

DRILLING REPORT ON THE NORTH
GROUP (50° 43' N. LAT - 116° 24' W.
LONG), FRANCES CREEK, B.C., FOR
FRANCES CREEK MINES LTD.

BY GUY B. ALLEN, P. ENG.

OCT. 2, 1973.

Lead Queen
41233

82K/10E

4712

FRANCES CREEK MINES LTD.

DRILLING REPORT * NORTH GROUP

MAPS
#1 Drill Section
#2 Survey of Workings
& Mineral Shows

General

A two-phase drilling program to be conducted on the Frances Creek property of Frances Creek Mines Ltd. was contracted by Shepherd Industries Ltd. of Rossland, B.C. It was initially proposed that approximately 1000 feet in two or three holes be drilled on the North Group in the vicinity of the old workings on the Lead Queen (L12763) claim. This was to be followed by an additional 500 feet in three short holes on the South Group to test the vein structure exposed in the No. 4 adit on the First Effort (L11426) claim.

The drilling rig, a BBS1, and crew moved on the property on August 24, 1973. Due to delays in helicopter support, drilling was not commenced on Hole No. 1 until August 30. The hole was finally completed at a total depth of 195 feet on September 13th. As weather conditions were making the continuance of the program on the Lead Queen difficult, the contractor's representative suggested that this portion of the program be suspended. Hence the rig was moved and the second phase of the program was initiated at the lower altitudes on the First Effort claim.

Diamond Drill Hole No.1

DDH No.1 was spotted at a horizontal distance of 182 feet from Sample Point No.2 at a bearing of North 65° West and 81 feet lower in elevation. Sample Point No.2 is just adjacent to the Upper Workings adit. The hole was drilled at a bearing of North 55° East and at an angle of -45°.

The purpose of this hole was to test for a northern extension of the vein that is exposed in the Upper Workings tunnel and at Sample Point No.2. The sparsely mineralized vein structure was encountered between the depths of 99 feet and 124 feet. Over this interval the core was split for assay and returned the following:

Interval	Gold (oz/T)	Silver (oz/T)	Lead (%)	Zinc (%)
99'-103'	<0.003	0.96	0.76	0.02
103'-107'	<0.003	2.77	0.70	0.01
107'-111'	<0.003	1.31	0.35	0.02
111'-117'	<0.003	0.58	0.58	0.02
117'-124'	<0.003	0.13	0.06	<0.01

In comparison, an assay of chip samples taken across six feet at Sample Point No.2 returned Gold - 0.023 oz/T, Silver - 6.33 oz/T, Lead - 9.20%, and Zinc - 3.00%

Conclusions and Recommendations

Hole No. 1, by encountering the sparsely mineralized vein structure on strike with the occurrence in the Upper Workings adit, has added approximately 145 feet to the inferred length of the structure.

During the course of the drilling some additional surface prospecting was done in the area south of the upper surface pits. As a result, mineralized vein material was discovered outcropping on strike 90 feet southeast of the previous limits of the vein.

Using these occurrences we can now infer a strike length of over 600 feet to the structure.

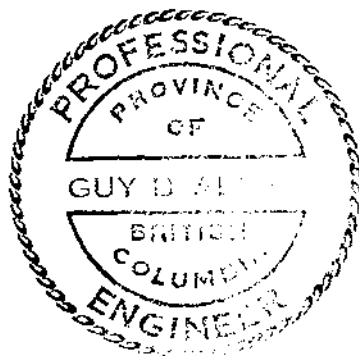
It remains to test the structure for depth extension by drilling. For this purpose a second hole location has been spotted downslope from the most southerly of the upper trenches. This, if successful, should intersect the vein some 350 feet to 400 feet below its surface exposure, and would give reasonable substantiation for the possibility of reserves of at least 50,000 tons of mineralized rock.

The grade of the mineralized material is the major concern. The assays from Hole No. 1 indicate sub-economic material. The tenor of the sampled material at the mouth of the Upper Workings tunnel (Sample Point No.2) may or may not represent ore depending on the economic feasibility of extracting it.

The vein structure mineralization on this property has historically been erratic with the structure pinching and swelling, and grading in sulphide content from rich to barren. Hence a drill core or a surface outcropping of the vein can only be considered indicative of the nature of the structure for a few feet on either side. What controls localization of the metallics in the vein is not clear, but there appears to be a relationship to the nature and competency of the rock through which the structure passes. Predicting the overall grade of the mineralized rock would be only a guess without a closely spaced drilling program or underground bulk sampling.

