| DISTRICT   | Rosehud                             |   |            |
|--|-------------------------------------|---|------------|
| DIST_NO  | 4010                                |   |            |
| COUNTY  If different from written on document  | Pershing                            |   |            |
| TITLE<br>If not obvious  | Rosebad - White                     | Alps Peer Review                        | 1999       |
| AUTHOR   | Allen K                             |   |            |
| DATE OF DOC(S)  MULTI_DIST Y / N2  Additional Dist_Nos:  QUAD_NAME                               | 1999<br>Sulphur 72'                 |   |            |
| P_M_C_NAME<br>(mine, claim & company names)  | Roschud Mine                        | Heela Ming G; 1                         | Nhate Alps |
| COMMODITY  f not obvious   | gold silver                         |   |            |
| NOTES  | Deposit review;<br>hard written not | geology; assays.                        |            |
| Keen doos at about 250 nages :   | if no oversized mans attached       | SS: D>                                  | 2/11/02    |
| Keep docs at about 250 pages i<br>(for every 1 oversized page (>1<br>the amount of pages by ~25) |                                     | SS: D> Initials  DB: Initials  SCANNED: | Date       |

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# HECLA MINING COMPANY

| BY KDA DATE 4/2 | COEUR D'ALENE, IDAHO 83815   |            |
|-----------------|------------------------------|------------|
| CHK. DATE       | 7/99 JOB TITLE               | 1          |
| DWG. NO.        |                              | JOB NO.    |
|                 | Pera Review @ Newmont OFFICE | DIVISION   |
|                 | OHICE                        | SHEET / OF |

RANDY -

Intro - Time Live SB canyon No more work (Towers CHRECELONY TANGET)

11.11 = Holly 15 Religging = Caston & A decision Pornt (Seill trayles & mil to care June)

Caston & mapping in mays IP Lines in mil may seice 2 Holes Meligra

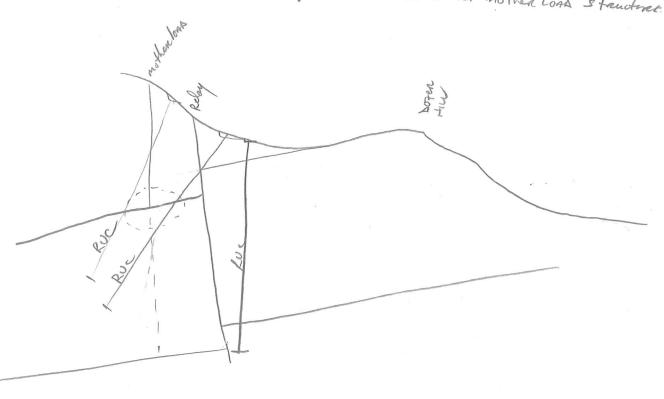
Degistion & mapping Begins in mil may by mapping of Gray stile July. WHITE Ays = on Schedule

UG- DRilling -

3 weeks - Holly HAS sections completed at Dream land. @ that time need to get Together & decide about Deilling

Pete Rogowski -

WANTS TO ARILL A vertical Hole on EACH Side of the help fault & ONE on Two Angle / vertical Holes est mother LOAD 3 tructures.



## HECLA MINING COMPANY

COEUR D'ALENE, IDAHO 83815

| BY       |      | 83815     |            |
|----------|------|-----------|------------|
|          | DATE | JOB TITLE |            |
| CHK.     | DATE |           | JOB NO.    |
| DWG. NO. |      |           | DIVISION   |
|          |      |           | SHEET 2 OF |

WHITE ALPS - Surface Geo Poker M

Roch Geochen

Existing Drill Hiller

Assays to duk (GT mars)

Resistivity / changability

1:1200 scare cross-sections

Recommendations & Disensions

White ALPS POPPHYRY? S.ts Between (CAN Be MINERALIZED?)

Bus & CHUCOlute. (WHITE ALPSA)

KAMMA ANDESILE = GLOMEROPORPHYRITIC ANDESILE => Pete thinks It's the BMB

BIMB - RAMMA ANDESILE

EAST=) BIMB - ROSCBUD QUENTE LATTE (E)

IN the EAST ZONE.

The write ALPS STRUCTURE & WE DON'T KNOW WHICH WAY IT DIASON STRIKES. Because you can put any strike & D.p on I you like.

