PRODUCT PRODUIT	GOLD	PROVINCE OR TERRITORY	PROVINCE OU TERRITOIRE	British Columbia	
NAME OF PROPERT		LAWYERS		HISTORY OF EXPLO HISTORIQUE DE L'E	
UNCERTAINTY 300 m FACTEUR D'INCERTITUD	E Lat. nineca	Long	, 127 ⁰ 10'40" ⁷ siar	The property i the Toodoggone Riv and some 280 km no property are locat follows: Cliff Creek	
Comté Canton ou		ou paroisse		Dukes Ridge The Lawyers 1-	
Lot Lot		n or Range on ou rang		ations, (Western)	
Sec Sect.	Тр. <i>Ct.</i>	R. <i>R.</i>		Survey comprising	

OWNER OR OPERATOR/PROPRIÉTAIRE OU EXPLOITANT

DESCRIPTION OF DEPOSIT/DESCRIPTION DU GISEMENT

The property is underlain by Lower Jurassic Toodoggone volcanic rocks. Six gold-silver-bearing showings have been discovered, all of which are associated with steeply dipping northwest-trending faults which transect flow boundaries. The most important of these is the Amethyst Gold Breccia (AGB) zone, which is a northwest-trending quartz-filled breccia zone in trachyte porphyry. The zone is about 2,000' in length, 40' wide, and has been tested to a depth of several hundred feet. It consists of incipiently brecciated fragments cemented by quartz, amethyst quartz and calcite. The core of the breccia zone is almost entirely replaced by quartz and amethyst. Mineralization consists of native silver, electrum and lesser argentite occurring as microscopic grains (0.1 to 0.05 mm). The strongest mineralization is associated with the most intensely silicified portion of the breccia zone.

The Cliff Creek zone is about 2 km west of the AGB zone. The Duke's Ridge zone, discovered in 1982, is a cross structure between the other two zones; it has an indicated length of

see card 2

Associated minerals or products - Silver. Minéraux ou produits associés HISTORY OF EXPLORATION AND DEVELOPMENT HISTORIQUE DE L'EXPLORATION ET DE LA MISE EN VALEUR

N.T.S. AREA

RÉGION DU S.N.R.C.

94 E/6

The property is located at about 1 800 metre elevation in the Toodoggone River area 15 km southwest of Toodoggone Lake and some 280 km north of Smithers. Other showings on the property are located about 2 km southwest of the AGB zone as follows:

Cliff Creek Zone Lat.57°19'55" Long.127°12'30" Dukes Ridge Zone Lat.57°19'40" Long.127°11'40"

The Lawyers 1-54 claims were acquired by Kennco Explorations, (Western) Limited. During 1970 a geochemical soil Survey comprising 900 samples was carried out over 10 claims. Regional geological mapping and soil, silt, and rock geochemical surveys were carried out in 1971 over the property and nearby Kodah and Saunders (94 E/6, PB 1) claim groups. In 1972 further geochemical survey work was carried out over the Lawyers group and a magnetometer survey on the Kodah group. During 1972 a geochemical survey of approximately 130 soil and 50 rock samples, and trenching was carried out on the Lawyers group. Work in 1974 included a geochemical survey (220 samples), and 2,004 feet of diamond drilling in 4 holes on Lawyers 181 and 183.

In 1975 the ground was restaked as the New Lawyers 1-4 claims (48 units). Work during the year by Kennco included a geochemical survey (65 samples) over 0.5 line-kilometres on a 15 metre grid spacing, 713 samples over 6 line-kilometres at variable spacing, and 521 metres of diamond drilling in 6 holes on New Lawyers 1 and 4. One hole drilled in the Cliff Creek zone gave insignificant values.

Late in 1978 the property was optioned to Semco Mining Corporation, who in May 1979 assigned the option to S.E.R.E.M. Ltd.; the company name was changed to Serem Ltd. in January 1980. Adjacent claims were staked in the Law 1, Law 3, and Breeze groups (38 units). Exploration work during 1979 included trenching and diamond drilling; one hole was drilled on the Cliff Creek zone with disappointing results. In 1980 Serem assigned 50% of its interest equally to Sudbury Contact Mines, Limited and Agnico-Eagle Mines Limited under a joint venture agreement (Serem joint venture). Work during the year included soil and silt geochemical surveys and trenching. Diamond drilling on the Amethyst Gold Breccia

see Card 2

REF. AU 3

RÉF.

120027

HISTORY OF PRODUCTION/HISTORIQUE DE LA PRODUCTION

Production started in December 1988 and first dore bar was poured in January 1989.

REFERENCES/BIBLIOGRAPHIE

Geology, Exploration and Mining; British Columbia Dept. of Mines: 1970, p. 187; 1971, p. 70; 1972, p. 482; 1973, p. 460++; 1974, p. 312; 1975, pp. E 165, G 79.