As mentioned, one additional drillsite has been spotted. This hole would probably intersect the vein within 350 feet. A further hole to the north of hole No. 1 is also suggested as an attempt to extend the structure further in that direction.

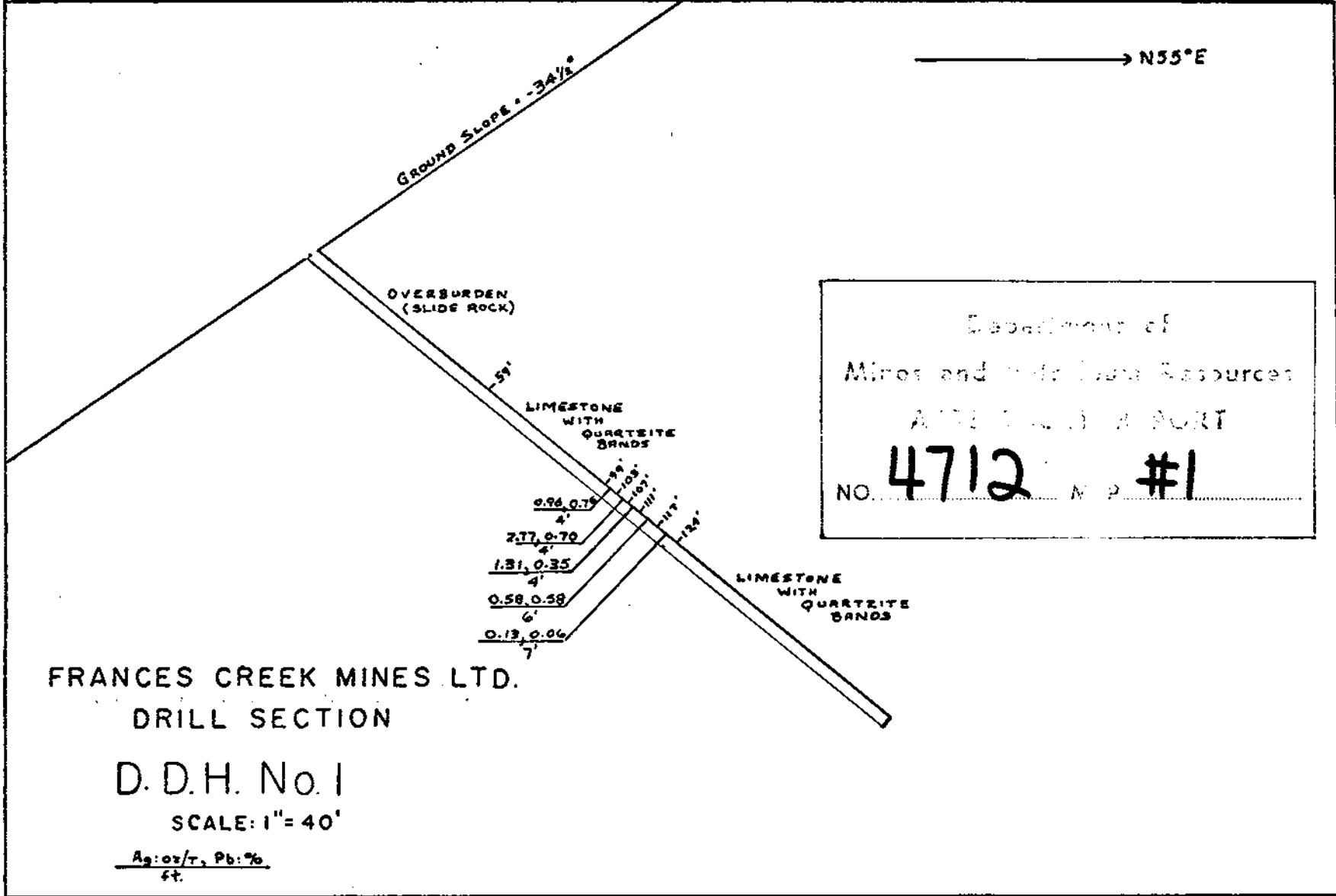
There is a possibility that a portion of the vein intersection was ground up during drilling of Hole No. 1 as there was not complete core recovery. Unfortunately there was no return of the drilling fluid across this interval, and no sludge samples could be taken.