Surface Gentler

Silven geochem => overall impression of mine is that N30 154 E

ARSonic, SE of that Appears to Jollow the mine Sequence Starke
in out cop

using Resistivity Georgesical Techniques & class-sections of registivity by Nigel for (Geological interpretations)

#### **HECLA MINING COMPANY**

COEUR D'ALENE, IDAHO 83815

| BY (A)   | DATE 4/27/99 JOB TITLE | JOB NO.    |
|----------|------------------------|------------|
| CHK.     | DATE                   | DIVISION   |
| DWG. NO. |                        | SHEET 3 OF |

## Cross - sections

RAWBY - Stores that the EAST - West structures MRE Extension Joints which ARE mineralized.

RAWBY Recommends - 284 Ventrual Holes SE of the WHITE ALPS.

- Sections ARE @ 1 = 100'

- Wildrose => LBT is REALATIVELY THICK =7 2,000 + feet.

- # 1900 NW PREPOSED Hole A - Purpose is to find out to p of

Stendine refined by resistanty (Nigels Comment)

4 to find out about other High-Highe

BLOCK of Highest Resistivity & silicification.

- 2100 NW & Proposed Hole B - Purpose 15 to also find out Dip of Structure Refined by Resistivity (Nigel's Lineament)

& to close Act & MIN IN RL P & RL 80

- # 2300 NW Proposed Hole C

- 2500 NW Hole RS-446. High silver Hole => Not Peoposing to Drice conver

- 2700 NW D'PROPOSED HOLE D = Purpose is to continue to check the Resistivity unexment.

Ranky Proposes Drilling Hole # B & D first then Regroup \$0

## White Alps Peer Review: April 27, 1999

#### **GEOLOGY**

*Target Concept* The primary target at White Alps is a structurally controlled, high-grade underground-minable gold-silver deposit. Several major faults were intersected in previous drill holes; some are low- to moderate-angle as seen in the core tails. The stratigraphy, fault geometry, and structural setting are poorly understood, given that only two deep holes (RS-446, RS-456) have been drilled and all of the shallow holes are RC. Resistivity shows strong lineaments in plan and interpreted sections, but correlation with RC holes is difficult.

## HYDROTHERMAL ALTERATION

Type and Intensity Moderate to strong silicification is widespread in outcrops and roadcuts. Argillization is weak to strong at the surface, consistent with high-level epithermal alteration. White Alps occurs at the intersection of a major NE-trending fault zone (Schoolbus Canyon fault) and an ENE extensional joint set. The latter contains steeply dipping silica-clay-FeOx filled fractures, and is mapped from the southern edge of Dreamland north to the backside of White Alps knob and east to RL-18. Alteration intensity down hole is weak to strong, consisting of silicification, argillization, and pyritization. Some holes show strongest alteration in the hanging wall of faults, whereas others show strongest alteration in the footwall.

#### **GEOCHEMISTRY**

### Surface Geochemistry

## Rock

Many rock chip samples contain 0.01-0.5 ppm Au, and 5 contain 0.5-1.0 ppm. A dozen Ag values are >1 ppm. The NW side of White Alps has 15 rocks with Ag >5 ppm. Strong Se values occur in silicified outcrops in the NE part of the target area. Hg is high, Sb is spotty high, and a few As values are >50 ppm.

## Soil

Many are > 50 ppb Au; Sb is moderate (10-50 ppm); several Se are 1-5 ppm; As and Ag are generally low; Hg is spotty with several 0.5-1 ppm.

#### Drill Hole Geochemistry

A series of narrow but significant structurally controlled veins with sub-economic Au-Ag values were intersected in the first deep hole drilled at White Alps. The highest values occur along silicified veins and clay-sulfide veins. The highest silver assays in all holes to date (RS-446) occur in the footwall of an alteration contact (Bud epiclastics above LBT)

that is interpreted as a silicified fault. These mineralized structures are approaching Au-Ag values seen around the Rosebud deposits, and they may represent leakage from nearby deposits.

Table 1 shows significant drill intercepts, with the highest values in bold.

Table 1. Significant drill intercepts, White Alps.

