

**E. O. CHISHOLM, M.A., P.ENG.**  
CONSULTING GEOLOGIST

RESIDENCE  
PHONE 731-5957  
1349 WEST 32ND AVENUE  
VANCOUVER 9, B.C.

BUSINESS  
PHONE (604) 682-2701  
821-802 WEST HASTINGS STREET  
VANCOUVER 2, B.C.

1974

New Cinch Uranium Mines Ltd , N.P.L.,  
Suite 1402, 390 Bay Street,  
Toronto, Ontario, M5H 2Y2

STATEMENT ON ACCOUNT

Malcolm McLean Drilling Contract.

1,004 ft. of B.Q. core at \$9.50/ ft.	\$ 9,538.00	
cost plus items: drilling		
- 151 man hours at \$7.50/hr	1,132.50	
- machine time of 19 hrs. at 31.50/hr.	598.50	
- casing shoe( \$240.00 less depcn. of \$120.)	120.00	
- casing of 12 ft. at 13.45/ ft.	161.40	
- core bit	180.00	
cost plus items: mobilization	800.00	
cost plus items: site preparation		
- W. Hlima- Vernon D-4 cat	315.00	
- low bed for D-4 cat	35.00	
- W. Chapot, Lumby H.D. 16	1,456.50	
- Postell Bros., Vernon, low bed	<u>123.00</u>	\$14,459.90
E.O. Chisholm - 15% fee charge	2,168.98	
- disbursements ( per Stmt. # 3)	<u>670.23</u>	<u>2,839.21</u>
TOTAL EXPENSES INCURRED:		<u>17,299.11</u>

Department of  
Mines and Technical Resources

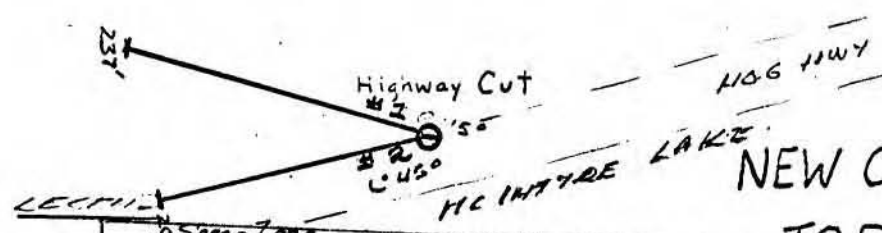
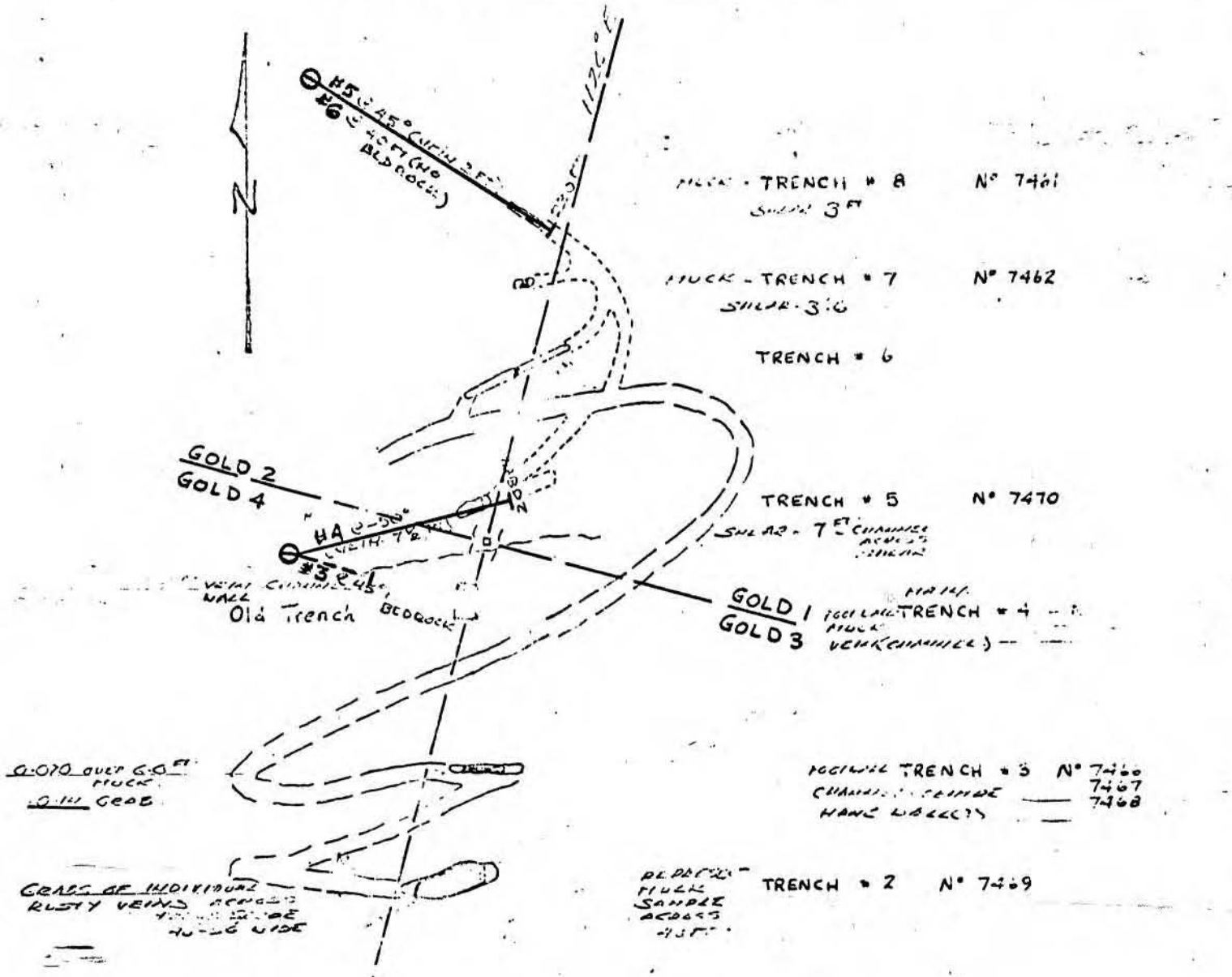
ASSESSMENT REPORT

