

85-996 - 14185
12/86

DIAMOND DRILL REPORT
HOLE RG-52

REA GOLD OPTION (HN2 GROUP)

Kamloops Mining Division
NTS 82M/4W

**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

14,185

Owner & Operator
Corporation Falconbridge Copper
6415 - 64th Street
Delta, B. C. V4K 4E2

Ian D. Pirie
December, 1985

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RG-52 Location Map

INTRODUCTION

General

The Rea Gold property was optioned by Corporation Falconbridge Copper in November 1983 after the discovery of a massive sulphide outcrop. Since then two small but high grade sulphide lenses have been delineated with combined reserves of around 100,000 tonnes grading 17 g/T Au with values in Ag, Cu, Zn and Pb.

This report presents the results of a step-out drillhole designed to test for other massive sulphide lenses on the property.

Location and Access

The Rea Gold property is located approximately 40km east of Barriere, B. C. and about 100km northeast of Kamloops (Figure 1). The property lies on the northwest slope of Samatosum Mtn., straddles Johnson Creek and includes a part of Johnson Lake.

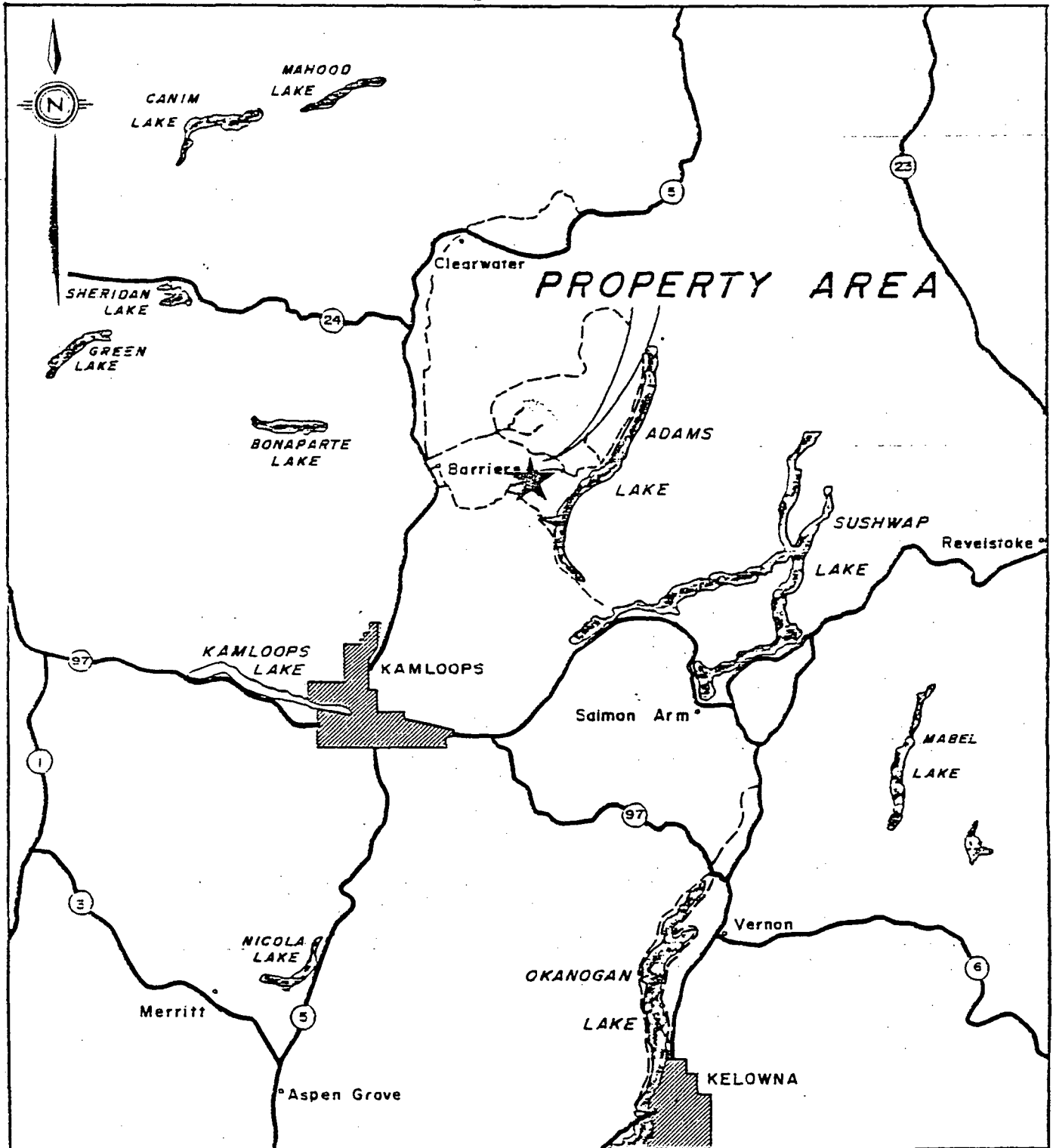
Access is by two or four wheel drive vehicle north from Skwaam Bay along the Adams Lake road to the Samatosum cutoff (28 1/2km) and up the Samatosum road for 21 kilometres. Alternatively, access may be had up the Johnson Creek road from Sinmax Valley.

