

ELECTRUM RESOURCE CORPORATION

The Fen Property

Location

Electrum Resource Corporation's Fen property is located in central British Columbia, about 33 kilometers southwest of the town of Houston and 70 kilometers south of Smithers. The geographic center of the property is at 54°10' north and 126°57' west. Access is via the Morice River forest access road and a series of local logging roads.

Ownership

Electrum Resource Corporation owns 100% of the Fen property, which is comprised of nine mineral claims covering about 2,540 hectares.

History

In 1965 a regional stream sediment sampling program revealed the presence of a silver, lead and zinc anomaly in a creek draining what is now the Fen property. Since then several operators have worked on parts of the property. Work has included stream sediment geochemistry, soil geochemistry, airborne and ground EM surveys, overburden drilling, and bedrock drilling using both rotary diamond and percussion equipment. Thirty core and twenty-two percussion holes are known to have been drilled.

Geology

The Fen property is largely covered by Pleistocene till and fluvio-glacial debris. Most of the bedrock is believed to consist of intermediate to felsic Tertiary volcanics. In the central part of the property is a window of Jurassic Hazelton Group volcanics, which contains all of the in situ mineralization discovered to date.

Mineralization

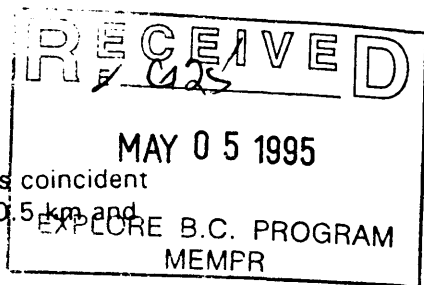
In the early 1970's trenching revealed a boulder of massive sulphides which assayed approximately 0.45 oz gold per ton, 30 oz silver per ton and 25% combined lead-zinc. A similar boulder was found nearby in 1985. Mineralization located in drill holes consists of disseminations and veinlets of galena, sphalerite and pyrite with quartz and calcite in a zone of intense sericite-clay alteration. Results from four of the best drill holes are summarized:

<u>DDH No.</u>	<u>Intercept</u>	<u>Pb</u>	<u>Zn</u>	<u>Ag</u>
80-5	16.95 m	0.49 %	0.68 %	26.7 ppm
80-6	20.0 m (2 zones)	0.34 %	0.43%	20.1 ppm
80-8	27.15 m	0.17 %	0.22 %	18.9 ppm
81-10	42.8 m (discont.)	0.11 %	0.39 %	7.7 ppm

(widths believed to be intercepts, except 80-8 which is estimated true width)

Key Points

- A zone in which zinc in soils exceeds 300 ppm is situated in the central part of the claim group (see attached maps). It extends 4.9 km east-west, 1.3 km north-south and covers 280 hectares.



- Within the zinc anomaly is a smaller zone in which lead exceeding 40 ppm is coincident with silver exceeding 1.5 ppm in soils. The lead-silver zone is 1.35 km by 0.5 km and covers 27 hectares.
- Drilling to date has not explained the soil anomalies.
- An area of high conductivity, as determined by a 1968 EM survey, underlies the area of the best drill intersections and extends 1,800 meters eastwards, covering ground largely untested by drilling. (this zone is not illustrated on the accompanying maps)
- In six of the 1984 percussion drill holes, transported overburden ranging up to 15 meters thick was sampled and found to contain geochemically anomalous lead, zinc and silver (up to 404 ppm, 1,060 ppm and 2.5 ppm, respectively). This anomalous overburden lies within 1,000 meters west of the mineralized diamond drill intersections. Overburden was not analyzed in holes further west.
- Interpretations of the direction of glacial transport are conflicting. A 1979 consultant's report, based on an aerial photographic study of glacial land forms, concluded that the dominant direction of transport was from west to east. Other interpretations, based on the assumption that the anomalous overburden is derived from the mineralization encountered in diamond drill holes, concluded that transport was from east to west.
- Multiple north-northeast trending linear conductive features are indicated by airborne EM (see accompanying maps). Their significance isn't known.

Targets

81-15 This drill hole bottomed in visible sphalerite mineralization at 120 meters vertically from surface. It could have been approaching a depth extension of the better grade mineralization encountered in 81-10. This area should be tested with a deeper hole.

