

001N/06/1022

A. Chislett Gold Property
Avalon Peninsula, Newfoundland

J.C. Poole
August 1990

1 N/6



SUBJECT: VISIT TO A. CHISLETT'S GOLD PROPERTY ON THE AVALON PENINSULA

DATE : August 7, 1990

FROM : J.C. Poole

TO : C.B. McKenzie


I Introduction:

On July 31, 1990 I had discussions with Mr. A. Chislett concerning his property on the Avalon Peninsula (Figure 1).

I visited the property on August 1.

Enclosed are all the reports and maps he gave me at his office. Others, not copied at the time of his presentation, are to follow.

Also enclosed are some rock samples from the property. Selected samples were sent for rush analysis by Chemex on August 3, 1990.


II Location and Access:

The property is located approximately 45 km southwest of St. John's (Figure 1). It consists of 594 claims in 15 claim blocks. (Some peripheral claims may be dropped after this summer because of lack of work).

The Trans Canada Highway crosses the northern part of the property and a paved highway skirts the western margin. ATV trails and boat provide access to the western part of the property.

The topography is generally gently rolling and hummocky. The area is poorly drained and boggy. Outcrop exposure is poor.


III Previous Property Agreement:

The property was obtained by Cominco Limited from A. Chislett in July 1989. Appendix 1, page 2 summarizes the details of the agreement. Cominco's interest in the property lapsed when they failed to make a \$ 50,000 option payment on July 15, 1990.

IV General Geology and Economic Potential:

The area is underlain primarily by the late Proterozoic Harbour Main Group, consisting of subaerial felsic to intermediate flows and pyroclastic rocks and minor sediments (Figure 2). These are in fault contact with younger sediments of the Conception Group in the extreme western and eastern portions of the property. Small plugs of quartz monzonite to diorite occur throughout the property and are presumably part of the Proterozoic Holyrood Intrusive Suite (HIS).

The report in Appendix 1 provide a more detailed discussion of the geology.

Regionally in the Avalon Zone, Au bearing high - alumina and silica alteration zones have been recognized consisting of pyrophyllite, sericite and silica (eg. Hickey's Pond Prospect, Tuach et al, 1988). An important approximately 14 km zone also in Harbour Main Group rocks has been recognized on the eastern margin of the HIS. Bedrock sampling of silicified and pyritized felsic volcanic rocks within this alteration system contains anomalous Au, up to 1000 ppb (Hayes and O'Driscoll, 1990). A. Chislett's property, with similarly altered rocks, may represent an equivalent alteration zone on the other side of the HIS.

Previous mapping and exploration in the area is limited and dated. McCarthy (1954) mapped the area on a 1 inch - 1 mile scale for the GSC. Texus Gulf Sulphur Company in a search for near surface massive sulphides conducted an exploration program in the north in the late 1960's in the area of the Trans Canada Highway over an Cu occurrence.

Cominco and A. Chislett's work in the past few years are the only recent work in the area. THis work, since November 1989, consisted of:

- 1) Geophysics - 32 km, Mag & VLF
- 2) Lake Sediment Sampling
- 3) Till Sampling - 612 samples
- 4) Prospecting
- 5) Trenching

The report in Appendices 1 and 2 give the details of this work.

V Details of the Site Visit:

On August 1, 1990 I had a visit with Mr. Chislett to the south western part of the property where most of the work has been done (see Figure 1 and detailed Figures 3 and 4).

The area is not well drained and quite boggy (Plates 1 & 2). Most of what Mr. Chislett showed me was subangular to subrounded float (\leq 40 cm in diameter) consisting of highly silicified breccias with fragments of pyritized (\leq 3%) and silicified volcanics (R-1, R-2, R-2A, R-3, R-6, Figures 3 and 4). The one exception was a float sample (R-4, Figure 4) consisting of a highly silicified and pyritized volcanic with up to 15% black sphalerite and tr. to 1% galena and chalcopyrite (Plate 3). This is coincident with an untested conductor on the edge of a small pond.

Slabbed examples of these rocks are enclosed. Rush samples were sent for analysis on August 3, 1990. The sample numbers are as follows:

R-1	HR 5602
R-2	HR 5603
R-2A	HR 5604
R-3	HR 5605
R-4	HR 5606
R-6	HR 5607

Mr. Chislett panned some gold at R-3 and produced an impressive concentrate with $>$ 30 grains of gold visible. A till sample in this area had a gold grain count >200 . This site is near the acute intersection of two conductors. An independent sample was taken deeper in this pit (Plate 4, HS 18541).

The only outcrop that was shown on the tour was an impressive exposure of highly silicified and brecciated volcanics at Trench 1 (Figure 3, Plates 5 and 6). These were slightly pyritic and carried no gold.

Float and outcrop of silicified \pm pyrophyllite \pm sericite altered rock are apparently present in the north of the gridded area of the property. These could not be visited due to time constraints.

VI

Summary and Comments on Exploration Potential:

A presentation and visit was provided by Mr. A. Chislett on his property on the Avalon Peninsula on July 31 and August 1, 1990 (see Figure 1 and Figure 2 for geology).

The property is an intriguing one. Potential for Au mineralization exists on the Avalon Peninsula (eg. Hickey's Pond). Au mineralization was discovered recently in the Fox Trap high-alumina alteration zone on the eastern side of the HIS in the same Harbour Main Group rocks. Mr. Chislett's property may represent an equivalent alteration zone on the eastern side of the HIS.

