

PRODUCT GOLD
PRODUIT

PROVINCE OR TERRITORY PROVINCE OU TERRITOIRE British Columbia

N.T.S. AREA 82 M/4
RÉGION DU S.N.R.C.

REF. AU 1
RÉF.

NAME OF PROPERTY
NOM DE LA PROPRIÉTÉ

REA GOLD (AR)

OBJECT LOCATED - Discovery zone.
OBJET LOCALISÉ

UNCERTAINTY 500 m
FACTEUR D'INCERTITUDE

Lat. 51°09' Long. 119°49'
Lat. Long.

Mining Division Kamloops
Division minière

District
District

Kamloops

County
Comté

Township or Parish
Canton ou paroisse

Lot
Lot

Concession or Range
Concession ou rang

Sec
Sect.

Tp.
Ct.

R.
R.

OWNER OR OPERATOR/PROPRIÉTAIRE OU EXPLOITANT

DESCRIPTION OF DEPOSIT/DESCRIPTION DU GISEMENT

A volcanogenic sulphide-barite deposit in Devonian-Mississippian Eagle Bay Formation, within the Shuswap Highlands. Two thin laterally continuous sulphide lenses occur in a thick sequence of intermediate to felsic volcanic and volcanoclastic rocks and lie stratigraphically above a highly altered tuff; the succession is inverted in the northern limb of an overturned syncline. Barite and silver commonly occur together while zinc, lead and copper are generally associated with arsenopyrite. The sulphide lenses are the designated L 97 and L 100 lenses. A third lens, the L 98, is located approximately 100 m north of the L 97 lens.

Associated minerals or products - Silver, copper, lead, zinc,
Minéraux ou produits associés

HISTORY OF EXPLORATION AND DEVELOPMENT
HISTORIQUE DE L'EXPLORATION ET DE LA MISE EN VALEUR

The Discovery zone is located at 4,400' elevation on the east side of Johnson Creek, 8 km north-northwest of Skwaam Bay, Adams Lake, and 64 km north-northeast of Kamloops.

Prospectors J.A. Hilton and R. Nicholl of Kamloops made the discovery in October 1983 by trenching on the projection of a gossan zone exposed on a nearby logging road. They staked some 2,900 acres in the AR and HN claim groups. The claims were sold to Rea Gold Corporation, subject to a 5% net smelter return. The company carried out geophysical and geochemical surveys which indicated a coincident anomaly over a known strike length of 1,500'.

Late in 1983 Rea optioned a 51% interest in the property to Corporation Falconbridge Copper. Geological, geophysical and geochemical surveys were carried out and 1,726 metres of diamond drilling in 15 holes was completed by year end. A reserve estimate early in 1984, based on 25 drill holes, gave a possible 150,000 tons of open pit material at 0.43 oz/t Au, 3.5 oz/t Ag, 0.7% Cu, 3.6% Zn, 3.1% Pb (Northern Miner 8/03/84). Subsequent work by Falconbridge was on the larger property (see: Rea Silver Zone (MF), 82 M/4, AG 4).

Late in 1985 the original discovery area, comprising a 20 acre concession was returned to Rea Gold with Falconbridge retaining a net profit royalty interest. In the winter of 1985-86 Rea carried out about 10,000' of diamond drilling on the Discovery zone. Drill indicated reserves were reported as 267,720 tons at 0.190 oz/t Au, 2.14 oz/t Ag, 2.247% Zn, 2.14% Pb, 0.57% Cu (George Cross News Letter, 1986, no. 131). Metallurgical problems, including high levels of arsenic hindered development even though some of it could be open pitted. In early 1987, under an exploration agreement Glitter Gold Mines Ltd. carried out metallurgical and milling tests on a 1500 ton bulk sample; this work proved conventional milling fails to produce acceptable recoveries due to the arsenopyrite content. In April 1987 Corporation Falconbridge changed its name to Minnova Inc. and held 70% interest in the property.

Underground development work began in late 1986 and a 315 m decline adit was driven to the L 98 lens; the lens was crosscut at three locations and the adit was extended an additional 80 m. Bulk samples were shipped for milling process design work. Mill construction was started in October 1988

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p.t.o.

HISTORY OF PRODUCTION/HISTORIQUE DE LA PRODUCTION

Milling was started in 1989 with the production of lead, zinc, and copper-silver concentrates. The first shipment of lead-zinc concentrate was made in the first half of June.

REFERENCES/BIBLIOGRAPHIE

Exploration in British Columbia; BCDM: 1983, p. 157; 1986, pp. A 62, B 7-15.

George Cross News Letters: 1984, No. 9, 43, 44, 217; 1985, No. 238, 243, 247; 1986, No. 4, 57, 131; 1987, No. 8, 148, 224; 1988, No. 26, 59.

Geological Fieldwork; BCDM: 1984, pp. 77-83+; 1985, p. 59.

Mineral Policy Sector; Corporation Files: "Rea Gold Corporation"; "Glitter Gold Mines Ltd."-(FS 76/87); "Minnova Inc."

MAP REFERENCES/RÉFÉRENCES CARTOGRAPHIQUES

Map 48-1963, Adams Lake, (Geol.), Sc. 1":4 miles, Geol. Surv. of Canada.

Geology of the Adams Plateau-Clearwater Area, Preliminary Map 56, BCDM.

Geology of the Hilton-Rea-Falconbridge area, Fig. 19, p. 78, Geological Fieldwork, 1984.

Rea Gold Concession, (Geol. & drilling), George Cross News Letter 09/07/86.

Map 82 M/4, Adams Plateau, (Topo.), Sc. 1:50,000.

HISTORY OF EXPLORATION AND DEVELOPMENT (con't)

and in May 1989 was put into operation with a capacity of 450 tonnes per day. Mining was started from an open pit.

REMARKS/REMARQUES

Comp./Rev. By Comp./rév. par	DMacR	DMacR	JL				
Date Date	12-86	05-88	02-90				