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SUMMARY REPORT ON THE
LOGAN PROPERTY

Logan #1-114 Mineral Claims
Watson Lake Mining District, Y.T.

NTS: 105 B/7,8,9

November, 1982

Regional Resources Ltd.

1418-355 Burrard Street, Marine Building, Vancouver, B.C. V6C 2G8
Telephone: (604) 669-3398

November 24, 1982

Gentlemen:

Re: LOGAN Zinc, Silver, Copper, Lead, Tin PROPERTY
WATSON LAKE MINING DISTRICT, Y.T.

Please find enclosed a summary describing the above property. Samples of mineralization and host rocks, and more detailed geological, geochemical and geophysical information is available.

Regional would be interested in finalizing an option agreement to further explore the potential of this prospect. If you are interested in participating please let me know at your earliest convenience.

Yours very truly

REGIONAL RESOURCES LTD.



J. W. Stollery
President

JWS/z
encl.

SUMMARY REPORT

ON THE

L O G A N ZINC, SILVER, COPPER, LEAD, TIN PROPERTY

Logan #1-114 Mineral Claims
WATSON LAKE MINING DISTRICT
Wolf Lake Map Area, Yukon Territory
NTS 105 B/7,8,9
Latitude 60°28'N, Longitude 130°28'W

FOR

REGIONAL RESOURCES LTD.