Highly silicified breccias with silicified and pyritized fragments, as subangular to sub rounded float were seen and sampled in a visit to the southwest gridded part of the property. Outcrop exposure is poor and only a single highly silicified breccia was seen in a trench site. Hand samples of pyrophyllite; sericite and silica altered rocks were presented from o/c and float from the northeast part of the grid.

Till samples, among other work, were collected by Cominco last year over the gridded area of the property, with over 50% of the samples carrying one or more gold grains. Gold bearing samples are distributed throughout the grid and two samples have > 100 grains. Travel distances of examined Au grains are reported to be between 100 to 500m with a crude northeasterly trending dispersion. Moderately anomalous Au has been analyzed from rock samples.

The Au anomalies in the till have not been explained and the extremely high Au till samples (180 and > 200 grains), isolated as they are, would seem to suggest potential at least for a small high grade deposit/deposits. The trench site of highly silicified breccias and the significant occurrence of silicified boulders over > 1000m, would indicate a large northeast trending alteration zone or zones with the potential for a larger deposit.

Within the gridded area most of the conductors are untested at the surface (with trenching) and at depth (by drilling). Indeed no trench was even attempted at R-3 (Figure 3) or at the 180 Au grain anomaly.

Emphasis in the past seems to have been almost exclusively for Au but potential for Zn and possibly Cu exist in the area (eg. R-4 and a Cu occurrence on the TCH to the north). Very little multi element - analyses were presented (or apparently done) and such work might be worthwhile for any other metals in the area (eg. Zn & Cu), and for pathfinder elements associated with Au (eg. analysis for Au grains indicates they are rich in Ag).

Much of the area to the north has been only sparsely explored. Au anomalies have been found in lake sediment sampling by Mr. Chislett. (A release of Au in lake sediments in the Avalon Peninsula will be made by the government in the Fall, pers. comm. John Hayes).

VII Other Final Comments (and Gossip)

The visit I had was not a pushy selling job by Mr. Chislett. He has made similar inquiries with other companies which he said have shown an "interest" in the property. His low key presentation would seem to indicate confidence in the property.

In any option agreement that may be made he suggested he would like involvement in any future exploration work. In the past he was part of Cominco's till sampling program. (Conflict of Interest?)

Mr. Chislett is going to wait until he has received a response from all the companies he has made inquiries with. Any proposal we may make should be made soon, since he is planning to wrap something up by the end of August.

There apparently have been some problems with one or more cabin owners in the area concerning their work last year (resulting in negative articles in the Evening Telegram recently). Government environmental people have looked at the area and can find no problems with the exploration work done to date. Mr. Chislett has Paul Dean on his side to clear things up. (This may be a concern for future exploration ??, there are a lot of cabins in the area).

Why didn't Cominco continue working the property?

Mr. Chislett said Cominco's Toronto office liked the project, but Head Office in Vancouver didn't.

References

Hayes, J.P., and O'Driscoll, C.F.

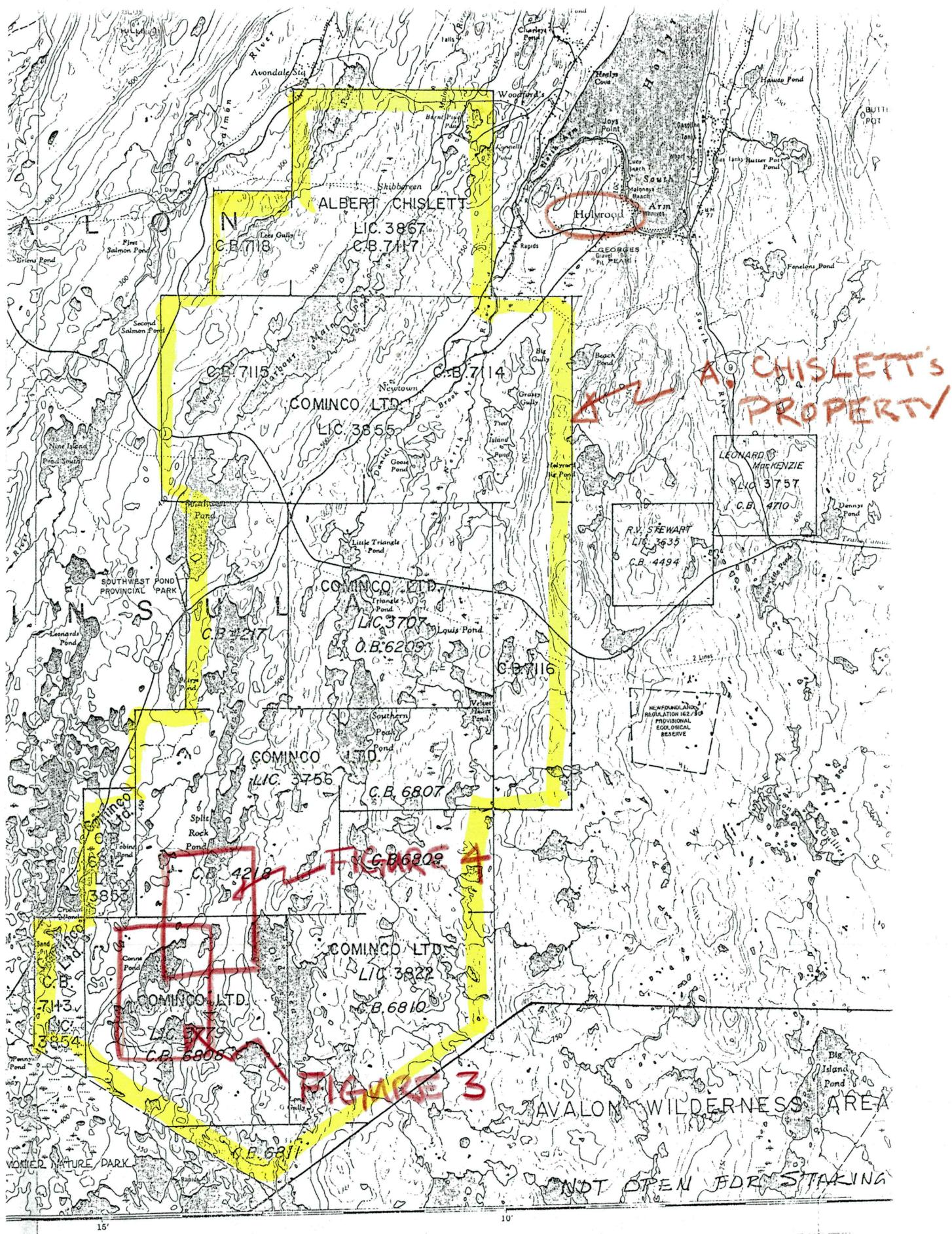
1990: Regional geological setting and alteration within the eastern Avalon high-alumina belt, Avalon Peninsula, Newfoundland. In current Research. Newfoundland Dept. of Mines and Energy, Mineral Development Division, Report 90-1, pages 145-155.

