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CIM, KAMLOOPS

TULSEQUAH CHIEF DEPOSIT

889990

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The Tulsequah Chief is a kuroko type volcanogenic massive sulphide deposit. The minesite is located in the Tulsequah River valley in northwestern British Columbia about 45 miles northeast of the deep sea port of Juneau, Alaska at an elevation of 400 feet. Cominco mined several small lenses between the 1900 and 400 foot elevation levels in the period 1951 to 1957. The property remained dormant until 1987 when a joint venture of Redfern (40% interest) and Cominco (60%) began exploration below the 400 foot level.

Drilling since 1987 has indicated a reserve of 8.6 million tons of 1.6% copper, 1.2% lead, 6.5% zinc, 0.08 oz/ton gold and 3.2 oz/ton silver.

Mineralization is contained in two lenses, the lower AB lens and the stratigraphically higher H lens. The mine stratigraphy, which is comprised mainly of felsic volcanoclastics, is folded into a syncline which plunges north-northeast at about 60°. Massive sulphides are structurally thickened along the fold axis and attenuated on the limbs. True thicknesses range from 5 to 25 feet in the AB lens and from 5 to 126 feet in the H lens. About 85% of the reserve is contained in the H lens. Ore grade mineralization extends over a vertical range of 2200 feet.

The deposit is wide open to expansion and the potential is in the order of 12-15 million tons. The area potential is even larger as there are other promising targets on the property which have not yet been explored in any detail.

Preliminary metallurgical tests suggest good recoveries and concentrate grades. The steep dip and competent wall rocks imply excellent underground mining conditions.

The Tulsequah Chief ranks as one of the more important undeveloped mineral reserves in Canada.

- 3 lenses AB, H, I that are 'U' shaped.

- gross values Zn > Cu > Au >> Pb

- > 80,000 t/dk to date (incl. 1992)

- potential for a 20 million tonne deposit.