

Inmet Mining Corporation

MEMO

Date: March 22, 1996
To: IM
From: CB
Copies: GR, FILE
Subject: Mt. Freegold/LaForma District, NTS 115 I Yukon Territory

The Mt. Freegold area is located 40 miles by summer road NW of Carmacks (175kms N of Whitehorse). The district contains numerous gold-silver vein occurrences as well as magnetite skarns and porphyry prospects. The Casino project of Pacific Sentinel Gold (200Mt of 0.30% Cu, 0.38g/t Au) is located 120kms NW along a corridor of at least eight other porphyry occurrences. Casino has undergone significant supergene leaching and is evidence that this portion of the Cordillera escaped the last episode of continental glaciation which removed any potential enrichment blankets. Mt. Freegold offers an opportunity to discover a supergene and/or gold enriched porphyry copper deposit. It is recommended that a compilation on a district scale be undertaken in order to evaluate potential and identify properties for option if warranted.

PREVIOUS WORK

Reports in our files (Kerr) on work during 1975 and 1981 included soils, IP and limited drilling. A total of 2000 meters was drilled on the property with 1200m on the GOLD PORPHYRY zone in 1975. Some 120 meters of this drilling averaged 1.2g/t Au. It is not known what recent work has been done.

GEOLOGY

The property is underlain by 2.6 X 3.5 km Jurassic granodiorite which apparently intrudes a hornblende syenite stock. The granodiorite is hornblende and magnetite bearing. Younger, possibly Tertiary, more felsic quartz monzonite stocks intrude the granodiorite. As well, breccia pipes are reported in the drill core. Tourmaline, considered very significant in Andean systems, is also observed here.

LEACH

Oxidation is reported to depths of 100 meters. Copper potential of the area may have been underestimated as a result of the leach. Chalcocite, tenorite and limonites have all been reported.

RESOURCE

A small resource of 3.7Mt of 1.14 g/t is reported at the GUDER showing. (Strip of 0.85:1 and 80% recoveries by heap leach).

MAGNETITE SKARNS

Magnetite rich bodies are reported at AUGUSTA and SKARN zones. Although they are potentially large, grades are reported to be weak and their relationship with the porphyry is unclear. However it is important to note their presence as part of the Cu-Au porphyry model.

APPROACH

- Put together a regional metallogenic map at an appropriate scale (50K or 100K) and identify metal zonation patterns. Leach cap appraisal techniques developed in Panama may prove useful here.
- Investigate potential central porphyry prospects.
- If the model holds up to field scrutiny obtain ground.
- Fly the district and drill test significant mag anomalies.

Table 1. Bulk Mineable Deposits of the Northern Cordillera

Deposit	Mt	Cu%	Au g/t	Intrusive	Comment
Fort Knox	158	-	0.83	Cret. Gdior	0.4g/t cut
Pebble Copper	430	0.35	0.41	Cret Tonalite	
Casino (Total)	197	0.30	0.38	Cret. Qtz Mz	
Casino (Supergene)	68	0.37	0.41		Met. problem
Dublin Gulch	100	-	1.20	Cret. Gdior	Nugget Eff.
Whitehorse Cu	10	1.50	0.70		Skarns