NO. **4946**



# SKETCH OF TRENCHES & SAMPLE LOCATIONS

## LOCATION OF DIAMOND DRILL HOLES



NEW CINCH URANIUM LTD.  
 TOP & GOLD Claims  
 Monashee Pass Area, B.C.  
 Scale: 1 inch = 100 feet

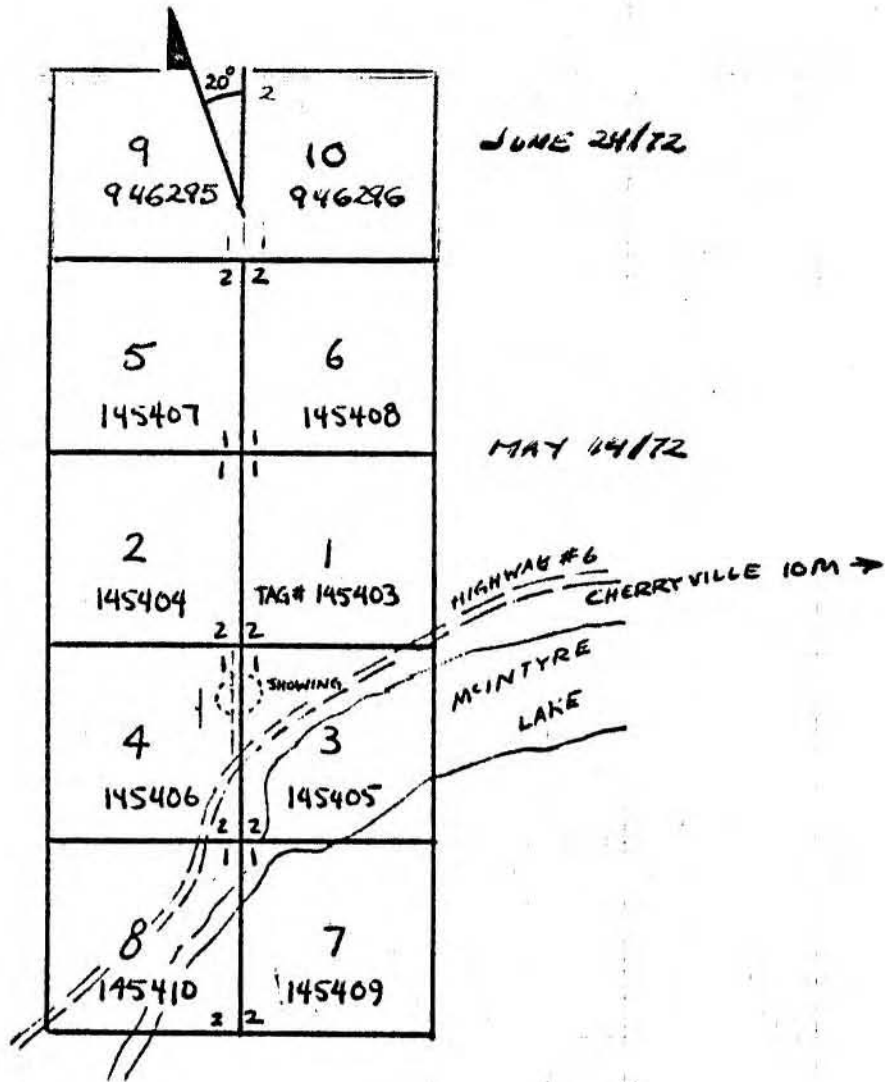
Department of  
 Mines and Geoscience Resources  
 ASSESSMENT REPORT  
 NO. **4946** MAP **#1**



