Reserves are sufficient for about 10 years of production at a rate of 270 tonnes per day. Of concern to the mine geologists (and me) is that mine cut-off grade has been increased from 13 g/t Au stated in the Mine Application to at least 20 g/t. There is no place to stockpile low-grade ore, due to space and ARD concerns, and this rock is going into Albino Lake along with acid generating waste rock. Mine staff appear to be very sensitive to this issue and appear to be working toward a solution. Exploration drilling will test the hinge of the Eskay anticline with holes oriented perpendicular to the original discovery holes which targeted only the northeast limb.

COREY

*The Corey (104B 011, new) project, also targetting an Eskay-type deposit was visited on Aug 22 with Daryl Hanson. Our hosts were Tom Drown and Raoul Verzoza of Canamera Geological, which is supplying exploration funds and contract management services to Kenrich Mining. Current focus on the large Corey property is the TV and Bench zones in heavily timbered terrain in Unuk River valley, southeast of the Eskay deposit. Geologic mapping has partially delineated folded Eskay stratigraphy lying between a massive sulphide showing (104B 011) to the south and the Springer-Cove property to the north on which Granges reported a drill intercept of 1.21 opt Au, 13.4

Wojdak M.R. Aug '95