By

CORDILLERAN ENGINEERING
1418 - 355 Burrard Street
Vancouver, B.C. V6C 2G8

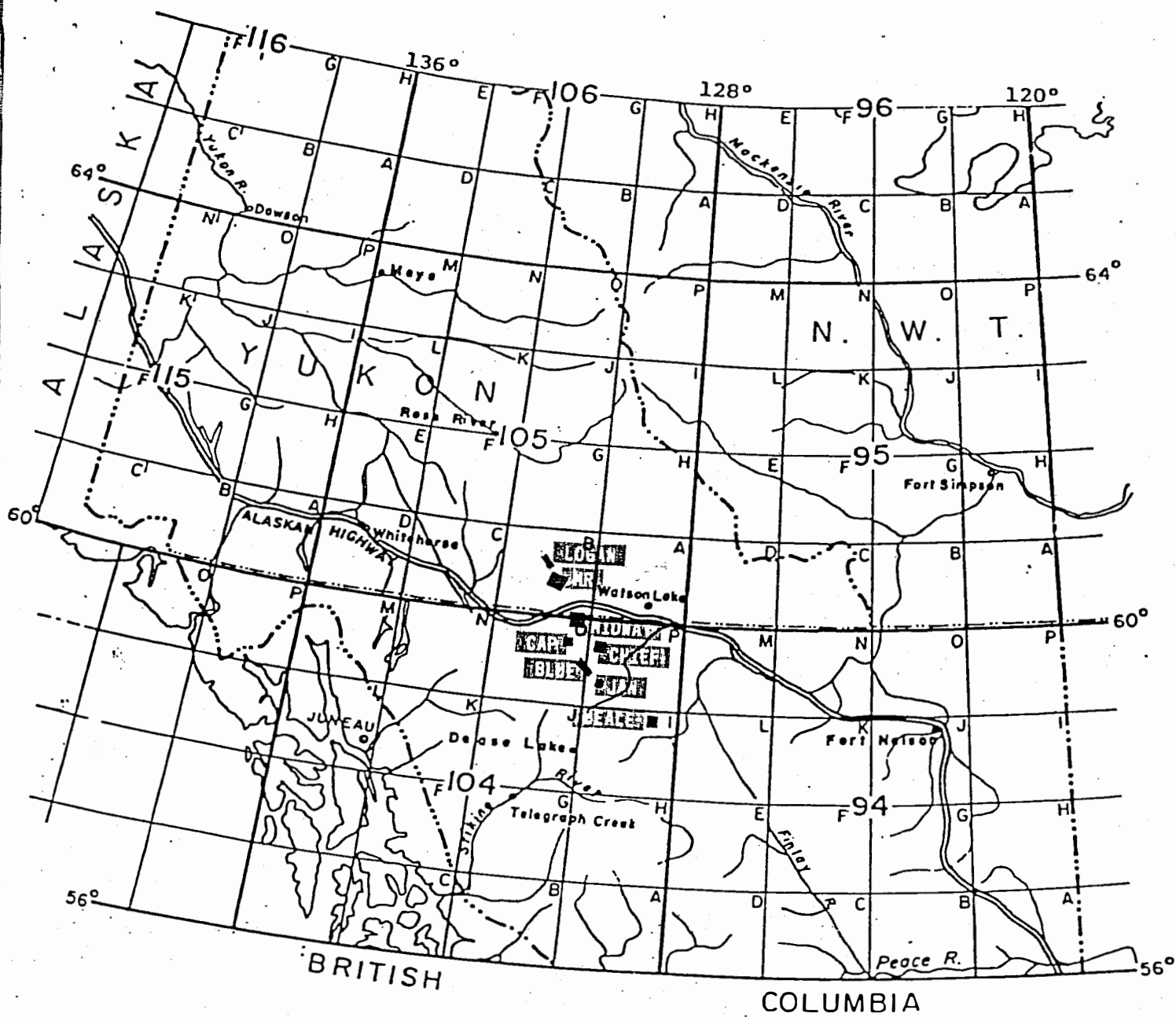
NOVEMBER, 1982

SUMMARY

The Logan property consists of 114 full-sized claims located 107 kilometres (66 miles) northwest of Watson Lake, Yukon Territory, in the Wolf Lake map sheet (Figure 1). The initial 36 claims were staked during 1979 and #37 to #114 were added in March, 1980. All claims were acquired by Cordilleran Engineering for Regional Resources Ltd.

The claim group covers forested subalpine terrain of low to moderate relief. Elevations range from 3800 to 5000 feet above sea level. Bedrock exposure is about 30 percent at higher elevations, but poor in lower forested areas. The property is situated 37 kilometres (23 miles) northwest of Mile Post 687 on the Alaska Highway, from which vicinity a winter cat road passes to within 30 kilometres (19 miles) east of the claims. Access at present is by helicopter.

Exploration to date includes geological mapping, geochemical sampling, prospecting, geophysical test surveys (IP, Magnetometer, EM) and hand trenching.



REGIONAL RESOURCES LTD.
 PROPERTY LOCATION MAP

SCALE: 1" = 125 MILES

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1418 - 355 BURRARD STREET
 VANCOUVER, B.C. V6C 2G8