Tauch, J et al.

1988: Gold Mineralization in Newfoundland: A 1988 review. In Current Research. Newfoundland Dept. of Mines and Energy, Min. Dev. Div. Report 88-1, pages 279-306.

McCartney, W.D.

1954: Holyrood, Newfoundland (Map with Marginal Notes)., Geological Survey of Canada, paper 54-3.



HOLYROOD NEWFOUNDLAND

Scale 1:50,000 Échelle

1 2 3 Miles

1000 2000 3000 4000 Verges

1000 2000 3000 4000 Mètres

FIGURE 1
(As of July 31 1980)

CONTOUR INTERVAL 50 FEET

Elevations in feet above Mean Sea Level

North American Datum 1927

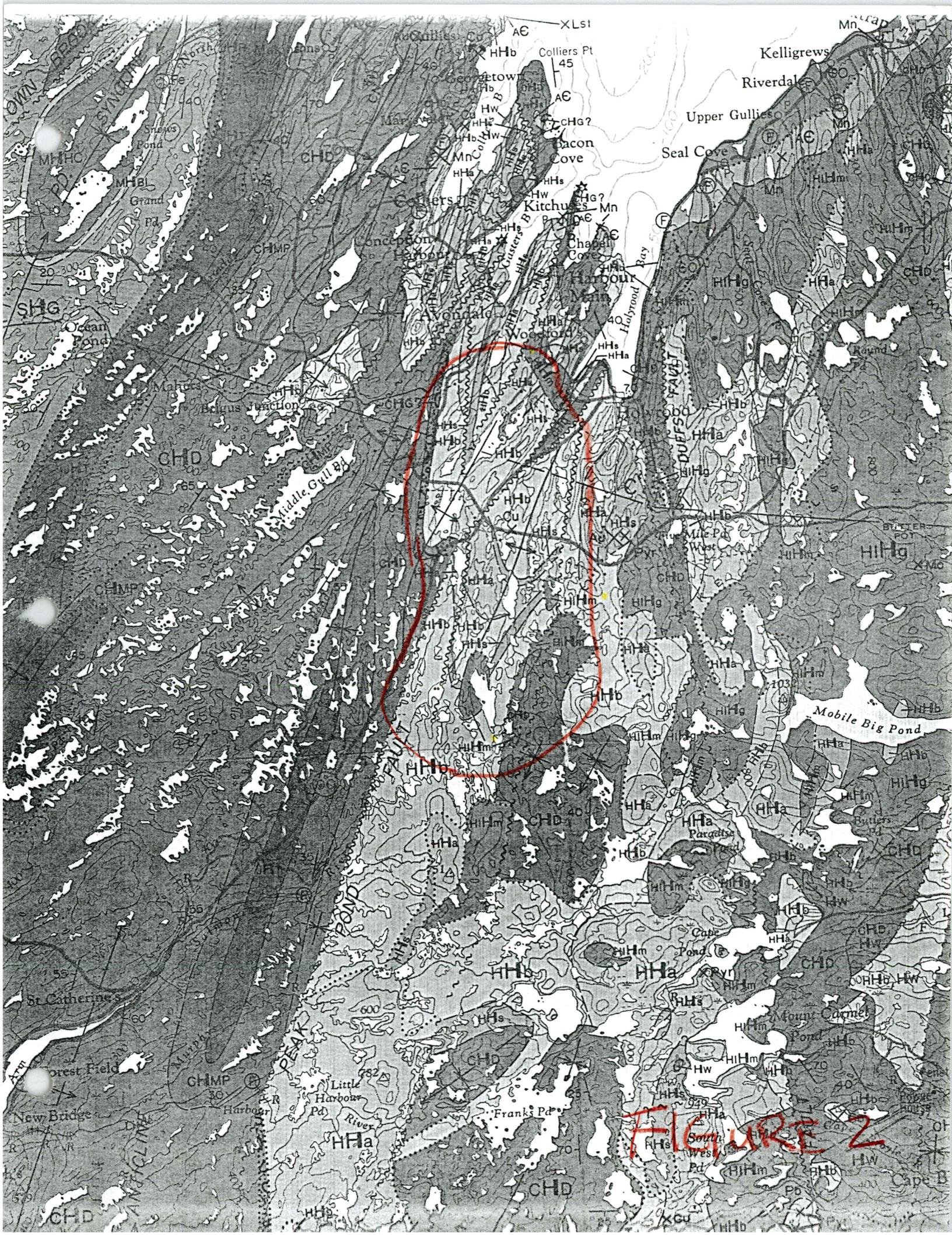
Transverse Mercator Projection

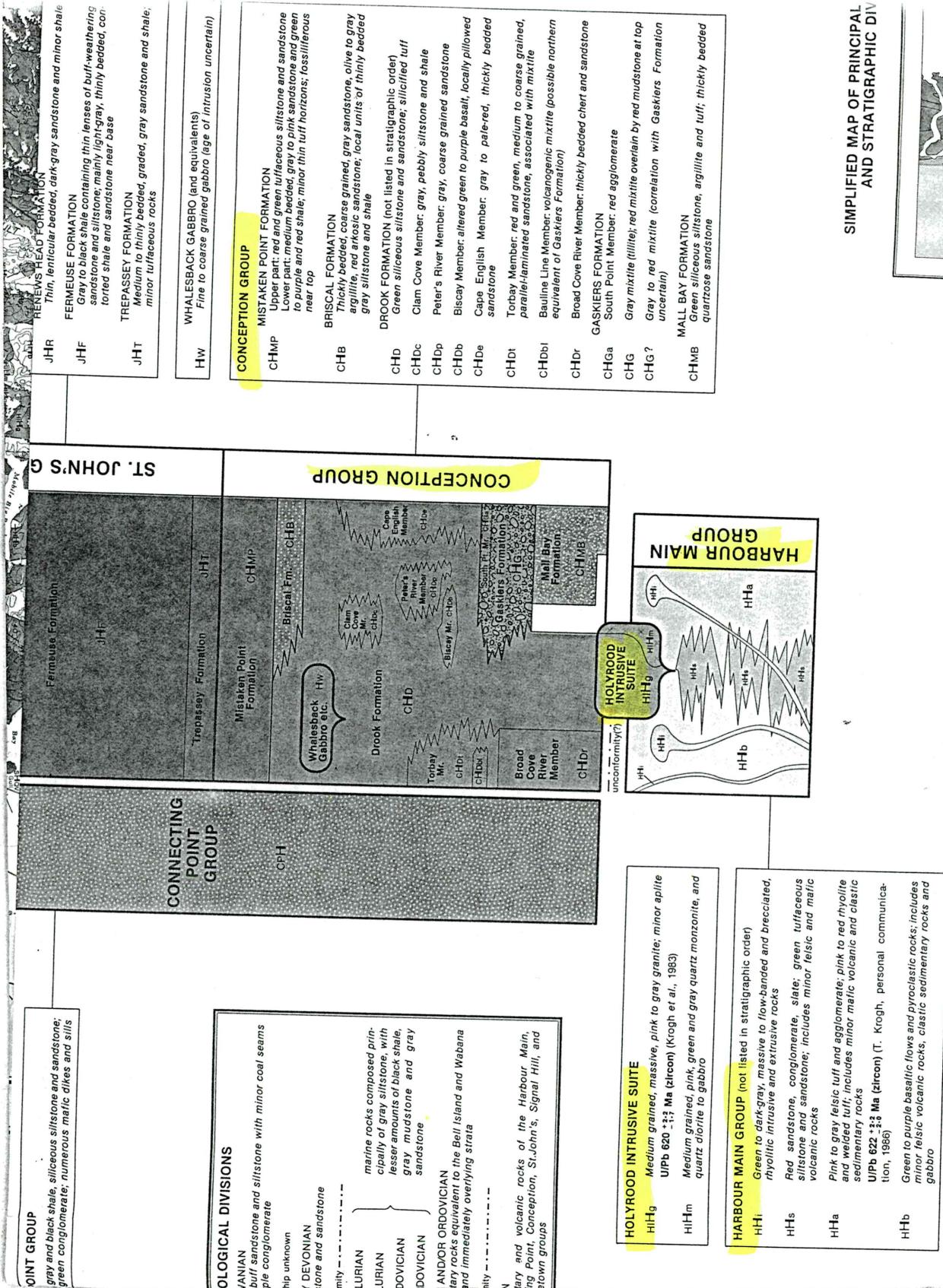
ÉQUIDISTANCE DES COURBES 50 PIÈS

Elevations en pieds au dessus du niveau moyen de la

Système de référence géodésique nord-américain

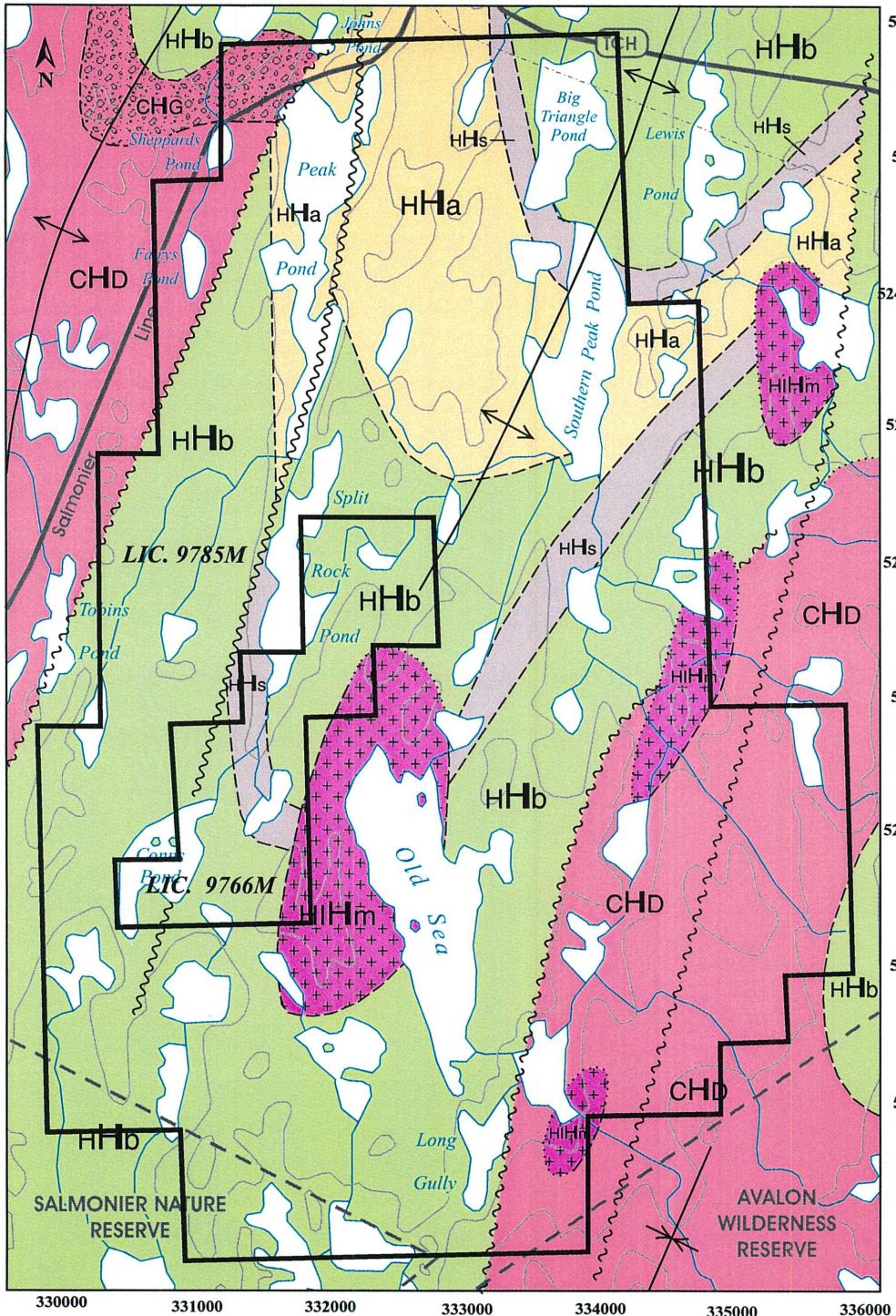
Projection transversale de Mercator





(From Map 88-01, Geology Compiled by A.F. King)

FIGURE 2
(LEGEND)



LEGEND

- HHb: Medium grained, pink, green and gray quartz monzonite, and quartz diorite to gabbro
- HHs: Red sandstone, conglomerate, slate; green tuffaceous siltstone and sandstone; includes minor felsic and mafic volcanic rocks
- HHa: Pink to gray felsic tuff and agglomerate; pink to red rhyolite and welded tuff; includes minor mafic volcanic and clastic sedimentary rocks
- HHb: Green to purple basaltic flows and pyroclastic rocks; includes minor felsic volcanic rocks, clastic sedimentary rocks and gabbro
- CHG: Gray to red mixtite
- CHD: Green siliceous siltstone and sandstone; silicified tuff