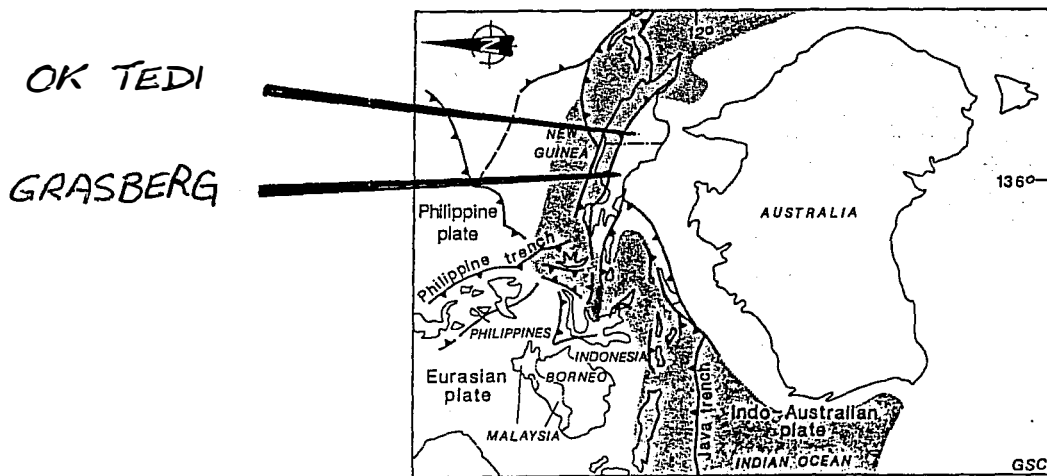
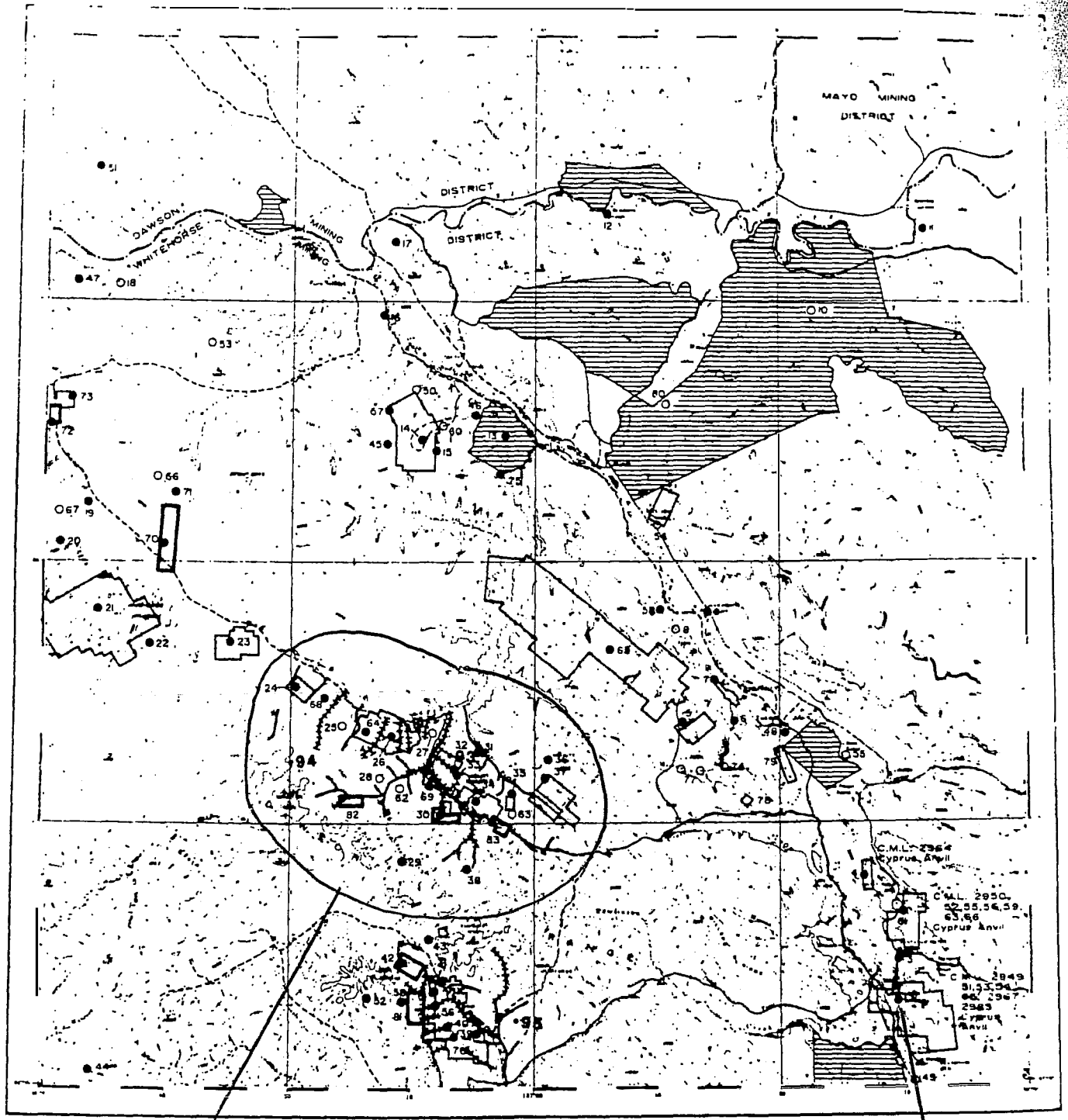


Figure 2.3. Present plate interactions involving the collision of Australia on the Indo-Australian Plate, with the Indonesian archipelago and New Guinea. Orientation is rotated 90° counter clockwise to facilitate comparison with North America during the Mesozoic.

Preliminary Map Only

115 I



CARMACKS
YUKON TERRITORY

CARMACKS

LAFORMA



Lands withdrawn from staking due to Native Land Claims (see specific claim map for accurate location and additional sites of withdrawal)



Mineral Deposit or Occurrence (see Key on facing page)



Unmineralized Target



Mineral Claims in good standing (Jan. 1984) and staked before Jan. 1983



Mineral Claims staked in 1983



Placer Leases in good standing (Jan. 1984)



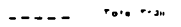
Placer Claims in good standing (Jan. 1984)



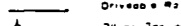
Coal Exploration License



Coal Mining Lease



Total Train



Driveway #227



Oil or Gas well



Airfield