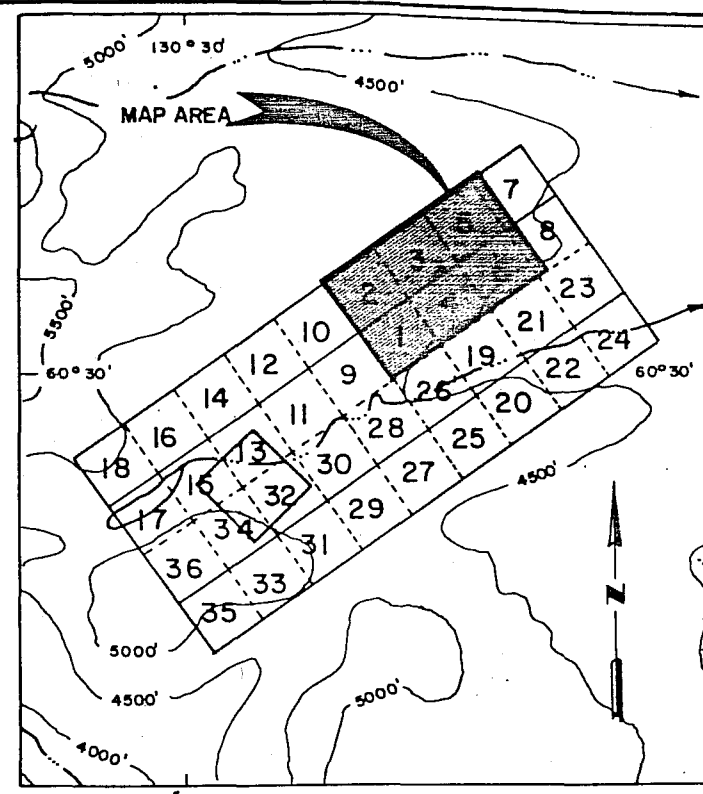
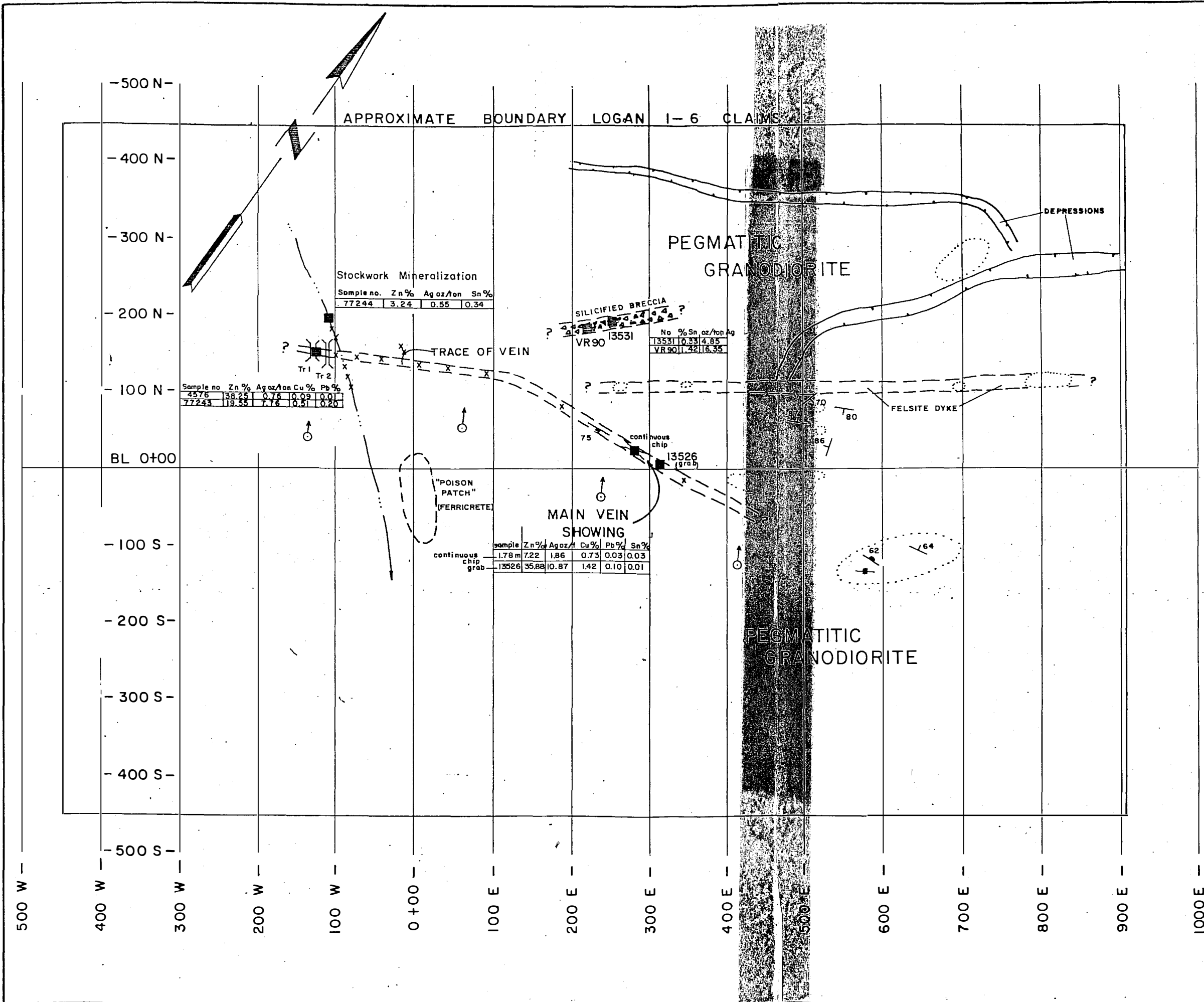
APRIL, 1982

SUMMARY (cont'd)

A significant vein system (Main Vein) containing Zn, Ag, Cu, Pb and Sn mineralization, hosted by highly altered granodiorite, is located on the northern part of the property (Figure 2). The granodiorite is strongly sericitized; pegmatite and graphic granite are common. Float boulders of massive sphalerite up to 0.6 m (2 ft) in diameter occur intermittently along a strike length of 500 metres and, at Main Vein Showing, trenching has exposed mineralization in place. Grab samples of float from locations 500 metres apart assayed: Zn 35.88 and 19.55%, Ag 10.87 and 7.76 oz/ton, Cu 1.42 and 0.51%, Pb 0.10 and 0.20%, Sn 0.01 and <0.01%, and negligible Au and W. A 1.78 metre (5.8 ft) chip sample across the Main Vein averaged Zn 7.22%, Ag 1.86 oz/ton, Cu 0.73%, Pb 0.03% and Sn 0.03%.