Vegetation

The property is covered by douglas fir and lodgepole pine with lesser amount of spruce, balsam and cedar. However the immediate area of the Rea deposit has been recently (1980) logged over and active logging continues in several places.

Fauna

The area is classified as Class IV supporting little to no wildlife.



REA GOLD OPTION LOCATION MAP

FIGURE /

Topography

Relief in the area is moderate. The elevation at the deposit site is approximately 1400m and the peak of Samatosum Mountain is 1996m. Johnson Lake is at 1100m and Adams Lake is at 460m.

Property and Ownership

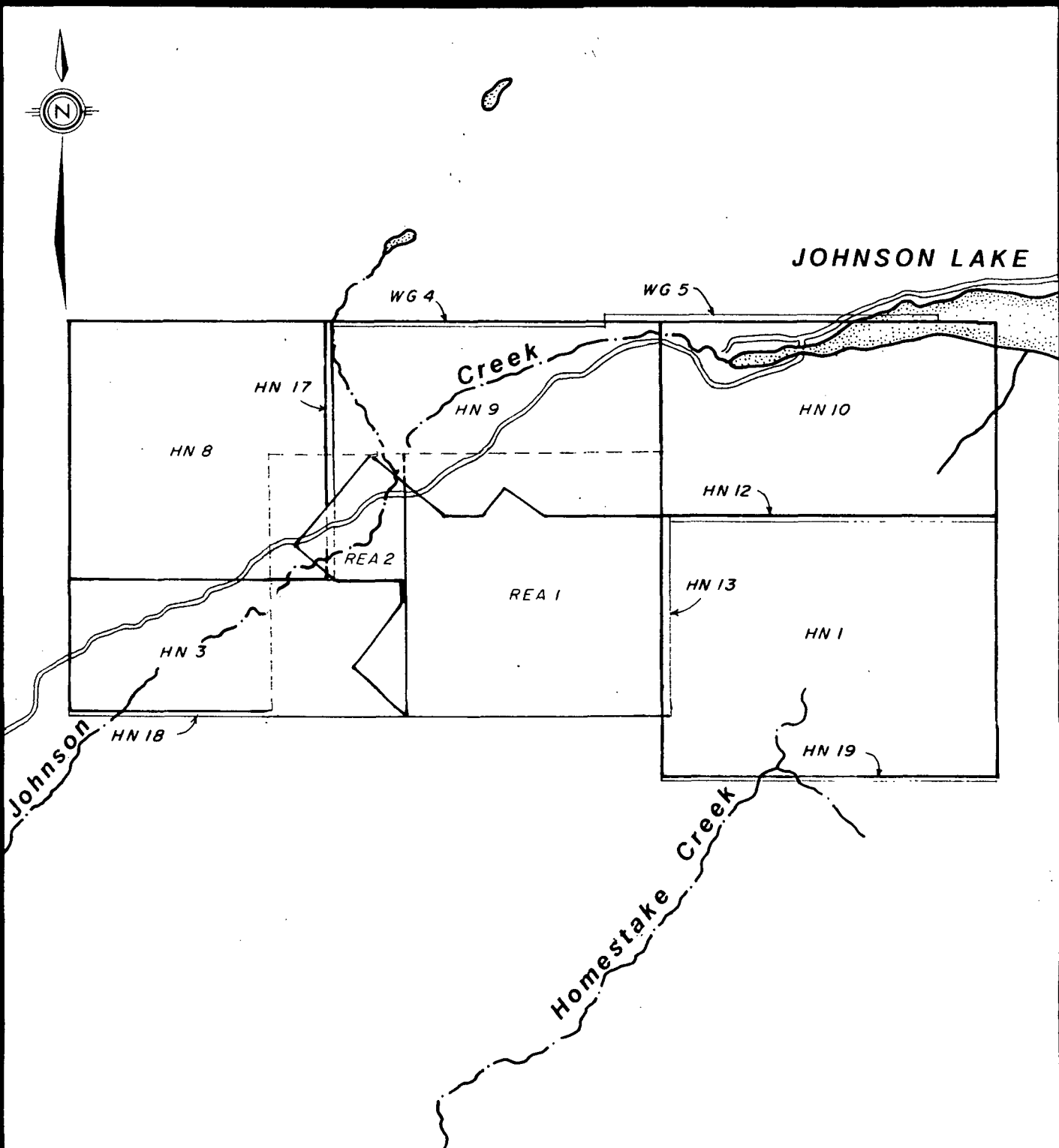
The Rea Gold property consists of 14 modified grid claims and fractional claims owned and operated by Corporation Falconbridge Copper (Figure 2). These are:

	<u>Claims Name</u>	<u># units</u>	<u>Month</u>	<u>Record #</u>
	Rea 1	16	November	6422
	Rea 2	8	November	6423
HN2 Group	HN 1	20	October	4802
	HN 3	10	October	4790
	HN 8	16	October	4856
	HN 9	15	October	4857
	HN 10	15	October	4858
	HN 12 Fr	1	November	5031
	HN 13 Fr	1	November	5032
	HN 17 Fr	1	November	5036
	HN 18 Fr	1	November	5037
	HN 19 Fr	1	November	5038
	WG 4 Fr	1	December	5316
	WG 5 Fr	1	December	5373

Drilling was carried out on the HN 9 claim entirely.

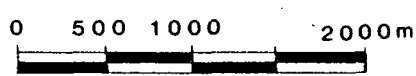
History

Intermittent exploration activity in the area since the 1920's has resulted in the discovery of numerous occurrences of base and precious metal sulphides, often accompanied by barite. Of these only one, the Homestake Mine, has any reported production.



**REA GOLD OPTION
CLAIM CONFIGURATION**

Fig 2.



The Rea Gold mineralization was discovered in August, 1983, by Mr. A Hilton of Kamloops. The discovery was the result of a two year prospecting program based on recent government geological maps and using a field geochemical kit. Anomalous silt and soil samples localized the prospecting to an area on the NW flank of Samatosum Mountain. Active logging in the right area at the right time revealed a red, hematitic gossan subsequently found to overlie massive sulphides.

Regional Geology

The area is underlain by a complex assemblage of volcanics and sediments of the Upper Paleozoic (Carboniferous) Eagle Bay Formation. These have undergone several phases of deformation involving folding and thrusting and producing a moderate to strong foliation in most of the units. Deformation generally increases eastward towards the margin of the Shuswap Complex. To the north, the Eagle Bay is intruded by granite and quartz monzonite of the Cretaceous Baldy Batholith.

Local Geology

The Rea Gold property itself is mainly underlain by a sequence of mafic volcanics and volcanoclastics interbedded with siliceous exhalites, argillites and greywackes. Much of the sequence is overturned with strikes NW-SE and dips 30-60° to the NE.

Sulphide-barite mineralization is hosted by siliceous exhalites at or close to the contact between mafic volcanics and sediments.

Work Done

The work reported herein concerns a single drill hole, RG-52, drilled to a depth of 261.2m during the period Nov. 20th to Nov. 24th 1985. The log for this hole is presented as Appendix I, while the location is on Map 1 (in pocket).

PURPOSE

Drilling around the original discovery lenses by CFC has effectively defined those lenses and eliminated potential for all but other small lenses. It was decided that better potential for larger deposits lay elsewhere on the property, especially within the large portion of the claims covered by glacial deposits within the Johnson Creek Valley.