October 2, 1973

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DRILL LOG

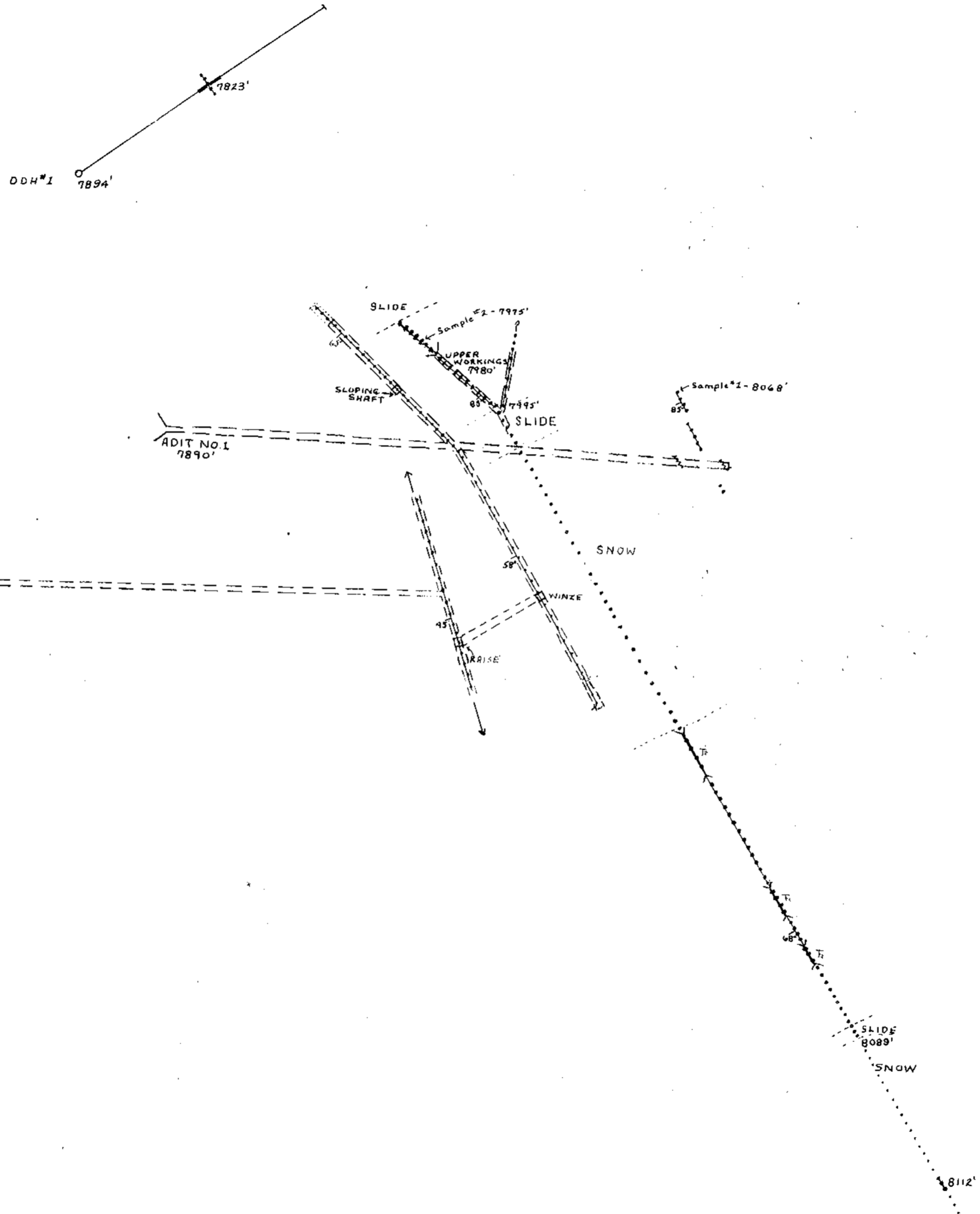
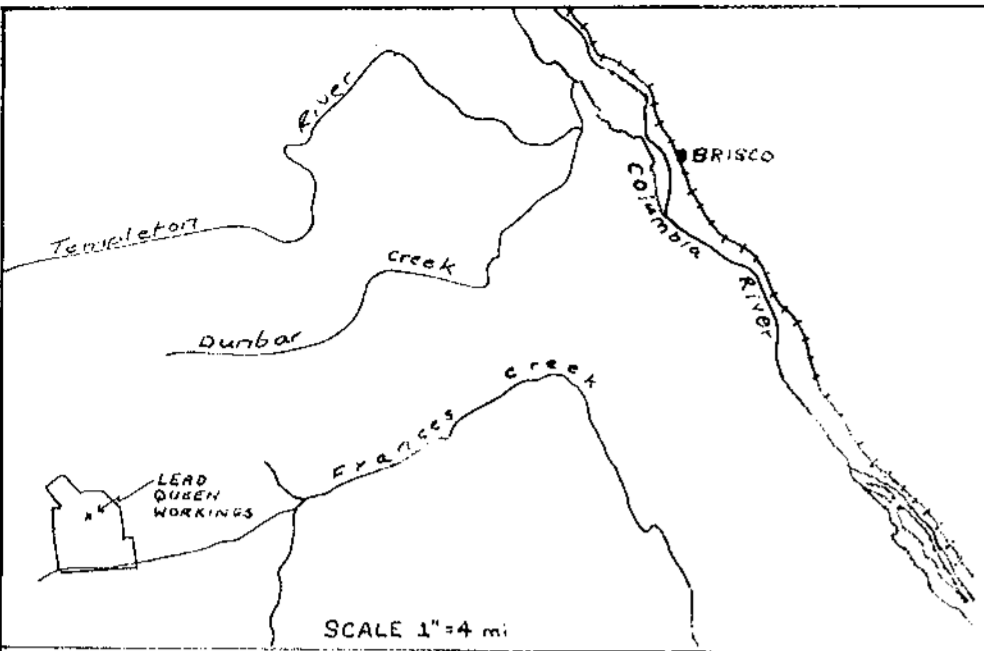
Diamond Drill Hole No. 1: Bearing - North 55°E
Dip - 45°
Completed - Sept. 14, 1973