**4946 M2**  
 GOLD AND TOP CLAIMS

NEW CINCH URANIUM LIMITED N.P.L.

Part of Map 82 L/2 NTS



JUNE 24/72

MAY 24/72

GOLD 1-10 CLAIMS, VERNON M.D., B.C.

NTS SHEET B2L-2

1 inch to 1500 feet.

Department of	
Energy Resources	
PORT	
NO. 4946	#3

# DIAMOND DRILL RECORD,

HOLE NO. VER #1

GOLD GROUP.  
PROPERTY NEW CINCH URANIUM LTD

SHEET NUMBER \_\_\_\_\_ SECTION FROM 0 TO 237 FT STARTED \_\_\_\_\_  
 LATITUDE 225 FT @ 200° E 264 DATUM \_\_\_\_\_ COMPLETED \_\_\_\_\_  
 DEPARTURE 1 POST GOLD #1 + 100 FT BEARING 290° AZ ULTIMATE DEPTH \_\_\_\_\_  
@ 110° AZ.  
 ELEVATION ROAD LEVEL DIP -45° PROPOSED DEPTH \_\_\_\_\_

DEPTH FEET	CORE RECOV	DESCRIPTION	CORE SAMPLE NO.	FOOTAGE	CORE ASSAYS				SLUDGE SAMPLE		SLUDGE ASSAYS			
					AG.	CU.	PB.	ZN.	NO.	FOOTAGE	AG.	CU.	PB.	ZN.
0	15'	CASING												
15	16	GRANITE												
16	31	ANDESITE												
26	25	GRANITE												
23	31	ANDESITE CORE 190° @ 24'												
		1" Q12 SPINNER L TO CORE. +												
		6" BL. ZONE. PT L @ 59° L45°												
31	36	GRANITE ALTERED + SKIN												
36	237	GRANITE FRESH UNALTERED												

CORE LOGGED BY E-O CHRISTOFFER P ENG  
 821-602 W HASTING ST VANCOUVER BC  
 CORE STORED @ HOLE LOCATION

# DIAMOND DRILL RECORD,

HOLE NO. VER #2

PROPERTY GOLD GROUP HEL CINCH URANIUM LTD.

SHEET NUMBER \_\_\_\_\_

SECTION FROM 0 TO 206'

STARTED \_\_\_\_\_

LATITUDE 225' @ 200' N 2 EAST # POST

DATUM SAME LOC 164. 15 '1

COMPLETED \_\_\_\_\_

DEPARTURE GOLD #1 + 100' @ 110' N 2

BEARING 200' N 2

ULTIMATE DEPTH \_\_\_\_\_

ELEVATION ROAD LEVEL

DIP -45°

PROPOSED DEPTH \_\_\_\_\_

DEPTH FEET	CORE RECOV	DESCRIPTION	CORE SAMPLE NO.	FOOTAGE	CORE ASSAYS				SLUDGE SAMPLE		SLUDGE ASSAYS			
					AG.	CU.	PB.	ZN.	NO.	FOOTAGE	AG.	CU.	PB.	ZN.
0	25	CASING												
25	26	GRANITE												
26	37	ANDESITE												
37	47	GRANITE CORE L 90°												
47	61	" ALTERED C-SEEL CORE L 45° BELOW 762												
61	73	CHALKY SANDY & ALTERED												
73	75	SANDY ZONE - TALL												
75	77	ANDESITE ATHP CORE L 45°												
77	78	Q12. V. BLK. CHALKY. PINK DEC 50° SPARSE WHITE												
78	206	GRANITE MASSIVE												

CORE LOGGED BY E.C. CHISHOLM, P.E.  
821-802 W. HURON ST. VANCOUVER, B.C.  
CORE STORED @ HOLE LOCATION.