A In the swampy area northeast of 81-15, no drilling has been done to test for a northward extension of the mineralization encountered in 80-5, 80-6, 80-8, 81-10 and 81-15. Recent soil sampling 50 meters north of 81-15 encountered 3 samples spaced 50 meters apart east-west which contained:

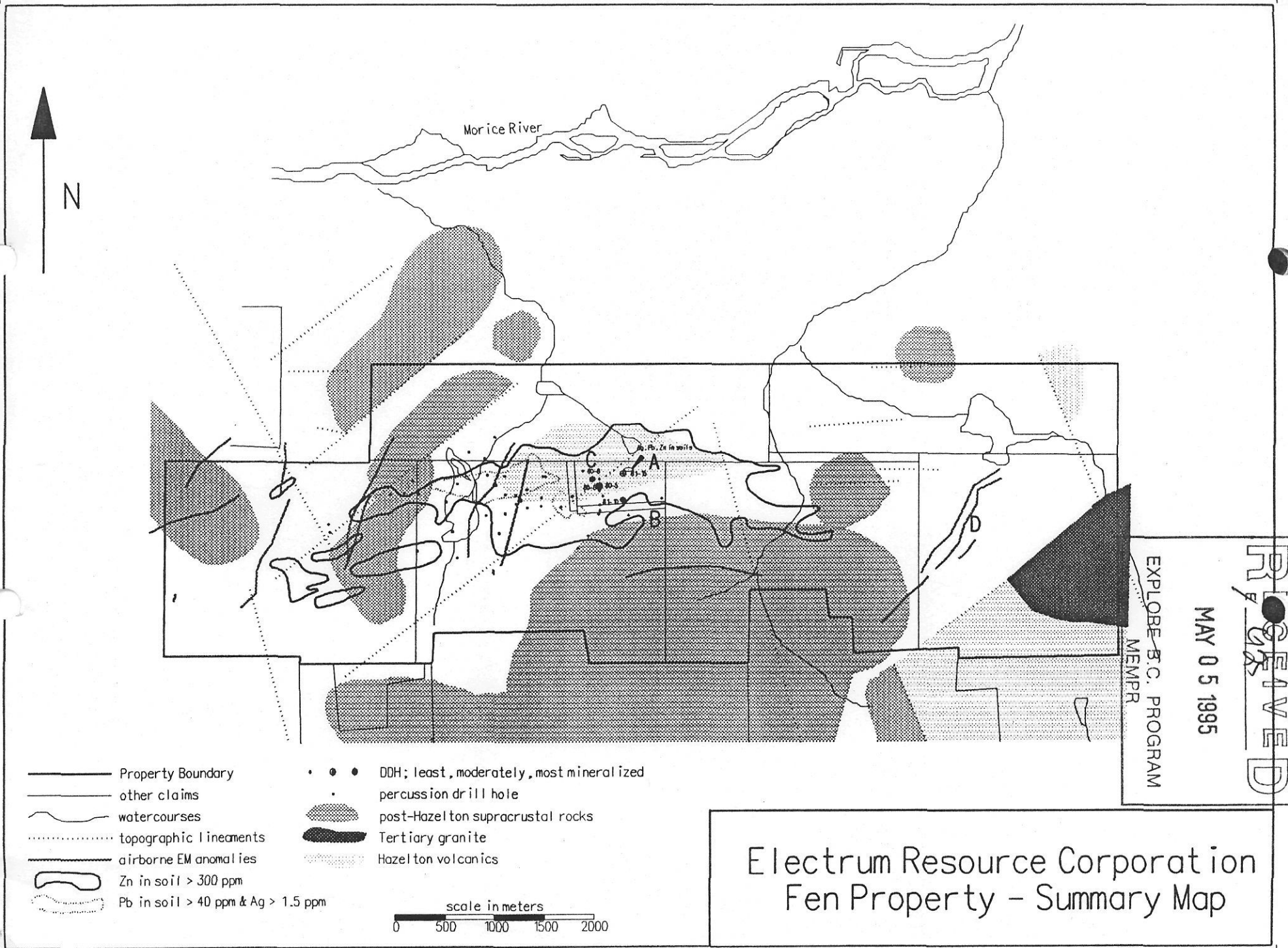
<u>Silver</u>	<u>Lead</u>	<u>Zinc</u>
4.9 ppm	82 ppm	1831 ppm
18.0 ppm	138 ppm	1287 ppm
5.6 ppm	204 ppm	821 ppm

B This target is a possible southeastward strike extension of a mineralized trend suggested by holes 80-5, 80-6, 80-8 and 81-10.

C Here the target is a northwestward strike extension of the mineralized trend suggested by holes 80-5, 80-6, 80-8 and 81-10.

D This is a reconnaissance target in area of multiple northeast trending airborne EM anomalies, where little prospecting, mapping or geochemical work has been done.

General The source of the large, transported soil anomaly hasn't been determined. It's eastern extents point to a large area of untested potential.



Electrum Resource Corporation
Fen Property - Summary Map