Float boulders containing quartz stockwork with significant Zn-Ag-Sn mineralization also occur, near the western limit of the Main Vein trend (Line 100W). The abundant quartz veinlets contain disseminated to massive sphalerite, pyrite, arsenopyrite, minor chalcopyrite and a tin mineral thought to be cassiterite. A typical grab sample of this material assayed: Zn 3.24%, Ag 0.55 oz/ton and Sn 0.34%.

Detailed soil geochemistry (1979) on the Logan #1-6 claims has defined the Main Vein along a strike length of 800 metres, with anomalous values for Zn (≥ 850 ppm), Pb (≥ 125 ppm), Ag (≥ 3.6 ppm), Cu (≥ 110 ppm) and Sn (≥ 100 ppm) as shown on Figures 3 and 4. Zinc and copper appear to have



EXPLANATION

- AREA OF OUTCROP OR SUBCROP
- LITHOLOGICAL CONTACT (inferred)
- JOINT ATTITUDE
- VEIN ATTITUDE
- MINERALIZED FLOAT
- ROCK GRAB SAMPLE and ASSAY RESULT
- TRENCH LOCATION
- FLAGGED GRID LINES
- PROPOSED DIAMOND DRILL HOLE Phase I

REGIONAL RESOURCES LTD.
LOGAN PROPERTY
GEOLOGY

WATSON LAKE MINING DISTRICT, Y.T. NTS 105 B/7,8,9

1:5,000

BY CORDILLERAN ENGINEERING

NOVEMBER 1982

FIGURE 2

APPROXIMATE CLAIM BOUNDARY LOGAN 1-6

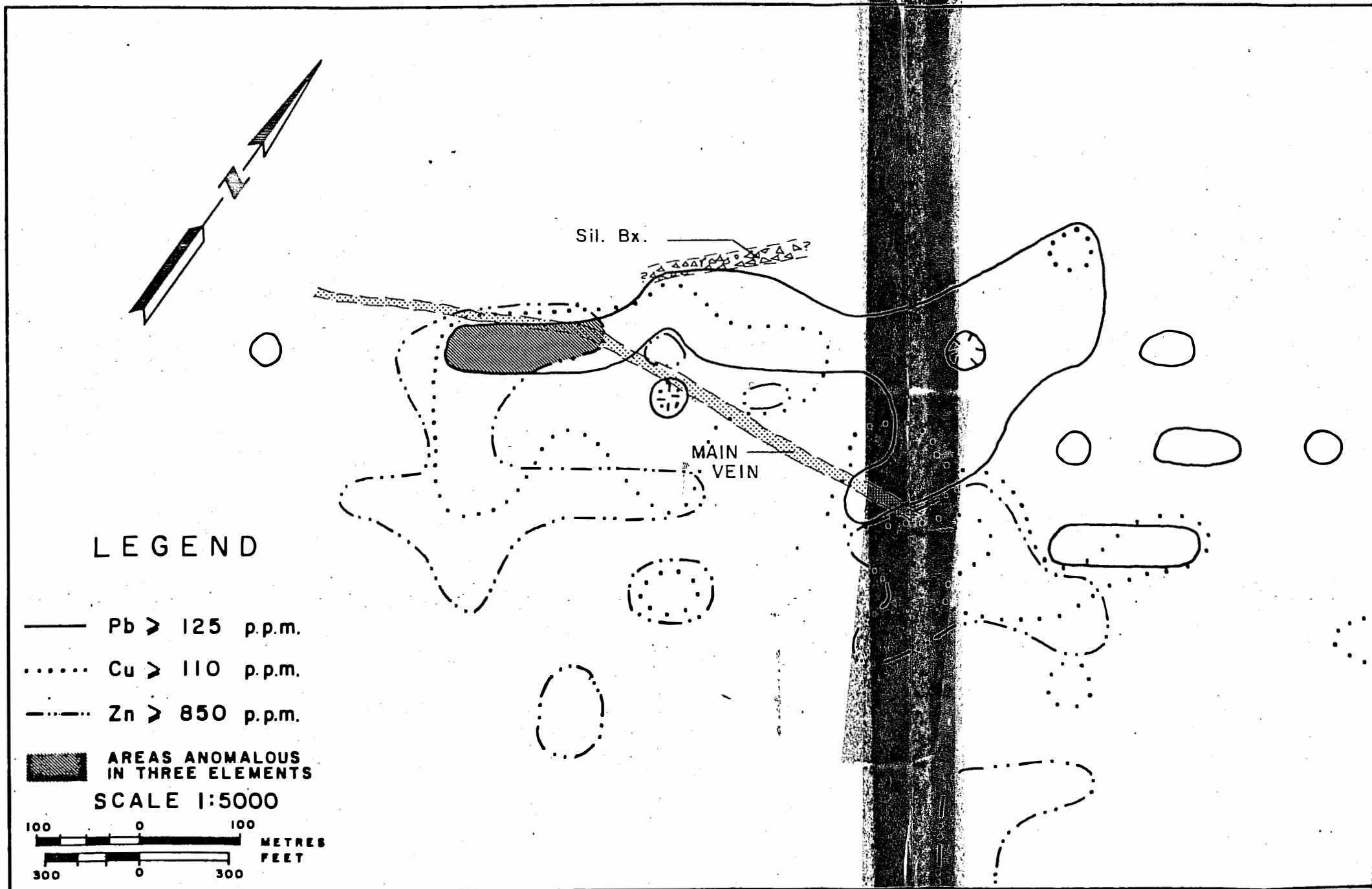
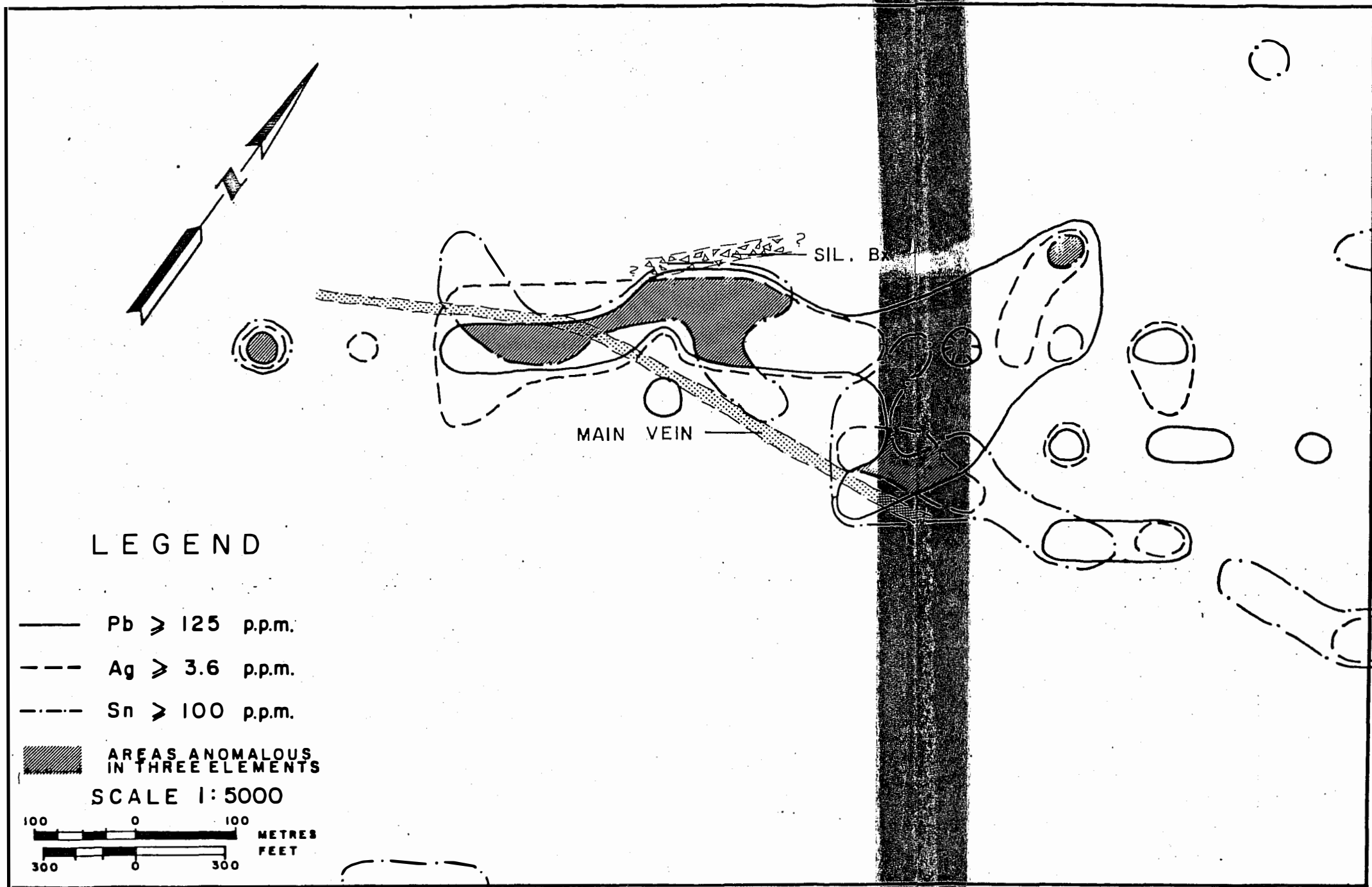