# DIAMOND DRILL RECORD,

HOLE NO. *VZR #4.*

PROPERTY *GOLD PROPERTY NEL CINCH UDANKOTA LTD*

SHEET NUMBER \_\_\_\_\_ SECTION FROM *0* TO *208'* STARTED \_\_\_\_\_  
 LATITUDE *56° 26' 02" N 124° 41'* DATUM \_\_\_\_\_ COMPLETED \_\_\_\_\_  
 DEPARTURE *POST GOLD "1+130' @ 110° N 2* BEARING *80° N 2* ULTIMATE DEPTH \_\_\_\_\_  
 ELEVATION *ROAD LEVEL +100'* DIP *-50°* PROPOSED DEPTH \_\_\_\_\_

DEPTH FEET	CORE RECOV	DESCRIPTION	CORE SAMPLE NO.	FOOTAGE	CORE ASSAYS				SLUDGE SAMPLE		SLUDGE ASSAYS			
					AG.	CU.	PB.	ZN.	NO.	FOOTAGE	AG.	CU.	PB.	ZN.
0	32	CURBROCK												
32	41	GRANITE MASSIVE. CORE L 45° BECOMING INCREASINGLY ALTERED												
41	53	GRANITE ALTERED - SHERDED												
53	55	SHERD ZINT												
55	57	FAULT WITH GOUGE												
57	60	GRANITE. SHERD & KALINIZED.												
60	67.5	VEIN MATERIAL. LEACHED & ALT. PT. 5-107. CORE L. 30-45°												
65.5	70.5	GRANITE. SHERD - ALTERED												
72.5	208	GRANITE MASSIVE.												

CORE LOGGED BY *E.G. CHISHOLM, PE*  
 821-602 W. HASTINGS ST. VANCOUVER  
 CORE STORED @ HOLE LOCATION

# DIAMOND DRILL RECORD,

HOLE NO. VED<sup>4</sup>5.

PROPERTY GOLD GROUP HOLDINGS VANUATU LTD.

SHEET NUMBER \_\_\_\_\_ SECTION FROM C TO 230' STARTED \_\_\_\_\_  
 LATITUDE 250' @ 420° A2. EADY. DATUM \_\_\_\_\_ COMPLETED \_\_\_\_\_  
 DEPARTURE E1 POST GOLD #1. +150' BEARING 140° 12' ULTIMATE DEPTH \_\_\_\_\_  
 ELEVATION 125' ABOVE ROAD DIP -45° PROPOSED DEPTH \_\_\_\_\_

DEPTH FEET	CORE RECOV	DESCRIPTION	CORE SAMPLE NO.	FOOTAGE	CORE ASSAYS				SLUDGE SAMPLE		SLUDGE ASSAYS			
					AG.	CU.	PB.	ZN.	NO.	FOOTAGE	AG.	CU.	PB.	ZN.
0	15'	OVERBURDEN												
15'	35'	GRAWITE. CORP. L 45°												
35'	36'	4+2 VEIN + 5% PIRATE. RE-1112												
37'	42.5'	GRAWITE.												
42.5'	45'	SUPER ZINC. L 45°. KACUW.												
45'	54'	ANDRESITE DIMP UNALT. L 45°												
54'	56'	VEIN. SILL. ZINC. IN GRAWITE.												
		54-55 - 50% PIRATE.												
		55-56 GRAYISH ANDRESITE.												
56'	230'	GRAWITE. UNALTERED												

CORE LOGGED BY E.C. CALSILLON, P. ENG  
S21-602 W. HIRSHING'S ST  
 CORE STORED AT HOLE LOCATION.





**CANADIAN DIAMOND DRILLING ASSOCIATION  
STANDARD DRILLING CONTRACT**

THIS AGREEMENT made and entered into by and between New Cinch Uranium Ltd.  
SUITE 1402, 370 BAY STREET  
416-25-AdelaideSt-W. Toronto, Ont.

hereinafter called Company, and Malcolm McLean of 1147 Bidwell St. Vancouver B.C.

hereinafter called Contractor

WITNESSETH: THAT,

WHEREAS, Company is the owner, part owner and/or Operator, of certain properties on which it desires to have a program drilled and completed and,

WHEREAS, Contractor represents that it has adequate equipment in good working order and fully trained personnel capable of efficiently operating such equipment with which it desires to drill for Company:

NOW, THEREFORE, the parties hereto, each in consideration of the promises and agreements of the other, mutually agree as follows:

**1. WORK TO BE DONE, LOCATION, COMMENCEMENT DATE, AND DEPTH:**

1.1 Contractor agrees to drill and complete the hereinafter designated program in accordance with all provisions hereof and other conditions and specifications set forth in the Bid Sheet and Job Specifications, identified as Exhibit A attached hereto and made a part hereof.