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- Geological Fieldwork, British Columbia Dept. of Mines: 1980, pp. 124-130; 1981, pp. 122-130; 1982, pp. 125, 131, 143; 1983, p. 134; 1984, p. 291; 1986, pp. 111,112.
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George Cross News Letter: 1985, No. 117; 1987, No. 114, 166, 221.

MAP REFERENCES/RÉFÉRENCES CARTOGRAPHIQUES

- Geology between Toodoggone and Sturdee Rivers, Sc. 0.8 cm: 1 km, Fig. 45, Geological Fieldwork, 1982, p. 142, B.C. Dept. of Mines.
- Map 14-1973, Sustut Basin, (Geol.), Sc. 1:250,000 accomp. Paper 73-31, Geol. Surv. of Canada.
- Regional Geology, Chappelle Area, Sc. 1":4.5 miles, Fig. 3 accomp. Report by Barr, p. 67.
- #Plan of Lawyers project, Sudbury Contact Mines, 1983 Annual Report.

*Map 94 E/6, Moosehorn Creek, (Topo.), Sc. 1:50,000.

REMARKS/*REMARQUES*

DMacR

07-85

4

Comp./Rev. By

Comp. /rév. par

Date

Date

BCI 94 E - 17,66, 67, 74

PRODUCT PRODUIT

LAWYERS

PROVINCE OU British Columbia TERRITOIRE - Card 2 -

REF. AU 3

RÉF.

NAME OF PROPERTY NOM DE LA PROPRIÉTÉ

GOLD

continued

The company name (Serem Inc.) was changed in March to Cheni Gold Mines Inc. With financial assistance from the Province the Omineca Resource Road was extended 64 miles to the Sturdee Valley airstrip, 14 miles by road from the mine. Work on the property in 1987 included 10 432 m of diamond drilling in 49 holes on the Cliff zone and underground development for mining of the AGB zone. Reserves in all categories were estimated as 1 938 000 tons at 0.196 oz/t Au, 7.09 oz/t Ag (George Cross News Letter, 18/11/87). Construction of a 550 ton per day mill began early in 1988.

DESCRIPTION OF DEPOSIT (con't)

1.2 km and width of 5 m. All three zones contain shoots of high-grade gold-silver in a complex system of chalcedony breccia and quartz vein stockworks.

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

zone during 1978-81 totalled 25,745' in 44 holes. In 1981 a crosscut adit at the 1 750 m elevation was driven to the breccia zone, and including a footwall drift and 4 crosscuts totalled 2,508 feet. Expenditures on the property to date increased the Serem joint venture interest to 80%, and reduced the Kennco interest to 20%. At the end of 1981 Sudbury and Agnico-Eagle declined to participate in further work and their interest became subject to dilution to a minimum combined 20% of net profits. The Kennco interest was diluted to 5%. Work in 1982-83 included trenching on the Cliff Creek zone and approximately 3 597 metres of underground and surface diamond drilling on the AGB zone. Diamond drilling in 1983 totalled 3 054 metres in 17 holes (eight on Cliff Creek, seven on Dukes Ridge, and two on AGB). Mineable reserves were calculated at 561,773 tons grading 0.211 oz/t Au and 7.11 oz/t Ag on the AGB zone, and probable drill-indicated reserves of 143,500 tons grading 0.217 oz/t Au and 8.6 oz/t Ag on the other two zones (Northern Miner, May 3, 1984).

Serem Ltd, wholly owned by the French government, changed its name in September 1983 to Serem Inc. Work in 1984, including trenching and diamond drilling, resulted in expanding the reserve estimate to approximately 1,400,000 tons at about 0.18 oz/t Au, 6.7 oz/t Ag (Sudbury Contact M L, 1984 Annual Report). The 1984 drilling (23 000 feet in 45 holes) included 19 holes in the Cliff Creek and 13 in the Duke Ridge zones and surface and underground drilling in the AGB zone. Work in 1985-86 was related mainly to feasibility and access studies. Work to the end of 1986 included 73 160 feet of surface and underground diamond drilling, 22 965 feet of surface trenching, 4 274 feet of crosscuts and drifts and 587 feet of raising. Wright Engineers Limited in a March 1987 report estimated mineable reserves as follows. Crada

LULIOWS:					Graue	
ZONE	<u>Classification</u>	Estimated	Silver Gold			
				<u>oz/t</u>	<u>oz/t</u>	
AGB	proven	498 900		7.69	0.243	
Cliff Creek Duke's Ridge	probable probable	463 300 75 400		7.61 6.59	$0.170 \\ 0.230$	
TOTAL/Weighted a	verage	1 037 600		7.57	0.209	

con't on left side of card...