<u>FROM</u> <u>ft.</u>	<u>TO</u> <u>ft.</u>	<u>REC.</u> <u>ft.</u>	<u>DESCRIPTION</u>	<u>Au.</u> <u>oz/T</u>	<u>Ag.</u> <u>oz/T</u>	<u>Pb.</u> <u>%</u>	<u>Zn.</u> <u>%</u>
0	59		<u>Overburden</u> - slide rock				
59	62.5	3.5	<u>Limestone</u> - med. to dark grey with brown tinge, hard, dense, argillaceous calcite veins up to $\frac{1}{4}$ "				
62.5	66	3.5	<u>Limestone</u> - very fine grained, dense, uniform texture, slightly arg. occasional calcite vein up to $\frac{1}{4}$ " wide				
66	67	1	<u>Quartzite</u> - light to med. grey, mottled, hard, angular, calcite veining				
67	70.5	3.5	<u>Limestone</u> - med. to dark grey, very fine grained, dense, uniform texture, slightly argillaceous, occasional thin calcite vein. Quartzite band, 1" wide as above at 68' Quartzite band, 1" wide as above at 69' Limestone grades to dark grey and black at 69'				
70.5	72	1.5	<u>Limestone</u> - as described above and <u>Quartzite</u> - as described above in alternating bands $\frac{1}{2}$ " - 2" wide				

<u>FROM</u> <u>ft.</u>	<u>TO</u> <u>ft.</u>	<u>REC.</u> <u>ft.</u>	<u>DESCRIPTION</u>	<u>Au.</u> <u>oz/T</u>	<u>Ag.</u> <u>oz/T</u>	<u>Pb.</u> <u>%</u>	<u>Zn.</u> <u>%</u>
72	76.5	4.5	<u>Limestone</u> - med. grey to black, very fine grained, mottled, veins and blebs of white calcite, occasional thin quartzite band as described above.				
76.5	77	0.5	<u>Limestone</u> - as described above, and <u>Quartzite</u> - as described above in bands and blebs with irregular boundaries. considerable calcite veining, brecciated appearance				
77	80	3	<u>Limestone</u> - as described above, some calcite veins				
80	81	1	<u>Quartzite</u> - dark grey to black, angular, hard, mottled, calcite veins.				
81	81.5	0.5	<u>Limestone</u> - as described above				
81.5	85	3.5	<u>Limestone</u> - med. to dark grey and brown, part dense, partly very argillaceous, very broken, calcite crystals and veins, some broken quartzite				
85	90	5	<u>Limestone</u> - med. to dark grey with some brown, fractured, disturbed with occasional small quartzite band, minor calcite veining, some manganese stain. A few specks of pyrite and <u>galena</u> at 88'				
90	99	4	<u>Limestone</u> - med to dark grey and brown, very fractured, broken and ground up, like recemented breccia in part, manganese stain.				
99	104	3	<u>Quartzite</u> - very limy, highly fractured, light buff to grey, quartz veins, disseminated pyrite, visible galena in veinlets; <u>Assay Sample 99' - 103'</u>				
				0.003	0.96	0.76	0.02