FIGURE 3 : SOIL GEOCHEMISTRY, Pb, Cu, Zn ANOMALOUS ZONES. LOGAN 1-6 CLAIMS

APPROXIMATE CLAIM BOUNDARY LOGAN 1-6



LEGEND

- Pb \geq 125 p.p.m.
- - - Ag \geq 3.6 p.p.m.
- · - · Sn \geq 100 p.p.m.
- ▨ AREAS ANOMALOUS IN THREE ELEMENTS

SCALE 1:5000

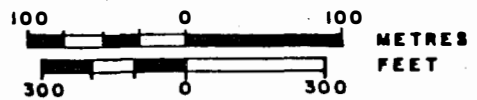


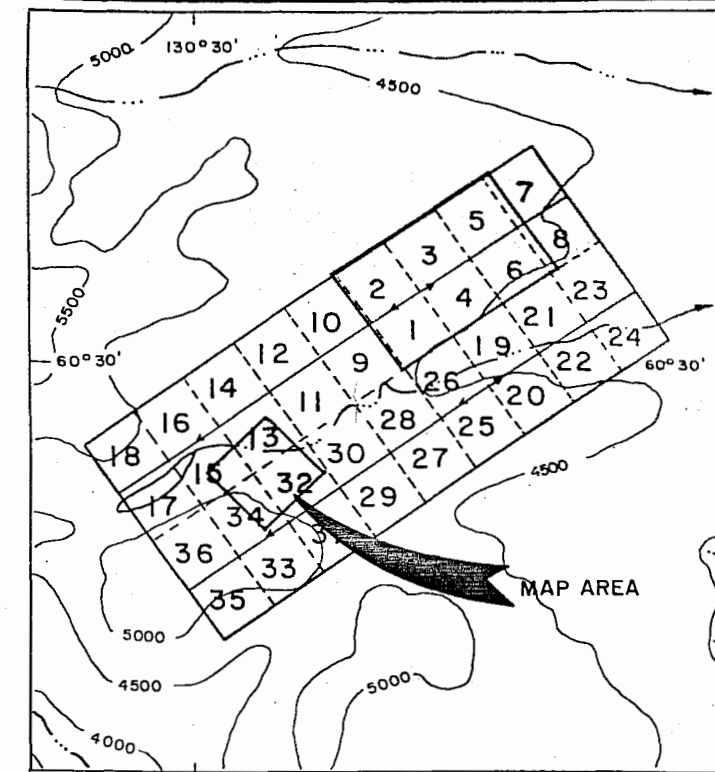
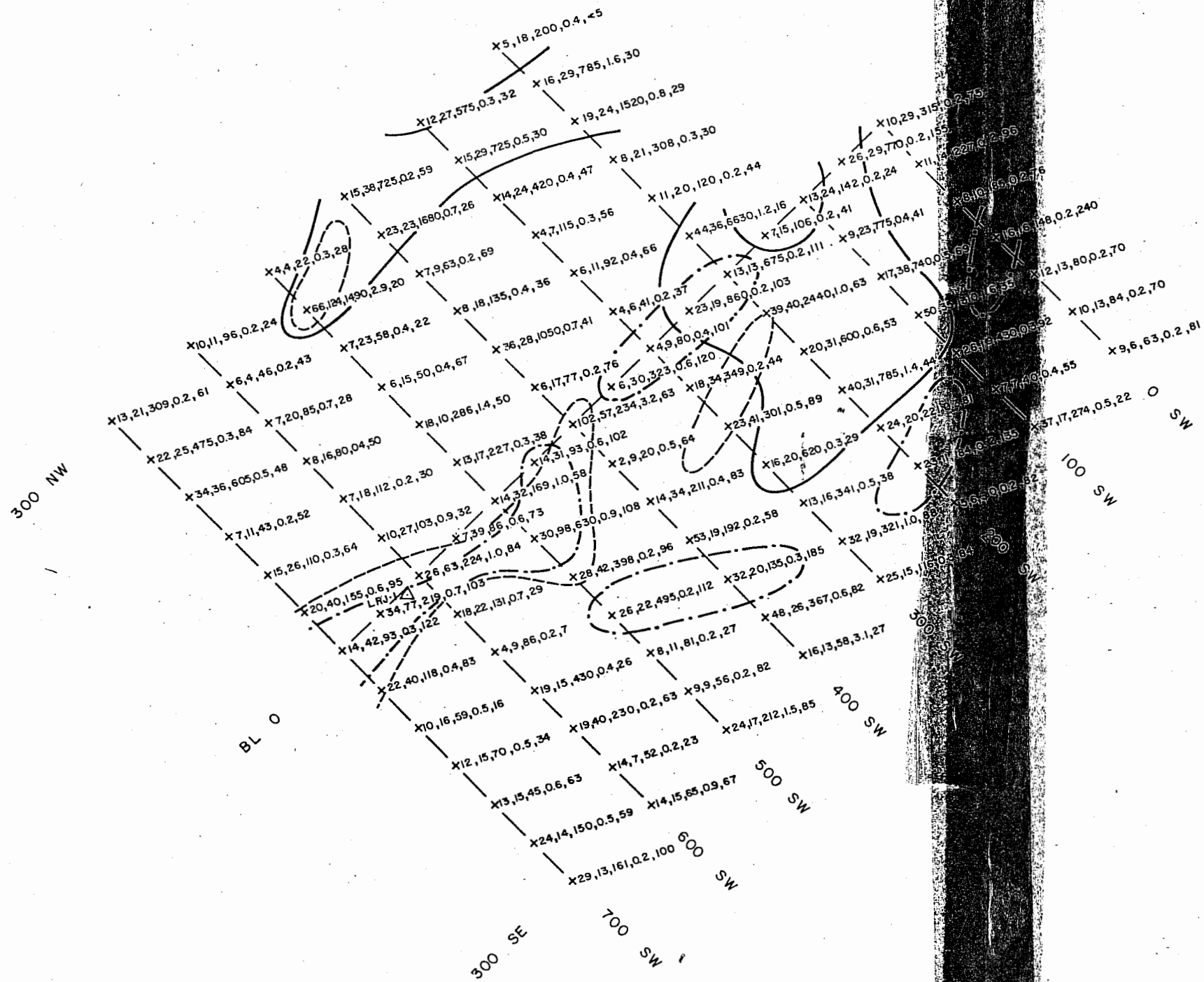
FIGURE 4 : SOIL GEOCHEMISTRY, Pb,Ag,Sn ANOMALOUS ZONES. LOGAN 1-6 CLAIMS

SUMMARY (cont'd)

undergone some downslope transport to the southeast. A zone of anomalous Pb-Ag-Sn which intersects the Main Vein trend near Line 100E may represent a subparallel mineralized vein system. Along this geochemical trend an outcrop of silica-cemented felsite breccia contains minor sphalerite, galena, arsenopyrite and probable cassiterite. Two samples returned assays of Ag 4.85, 16.35 oz/ton and Sn 0.33, 1.42% (Figure 2). Sufficient galena mineralization to explain very strong Pb (5400 ppm) and Ag (35.0 ppm) in soils has not been located to date.