With this in mind a MaxMin I survey was carried out in stages during 1984 and 1985. RG-52 was designed to test the anomaly illustrated in Figure 3 (in pocket). It is located 1.6km N of the original sulphide discovery and was chosen partially for ease of access - it is adjacent to the Johnson Creek road 2.4km south east of Johnson Lake fishing camp.

RESULTS

Although intersecting a potentially favourable volcanic-sediment contact, no significant sulphides were found. The MaxMin anomaly is probably due to minor graphite in the sedimentary unit intersected at the bottom of the hole.

CONCLUSIONS

Although dissappointing, the hole does confirm the presence of volcanic-sediment contacts with chert beneath the overburden cover.

ITEMIZED COST STATEMENT

Diamond Drilling (J. T. Thomas Ltd.)

261.2m @ \$53.14/m

\$13,880.17

Related Expenses ('extras')

maintenance of waterline (1000m)

drill mug

cat time

PVC pipe installation (to line drillhole)

Mob/demob

Testing (Sperry-Sun, acid)

7,269.83

TOTAL

\$21,150.00

Note: Approximately 130m of RG-52 was drilled on Nov 20th and 21st which qualifies for assessment on HN 12, 13, 17, 18 and 19 (fractions).

CERTIFICATE OF QUALIFICATIONS

I, Ian D. Pirie certify that:

1. I am an Exploration Geologist residing at 307 - 2145 York Avenue, Vancouver, B. C.
2. I have a BSc (Hons) in Applied Geology from the University of Strathclyde, Glasgow, Scotland (1977) and a MSc (Geology/Geochemistry) from Queen's University at Kingston, Ontario (1980).
3. I have practised my profession since 1977.
4. I personally carried out or supervised the work reported herein.

Date

Ian D. Pirie



APPENDIX I

Log of RG-52 with assays and location map

CORPORATION FALCONBRIDGE COPPER

DRILL HOLE RECORD

X METRIC UNITS
IMPERIAL UNITS

HOLE NUMBER RG-52	GRID	FIELD COORDS	LAT. L111+15	DEP. 111+65N	ELEV. 1220	COLLAR BRNG. 225°	COLLAR DIP -89°	HOLE SIZE NQ	FINAL DEPTH 261.2m
PROJECT 312	CLAIM # HN 9	SURVEY COORDS.				DATE STARTED: Nov 20/85 DATE COMPLETED: Nov 24/85	CONTRACTOR: Thomas CORE STORAGE: Skwaam Bay CASING: PVC Pipe in hole pulled		
PURPOSE To test Max Min anomaly								RQD LOG COLLAR SURVEY	PULSE EM SURVEY MULTISHOT SURVEY
ACID TESTS				TROPARI TESTS			MULTISHOT DATA		
DEPTH (m)	CORRECTED ANGLE	DEPTH ()	CORRECTED ANGLE	DEPTH ()	AZIMUTH	DIP	DEPTH (m)	AZIMUTH	DIP
30	89°						220	164/187 true	71°
60	97°								
90	83°								
120	76°								
150	74°								
180	74°								
213	71°								