SYMBOLS

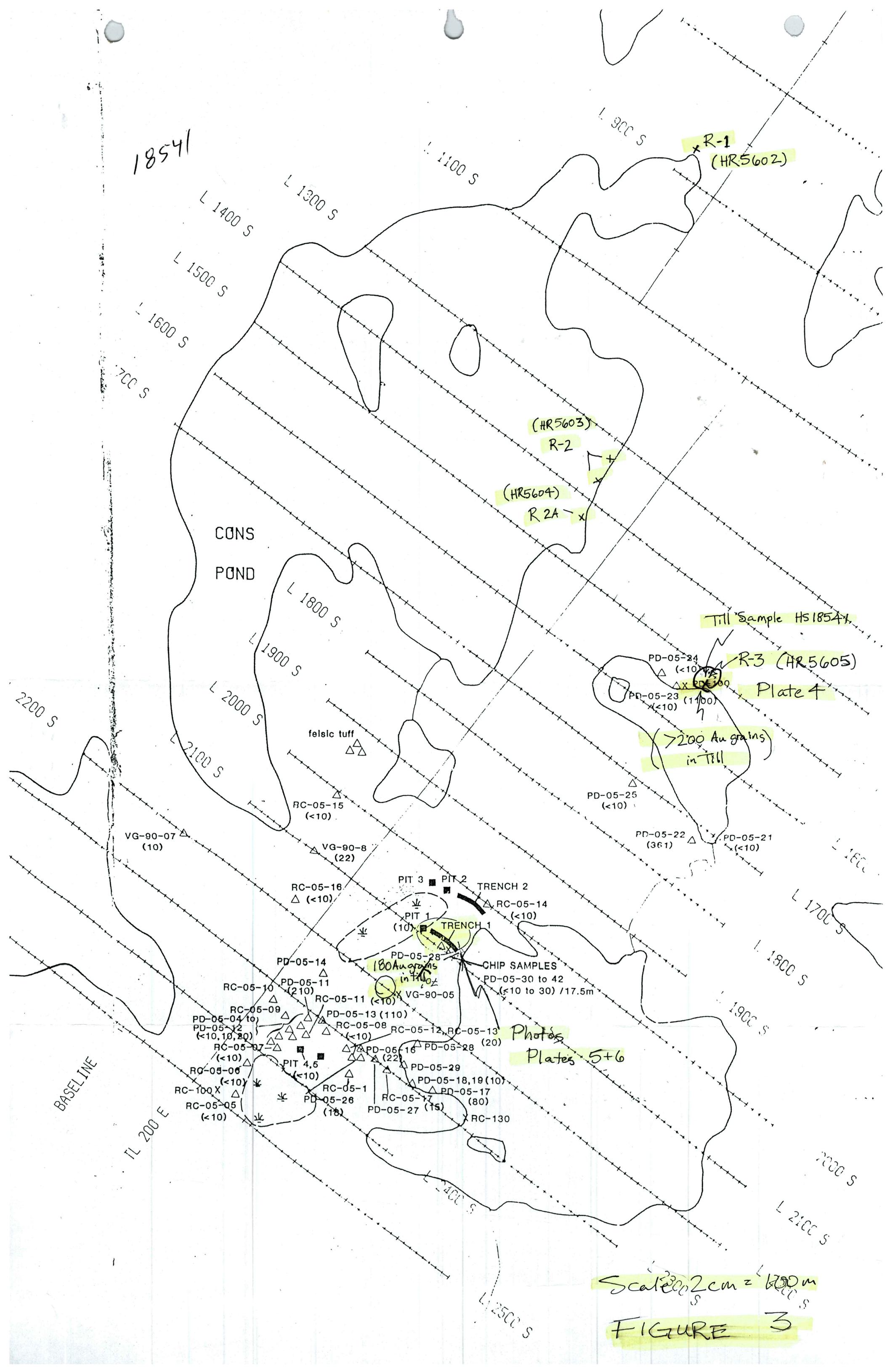
- Geological contact (approximate, assumed)
- Fault (defined, assumed)
- Anticline
- Syncline
- Paved road