| Drill Hole | Interval (ft) | Depth (ft)    | Au oz/st   | Ag oz/st | Comment                | Trace elements                   |
|------------|---------------|---------------|------------|----------|------------------------|----------------------------------|
| RL-18      | 10            | 275-285       | 0.021      | 1.87     | hole lost at 465       | none available                   |
| RL-19      | 5             | 20-25         | 0.016      | 0.25     | hole lost at 445       | none available                   |
|            | 5             | 75-80         | 0.013      | 0.52     |                        |                                  |
|            | 15            | 120-135       | 0.016      | 1.13     |                        |                                  |
|            | 20            | 195-215       | 0.052      | 1.04     | incl 10' of 0.075 Au   | - SIOZ JOSSAN BX W/IN FAULT.     |
| RL-20      | 5             | 150-155       | 0.01       | 1.24     | 625' T.D.              | none available                   |
|            | 5             | 375-380       | 0.011      | 0.5      |                        |                                  |
|            | 5             | 395-400       | 0.016      | 0.36     |                        |                                  |
| RL-21      | 5             | 550-555       | 0.015      | <0.10    | 645' T.D.              | none available                   |
|            | 5             | 560-565       | 0.012      | <0.10    |                        |                                  |
|            | 5             | 570-575       | 0.011      | <0.10    |                        |                                  |
| RL-79      | 5             | 260-265       | 0.012      | 0.13     | 705' T.D.              | none available                   |
|            | 10            | 290-300       | 0.011      | 0.89     |                        |                                  |
|            | 15            | 490-505       | 0.014      | 1.47     |                        |                                  |
| RL-80      | 5             | 265-270       | 0.01       | 0.77     | 675' T.D.              | none available                   |
|            | 5             | 295-300       | 0.012      | 1.11     |                        |                                  |
| RL-81      | Nil           |               |            |          | 805' T.D.              | none available                   |
| RL-83      | 5             | 410-415       | 0.01       | <0.10    | 815' T.D.              |                                  |
| RS-446     |               | 9             |            |          | · · ·                  |                                  |
| precollar  | 1100          |               | Detectable |          | Cumulative intervals   |                                  |
|            | 0.8           | 1756.2-1757.0 | 0.037      | 32.85    | pyrarg + cp            | 314 As, 1140 Sb, 218 Se, 1.47 Hg |
|            | 2.4           | 1759.7-1762.1 | 0.011      | 3.52     | pyrarg + cp + stib     |                                  |
|            | 2.3           | 1766.8-1769.1 | 0.024      | 16.8     | py-ba-clay-Si          | 592 As, 351 Sb, 201 Se           |
|            | 0.7           | 1817.7-1818.4 | 0.006      | 7.15     | black silica           |                                  |
|            | 4.6           | 1883.2-1887.8 | 0.009      | 4.44     |                        |                                  |
|            | 1.5           | 1887.8-1889.3 | 0.017      | 8.42     | Si-gouge-gray-sulfidic | 168 As, 65 Sb, 31 Se             |
|            | 1.0           | 2339.4-2340.4 | 0.015      | 0.32     | Sulfidic slfd bxa      | 342 As, 70 Sb,118 Se             |
| RS-456     | 1.5           | 2373.7-2375.2 | 0.006      | 2.13     |                        | 145 As, 18 Sb, 22 Se             |

The strongest mineralized drill holes are RS-446, RL-19, RL-20, RL-79, and RL-80. (Mineralized is defined as the longest and most intense intervals of silicified, pyritized, and argillized rock with anomalous gold and silver)

## **GEOPHYSICS**

Resistivity High anomaly (>150 ohm-m). Resistivity defines N15E and N70W linear features. Resistivity highs correlate fairly well with subcropping silicified bodies, but their geometries at depth are somewhat contradictory. LAC's shallower drill holes intersected strongly silicified and pyritic rock, which appears to be fault-bounded on several sections.

## Recommendations

**DRILL HOLES** Four drill sites are proposed (A, B, C, D.) **B** and **D** are recommended for drilling in this phase, and follow-ups will be contingent on results from these two holes. **B** and **D** are approximately 460 and 420 feet respectively from RS-446. Site B is in the hanging wall of the main White Alps structure down dip of RL-19 and RL-80. Both will penetrate the elevations of the strongest geochemistry in previous holes (about 4000 feet elevation). These two holes, when used in conjunction with RS-446, should provide adequate information to determine whether angle holes are justified during a second phase.

| <u>Site</u>  | <u>Depth</u>         | <u>Target</u>                                 |
|--------------|----------------------|---|
| A            | 1400  rc + 600  core | HW of RL-20, down dip of White Alps           |
| $\mathbf{B}$ | 1450  rc + 550  core | HW of RL-19 and RL-80                         |
| C            | 1400  rc + 600  core | HW of RL-79                                   |
| D            | 1600  rc + 500  core | HW of RL-18 and silica-Au-Ag-As-Se in bedrock |

COST TO FIRST DECISION POINT \$40,000 to 60,000 each (\$80-120K) 2 deep holes (both vertical). These additional holes are needed to provide (1) offsets to mineralization in RS-446, (2) constraints on the structural setting, and (3) geochemical vectors towards higher grades.