HOLE NO RG-52
ZIPPY PRINT - BRIDGEPORT RICHMOND

LOGGED BY I. D. Pirie

I. D. Pirie

<u>From</u> <u>To</u>	<u>Rock Type</u>	<u>Texture and Structure</u>	<u>Angle to</u> <u>Core Axis</u>	<u>Alteration</u>	<u>Sulphides</u>	<u>Remarks</u>
0 to 12.2	Casing					
12.2 to 226.4	Mafic Volcanic	<p>Colour - green Grain Size - f.g. Distinct green colour to strongly carb-qtz veined mafic. Strongly foliated. Dark and chloritic looking, quite unlike altered mafics.</p> <p>Occ narrow gouge zones</p> <p>Approx. 70 starts to become greyer, more carb-qtz (alb?) - pervasive rather than veins</p> <p><u>85-91</u> Broken, some gouge, numerous slicken sided joints.</p> <p><u>96-200</u> Becoming distinctly fragmental with lapilli-cobble size frags in a darker more chloritic matrix. Sulphides increase somewhat.</p> <p>Relatively homogeneous throughout to approx. 200m.</p> <p><u>200-226.4</u> Sericitic, qtz flooding minor chert (Hybrid rock).</p> <p>--- contact slightly gougey ---</p>	<p>27.5=31° 40=30° 60=43° (loc still as low as 25° tho.) 70=50° 80=48° 94=43° 100=43° 126=55° averages 55-60°</p>	<p>carb-chl</p> <p>carb-chl-(albite?)</p> <p>chlorite (-sericite) picking up. moderate chlorite locally. Still pervasive carb.</p> <p>Str sil flooding (+albite?, carb?). Mod. sericite.</p>	<p><1% diss'd py</p> <p>2-3% diss'd py. More locally in veins.</p> <p>2-3% py.</p> <p>3-4% py. Minor gn-sp-cp occ. present in veins.</p> <p>10-15% py, locally 35% over <15cm.</p>	

<u>From To</u>	<u>Rock Type</u>	<u>Texture and Structure</u>	<u>Angle to Core Axis</u>	<u>Alteration</u>	<u>Sulphides</u>	<u>Remarks</u>
226.4 to 228.6	Chert and Argillite	Colour - grey-black Grain Size - aph Highly broken up and gouged chert. Starts grey, massive, becoming black and argillitic.				
228.6 to 231.6	Mafic Tuff Lapilli Tuff	Colour - grey Grain Size - f.g. Mainly tuff with lapilli size frags. Locally muddy tuff, locally cherty arg.	60°	Weak to moderate sericite + chlorite	10% py, diss'd. Stronger in cherty argillite beds.	
231.6 to E.O.H.	HW Seds.	Colour - grey-black Grain Size - f.g. Initially argillitic becoming interlaminated greywacke and mudstone. <u>239.5-246.6</u> Strongly sericitic zone surrounding qtz veining. Ends with fault gouge. <u>246.6 - E.O.H.</u> Interbedded wacke/mudstone.	236=70° 240=64°	Approx. 239.5 starts to become sericitic, increasing to intense sericite by 240.	20% py as pyritic beds over first 2m or so. Then traces only. Approx. 5% py overall but locally 20% over 20cm.	
261.2		END OF HOLE				

ASSAY SHEET

Sample Number	From (m)	To (m)	Estimate		Length (m)	% Cu	% Zn	% Pb	gm T Ag	gm T Au	% SiO ₂	% TiO ₂	% Na ₂ O	% MgO	% Fe	PPM Cu	PPM Zn	PPM Pb	PPM Ag	PPB Au	ppm Ba				
			Cu	Zn																					
2760	219.55	221.3			1.75											90	4800	345	1.7	10	5100				
2761	239.7	241.3			1.6											36	82	24	0.2	20					