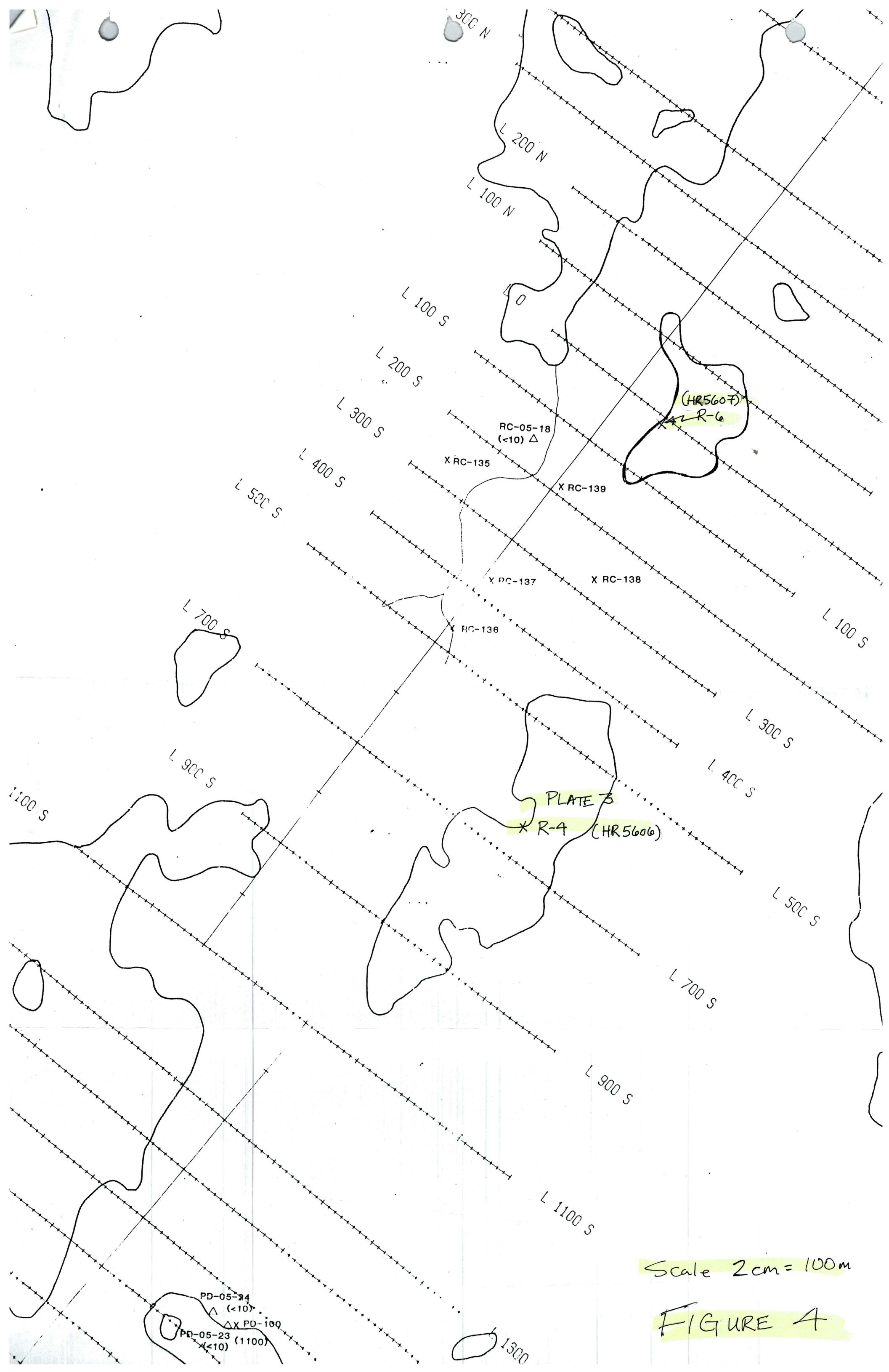
0 3
km

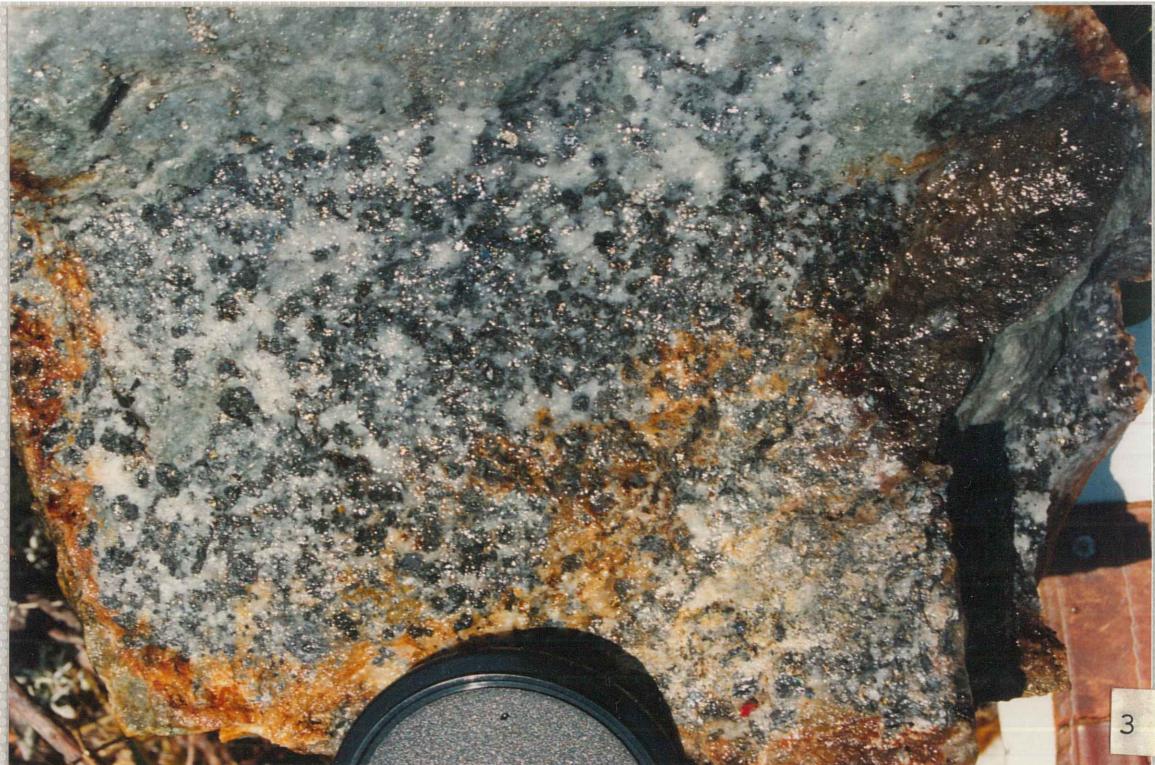
1:50,000

UTM NAD 27, Zone 22, 1N/06

Figure 2: Property Geology, from King, 1988.







Plates 1 and 2:

Photos showing the gentle hummocky topography and wet boggy nature of the area. O/C exposure poor.

Plate 3:

Zinc rich float sample site R-4 (HR 5606)



Plate 4:

Till Sample Location (HS 18541) and Panning Site
(Δ 30 grains panned from approx. two large
shovel fulls of material).

