

CORDILLERAN ROUNDUP - SNAP SHOT REVIEW
February 4, 1988

Property/Project

Name : SKYLINE EXPLORATIONS LTD.
 Reg Property
 N.T.S. : 104 B/11E
 Claims : REG 1 - 10, STANLEY 7
 ZEEHAN 4 - 7
 SKY 1 - 3
 Acreage: 15,900

Author: Ted Grove

E.W. GROVE CONSULTANTS LTD

Commodities

Cu - 1+ %
 Pb - 0.1 %
 Zn - 0.36%
 Ag - 1+ opt
 Au - 0.704 opt

Ownership

100% SKYLINE EXPLORATIONS LTD.

History

1956 - prospected by Hudson Bay M. & S. Co. Ltd.
 1963 - partly staked by Cominco
 1980 - staked by Skyline Explorations Ltd.

Exploration

1981-1985 - prospecting, trenching, drilling, geology

Development

1986 - X-cut adit and drifting to develop veins
 1987 - Second X-cut, drifting, stope development
 5,000 ft airstrip, 200(+) ton concentrator,
 new camp, roads, exploration drilling

Production

1988 - Production, continued exploration, start-up at
 200 tpd expandable to 400 tpd
 Shrinkage stoping 16 Vein in progress
 16 Vein grade to date 1.41 opt Au, 4.3 opt Ag
 and 1.2 % Cu.

GeologyRegional

Host rocks mainly syenite which cuts late Triassic
 sedimentary rocks and overlain by early Jurassic
 Unuk River Formation.

Local

Syenite pluton cataclastically deformed and
 fractured. Veins along major fractures comprise 20
 to 80 percent sulfides plus K feldspar and quartz.
 Main veins trend 050°-060° and dip about 70° NE.
 Vein sulfides include pyrite, chalcopyrite, plus
 galena and sphalerite and minor sulfosalts. Native
 gold is the main commercial mineral.

Alteration

Wall rock alteration includes very fine biotite and
 sericite, and extensive massive orthoclase.
 Carbonates are minor.

SKYLINE EXPLORATIONS LTD. Reg Property (Continued)

Current Exploration

Surface and underground core drilling will continue on the main Stonehouse Gold Deposit. Saturation surface exploration will commence on the Crown Grants and claim area common to the Cominco-Delaware SNIP property.

<u>Reserves</u>	Geological, possible, probable and/or proven	1,087,875 tons proven + prob <u>4,000,000 tons geological</u>
	Number of zones	<u>6</u>
	Number of sample points	<u>1,000+</u>
	Average grade	<u>0.7 opt Au, 1+ opt Ag, 1% Cu</u>
	Average thickness	<u>6 ft</u>
	Cut-off grade	<u>0.1 opt Au</u>

<u>Costs</u>	1987 exploration costs	<u>\$1,000,000</u>
	1988 exploration costs	<u>\$1,000,000</u>
	Projected development costs including mine, mill and infrastructure	<u>\$24,000,000</u>
	Projected operating costs	<u>\$200 per ton</u>

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REG

- Red Grove
- syenite intr. argill. ss + congl.

STONEHOUSE GOLD ZONE

~~40%~~ rec. by jig

- prod. a Cu-rich conc → cyanide

730 ft. depth

Proven 350,000 tons @ 1.2 oz

Stope grades est. 2.2 X higher than ddh gram

Length 4750 ft.