2000mN

1900mN

1800mN

1700mN

1600mN

1500mN

1400mN

1300mN

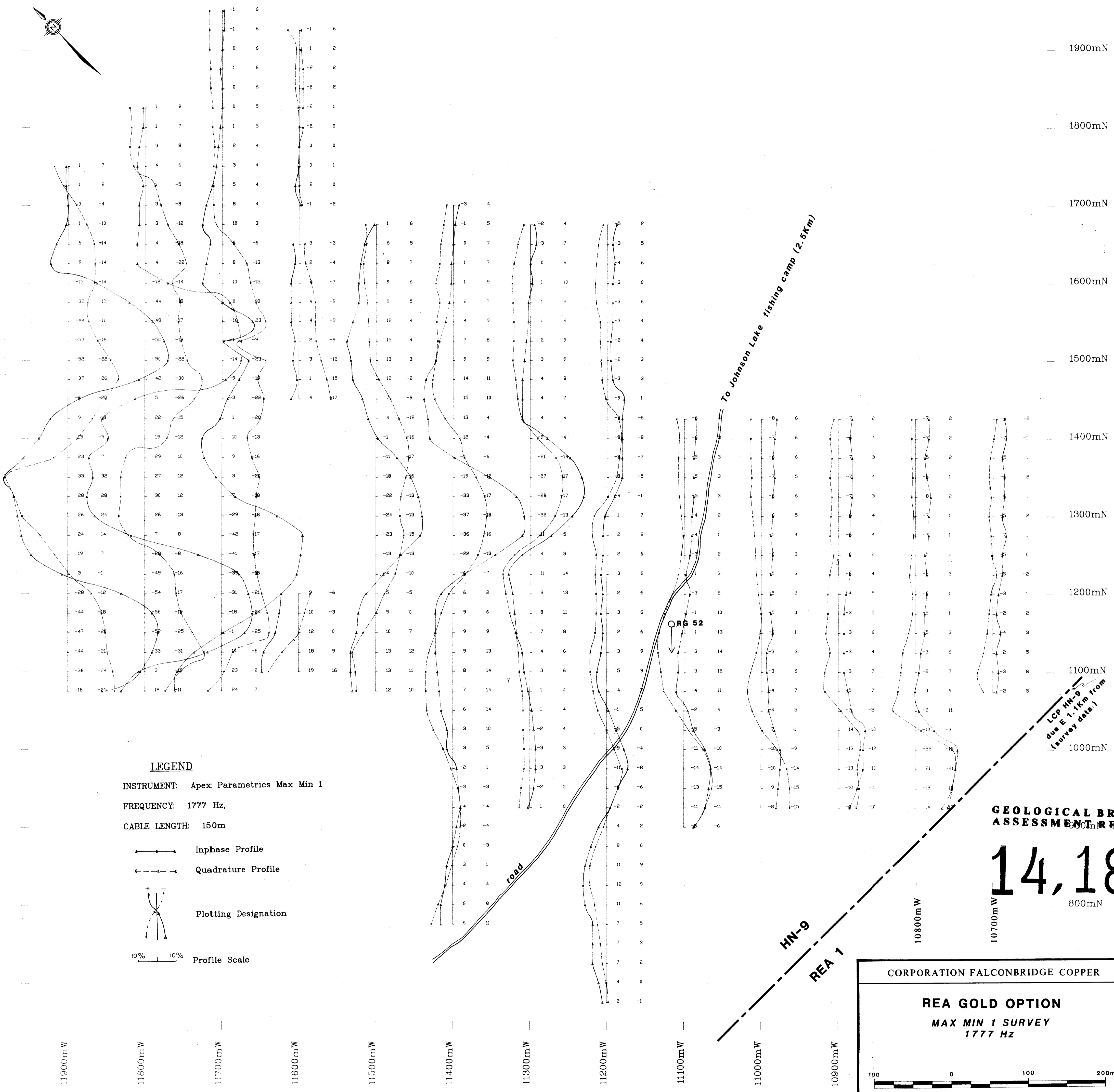
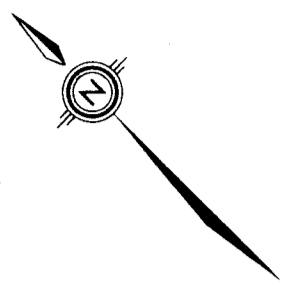
1200mN

1100mN

1000mN

900mN

800mN



LEGEND

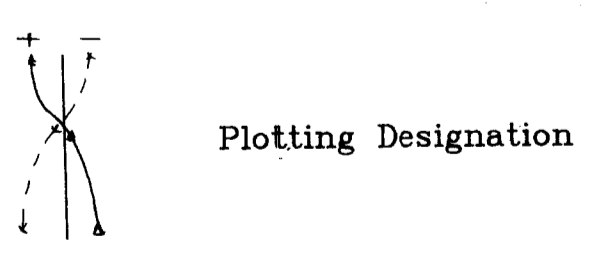
INSTRUMENT: Apex Parametrics Max Min 1

FREQUENCY: 1777 Hz

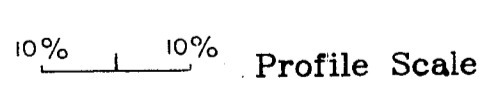
CABLE LENGTH: 150m

—+—+— Inphase Profile

—- - - - Quadrature Profile



Plotting Designation



Profile Scale

**GEOLOGICAL BRANCH
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CORPORATION FALCONBRIDGE COPPER

REA GOLD OPTION

MAX MIN 1 SURVEY
1777 Hz



NTS: 82M/4W DATE: DEC. 1985 MAP 1