Plates 5 and 6:

Brecciated and highly silicified volcanics in
Trench 1 (See Figure)

00246

a9020263	Au	Ag	Al	As	Ba	Be	Bi
	1	2	3	4	5	6	7
1 HR 5602	40.	0.2	1.82	<5.	50.	<0.5	<2.
2 HR 5603	60.	0.4	0.39	<5.	230.	<0.5	2.
3 HR 5604	70.	0.2	0.11	<5.	10.	<0.5	<2.
4 HR 5605	800.	0.2	0.24	<5.	300.	<0.5	4.
5 HR 5606	15.	0.8	1.03	<5.	90.	<0.5	8.
6 HR 5607	80.	0.2	0.32	<5.	70.	<0.5	<2.
a9020263	Ca	Cd	Co	Cr	Cu	Fe	Ga
	8	9	10	11	12	13	14
1 HR 5602	0.44	1.0	13.	90.	69.	4.48	<10.
2 HR 5603	0.13	<0.5	4.	143.	2.	1.84	<10.
3 HR 5604	0.02	17.0	2.	220.	159.	0.70	<10.
4 HR 5605	0.20	<0.5	4.	208.	2.	1.91	<10.
5 HR 5606	0.45	73.5	9.	116.	768.	3.31	<10.
6 HR 5607	0.07	0.5	4.	239.	11.	1.84	<10.
a9020263	Hg	K	La	Mg	Mn	Mo	Na
	15	16	17	18	19	20	21
1 HR 5602	<1.	0.32	<10.	1.14	655.	3.	0.03
2 HR 5603	<1.	0.08	<10.	0.14	260.	90.	0.04
3 HR 5604	<1.	0.01	<10.	0.03	170.	25.	0.01
4 HR 5605	<1.	0.08	<10.	0.05	70.	92.	0.04
5 HR 5606	<1.	0.06	10.	0.68	465.	28.	0.11
6 HR 5607	<1.	0.05	<10.	0.14	95.	17.	0.01
a9020263	Ni	P	Pb	Sb	Sc	Sr	Ti
	22	23	24	25	26	27	28
1 HR 5602	5.	950.	26.	<5.	4.	6.	0.16
2 HR 5603	4.	330.	20.	<5.	1.	10.	0.05
3 HR 5604	10.	40.	748.	<5.	<1.	1.	0.01
4 HR 5605	4.	250.	78.	<5.	<1.	21.	0.04
5 HR 5606	4.	960.	3146.	<5.	3.	14.	0.18
6 HR 5607	8.	240.	700.	<5.	1.	4.	0.05
a9020263	Tl	U	V	W	Zn		
	29	30	31	32	33		
1 HR 5602	<10.	<10.	66.	<10.	92.		
2 HR 5603	<10.	<10.	14.	<10.	22.		
3 HR 5604	<10.	<10.	3.	<10.	1116.		
4 HR 5605	<10.	<10.	6.	<10.	28.		
5 HR 5606	<10.	<10.	33.	<10.	9902.		
6 HR 5607	<10.	<10.	13.	<10.	134.		

--- transfer complete ---

Aug 8/90

OO246

	a9020264	Au	Ag	Al	As	Ba	Be	Bi
		1	2	3	4	5	6	7--
1 HS 18541		1080.	0.6	3.09	<5.	30.	<0.5	<2.
a9020264	Ca	Cd	Co	Cr	Cu	Fe	Ga	
	8	9	10	11	12	13	14--	
1 HS 18541		0.29	<0.5	16.	83.	47.	4.33	<10.
a9020264	Hg	K	La	Mg	Mn	Mo	Na	
	15	16	17	18	19	20	21--	
1 HS 18541		<1.	0.10	20.	1.40	430.	<1.	0.01
a9020264	Ni	P	Pb	Sb	Sc	Sr	Ti	
	22	23	24	25	26	27	28--	
1 HS 18541		41.	580.	42.	<5.	9.	26.	0.20
a9020264	Tl	U	V	W	Zn			
	29	30	31	32	33			
1 HS 18541		<10.	<10.	129.	<10.	98.		

--- transfer complete ---

Aug 8/98

Cominco Ltd. • Exploration • Suite 2200 • 120 Adelaide St. W. • Toronto, Ontario • Canada • M5H 1T1
Telephone (416) 869-1850 • Facsimile (416) 869-3480 • Telex 06-22912 • Cable (Comtor)

APPENDIX. 1



Mr. A. Chislett
Box 729
Goulds, Newfoundland
A1S 1G7

February 19, 1990

Dear Albert:

Enclosed please find the 1989 year end report for the Triangle property, Avalon Peninsula, Newfoundland.

As discussed over the phone this morning the geophysical report for the Triangle grid will be forwarded to you as soon as we receive it.

Yours truly,

M. Fortee

f/n Vida Grosl
Project Geologist
Exploration, E.D.

VG/ml

Enc.

See 001N/06/0500

COMINCO LTD.

EXPLORATION

EASTERN DISTRICT

TRIANGLE PROPERTY

AVALON PENINSULA, NEWFOUNDLAND

NTS: 1-N-6

CLAIM BLOCKS: 4217, 4218, AND 6807

LICENCE NUMBER: 3758

CLAIM BLOCK: 6209

LICENCE NUMBER: 3707

CLAIM BLOCK: 6808

LICENCE NUMBER: 3779

1989 YEAR END REPORT

NOVEMBER 1989

C.T. RENNIE

APPENDIX 2

See OON/06/0501

COMINCO LTD.

EXPLORATION

EASTERN DISTRICT

TRIANGLE PROPERTY

AVALON PENINSULA, NEWFOUNDLAND

NTS: 1-N-6

CLAIM BLOCKS: 4217, 4218, AND 6807

LICENCE NUMBER: 3758

CLAIM BLOCK: 6209

LICENCE NUMBER: 3707

CLAIM BLOCK: 6808

LICENCE NUMBER: 3779

JUNE 1990

V. GROSL