<u>FROM</u> <u>ft.</u>	<u>TO</u> <u>ft.</u>	<u>REC.</u> <u>ft.</u>	<u>DESCRIPTION</u>	<u>Au.</u> <u>oz/T</u>	<u>Ag.</u> <u>oz/T</u>	<u>Pb.</u> <u>%</u>	<u>Zn.</u> <u>%</u>
104	106.5	2.5	<u>Limestone</u> - siliceous, med. grey, fractured, mottled, veinlets of <u>galena</u> and pyrite, limonite stain. Assay 103'-107'	<0.003	2.77	0.70	0.01
106.5	109	2.5	<u>Quartz</u> - vein material, white, milky with <u>galena</u> in disseminations and veinlets				
109	111	2	<u>Quartzite</u> - grading to siliceous schist, partly limy, light grey, fractured, partly platy, hard, mottled with veinlets of <u>galena</u> Assay 107'-111'	<0.003	1.31	0.35	0.02
111	129.5	17	<u>Limestone</u> - light to med. grey, brown in part, very fine grained, partly fractured, partly siliceous, partly argillaceous, veinlets of <u>galena</u> , some calcite veining Assay 111'-117'	<0.003	0.58	0.58	0.02
129.5	133	3.5	Medium brown 124'-125.5' Assay 117'-124'	<0.003	0.13	0.06	<0.01
			<u>Limestone</u> - very limy, argillaceous, med brown and grey, much manganese stain, calcite veins and crystals, earthy				
133	137	4	<u>Quartzite</u> - light grey, partly limy, very fine grained, angular, disseminated pyrite crystals				
137	138	1	<u>Limestone</u> - siliceous, light to med. grey, dense				
138	141	3	<u>Quartzite</u> - as described above				
141	142.5	1.5	<u>Limestone</u> - as described above, partly banded				

<u>FROM</u> <u>ft.</u>	<u>TO</u> <u>ft.</u>	<u>REC.</u> <u>ft.</u>	<u>DESCRIPTION</u>	<u>Au.</u> <u>oz/T</u>	<u>Ag.</u> <u>oz/T</u>	<u>Pb.</u> <u>%</u>	<u>Zn.</u> <u>%</u>
142.5	144	1.5	<u>Quartzite</u> - light grey and buff, angular, platy, slightly limy along fractures				
144	158	14	<u>Limestone</u> - very limy, light to med. grey and brown, very fine grained, argillaceous, partly siliceous. Fractured below 146', with calcite in fractures, disturbed to 158'				
158	195	33	<u>Limestone</u> - med grey, dense, very fine grained, very limy, calcite veins up to 1" wide				
195	200		Core lost				
	Total depth						

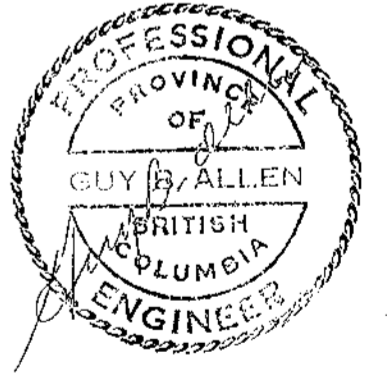


Frances Creek Mines Ltd.
 Mine Survey
 No. **4712** #2

FIGURE NO. 2
FRANCES CREEK MINES LTD.
FRANCES CREEK PROPERTY
LEAD QUEEN WORKINGS
SURVEY OF WORKINGS AND MINERAL SHOWS

SCALE: 1" = 50'
LEGEND

- ADIT
- UNDERGROUND TUNNEL
- TUNNEL EXTENSION NOT DETERMINED
- TUNNEL EXTENSION APPROXIMATE
- FAULT ZONE IN TUNNEL
- MINERALIZED VEIN KNOWN; APPROXIMATE MINERALIZED VEIN DIP
- SHAFT, WINZE, RAISE
- SURFACE TRENCH
- ELEVATION (ABOVE SEA LEVEL)



TO ACCOMPANY DRILLING REPORT
 BY GUY B. ALLEN, P. ENG. ON THE
 NORTH GRAB ON FRANCES CR.
 GOLDEN MINING DIVISION,
 DATED OCT. 2, 1973

4712-172