Reconnaissance soil sampling in 1979 on the west side of the property revealed another area of anomalous Zn, Ag, Cu, Pb and Sn. Results of fill-in sampling on this grid (Figure 5) during 1982 indicate a linear zone of coincident high Pb (>40 ppm) and Sn (>100 ppm) which merges with an area of anomalous Zn (>600 ppm). A second Zn anomaly parallels this trend 250 metres to the northwest. Several of the samples with high Zn values also contain anomalous levels of Ag (>1.0 ppm) and Cu (>40 ppm).

Geophysical techniques (1979) have been tested across the trenched exposure of the Main Vein. Magnetic and electromagnetic results are inconclusive, but induced polarization results indicate a definite anomaly over Main Vein and over the area of strong Pb-Ag-Sn geochemistry 100 metres to the north.



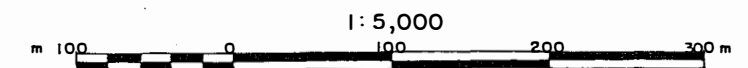
EXPLANATION

- ROCK SAMPLE LOCATION
- GRID LINE AND STATION
(element values given in parts per million)

NOTE: ANOMALOUS VALUES ARE:

| | | | |
|-------|--------|-------|-----|
| ----- | COPPER | ≥ 40 | ppm |
| ----- | LEAD | ≥ 40 | ppm |
| ----- | ZINC | ≥ 600 | ppm |
| ----- | SILVER | ≥ 1.0 | ppm |
| ----- | TIN | ≥ 100 | ppm |

REGIONAL RESOURCES LTD.
 LOGAN PROPERTY
 SOIL GEOCHEMISTRY — 1982
 WATSON LAKE MINING DISTRICT, Y.T. NTS 105 B/7,8,9



BY
 CORDILLERAN ENGINEERING

NOVEMBER 1982

FIGURE 5

CONCLUSIONS

The nature of the Main Vein Showing, associated float distribution and geochemical expression suggests that there may be sufficient mineralization associated with this structure to support a small tonnage, high grade mining operation. Geochemical response suggests higher grade Pb-Ag sections of the vein may occur along strike from the area of exposed mineralization, and additional subparallel vein systems may occur.

A pronounced lineament pattern, possibly acting as a channeling or focusing mechanism for hydrothermal solutions and intrusive activity, as well as multiple hydrothermal events, alteration, veining, brecciation and tin mineralization are strong evidence favouring the possibility that Sn-Ag greissen zones may occur at relatively shallow depths.

RECOMMENDATIONS

The following phased, success-contingent program is recommended for the Logan #1 to #36 claims. No work is proposed on the Logan #37 to #114 claims.

PHASE I

Orthophoto base map preparation

Geological mapping 1:5000 and 1:500

Grid Preparation 30 km

Geochemistry 40 line-km (800 samples)

Geophysics

- Induced Polarization Survey 20 line-km

- Magnetometer Survey 20 line-km

Diamond Drilling (NQWL) 1200 metres

PHASE II

Contingent upon the results of Phase I additional diamond drilling (NQWL) would be required: 3600 metres.

PROPOSED EXPLORATION PROGRAM
LOGAN PROPERTY

PHASE I

- Orthophoto map preparation (1:5000) approximate area 1500 hectares.
- Helicopter mobilization of lumber, camp supplies, fuel and diamond drill.
- Geological mapping 1:5000 scale of Logan #1 to #36 claims and 1:500 scale of mineralized areas.
- Grid preparation 10 km cut baseline to tie together existing grids
20 km cut line for geophysical surveys
30 km flagged cross lines.
- Geochemistry 40 line-km, 800 soil samples (Pb,Zn,Ag,Cu,Sn) 50 metre intervals along lines spaced at 200 metres to test unsampled areas of Logan #1 to #36 claims.
- Geophysics Induced Polarization and Magnetometer Surveys
8 line-km on lines spaced at 200 m in Main Vein area, 12 line-km in other areas to test geochemical anomalies. Total 20 line-km.
- Diamond Drilling (NQWL)
Drill holes spaced at 200 m intervals to test Main Vein and down dip extension of the subparallel geochemical anomaly.
4 holes x 300 metres = total 1200 metres.

PHASE II

- Diamond Drilling (NQWL)
Drill holes spaced at 50 m intervals to fill-in along 750 m of strike length of Main Vein.
12 holes x 300 metres = total 3600 metres.