1.2 Contractor further agrees to commence operations for the drilling of the project at the location, on the date, and to the depths agreed upon in Sections 1 and 2 of Exhibit A hereof.

**2. LABOR, EQUIPMENT, MATERIALS, SUPPLIES, AND SERVICES:**

2.1 All labor, equipment, material, supplies and services necessary to the normal operation or maintenance of the drilling equipment shall be furnished by Contractor. Additional material, equipment, special tools, supplies and services necessary or proper to the drilling and completion of the job shall be furnished at the drill site by the party designated in Exhibit A. Should tools, materials, apparatus or services, other than those set forth herein or designated in Exhibit A be necessary to the drilling of the program, the cost of such tools, materials, apparatus or services and the manner in which they are to be furnished are to be agreed upon by the parties hereto.

2.2 Should Contractor purchase for Company at Company's request any materials, supplies, or equipment which Company is obligated to furnish under the terms of this agreement, Company agrees to pay Contractor within (30) days after date of receipt of Contractor's invoice the actual cost of such materials, supplies, or equipment. Contractor agrees to furnish Company copies of suppliers', vendors', or third party invoices covering such materials, supplies, or equipment.

**3. FOOTAGE RATE, HOURLY RATE, STAND-BY RATE, BASIS OF DETERMINING AMOUNTS PAYABLE TO CONTRACTOR:**

3.1 Subject to all of the other provisions hereof, Company agrees to pay Contractor for the work performed, services rendered, and the materials, equipment and supplies furnished by Contractor, a sum computed as hereafter prescribed.

3.2 For work performed on a footage basis, Contractor shall be paid the rate agreed upon and specified in Section 3 of Exhibit A, multiplied by the linear footage of hole drilled. Such linear footage of hole drilled shall be determined in the manner specified in Exhibit A.

3.3 For work performed on an hourly basis, the hourly rate shall be as agreed upon in Section 3 of Exhibit A.

3.4 If it is necessary to shut down Contractor's drill for repairs while Contractor is performing work on an hourly basis, Contractor shall be allowed compensation in the manner set out in Section 3(L) of Exhibit A.

3.5 In determining the amount of hourly time for which Contractor is to be compensated, it is agreed that such day work time shall begin when Contractor, suspends normal drilling operations being conducted on a footage basis, and shall include the time required to restore the hole to the same drilling conditions which existed when operations on a footage basis were suspended.

**4. ACCESS:**

Preparation of drill sites and access roads is the responsibility of the Contractor. The Company shall provide at no cost to the Contractor, all rights of ingress and egress to all lands that may be required to enable the Contractor to carry out the specified work.

## 5. DRILLING SITES:

The Contractor agrees to case and drill on the sites and at angles and azimuths selected by the Company representative and to follow the instructions of the Company representative relating to place and time of drilling.

Company and Contractor respectively agree to comply with all laws, rules and regulations Federal or Provincial, which are now or may become applicable to operations covered by this Agreement and any work order issued in connection herewith. If any of the terms hereof are in conflict with any applicable rule, regulation, order or law of a Provincial or Federal Regulatory Body, the terms of this Contract so in conflict shall not apply and the applicable Provincial or Federal rule, regulation, order or law shall prevail.

## 6. CAVITIES:

In the event that cavities or loose and caving materials or excessive water flows are encountered of a nature so as to prevent the successful completion of any hole, the Contractor does not, under such conditions guarantee to drill to a predetermined depth and, in the event that it becomes necessary to abandon the hole, the Company agrees to pay for such uncompleted holes at the rates herein specified for all footage completed. However, should the Company request that further work be carried out in the hole beyond this point, then the Contractor shall continue work in the hole, but such continuing work shall be at Field Cost rates.

## 7. TIMBER RIGHTS:

The Contractor shall be permitted to cut and fell any timber on the Company's property as may be required in the course of the work hereunder, and the Company shall indemnify and save harmless the Contractor from any assessment for stumpage or other charges of every kind and nature whatsoever.

## 8. LOSS OR DAMAGE:

In addition to all other indemnifying provisions contained herein, Contractor represents and warrants that the use or construction of any and all tools and equipment furnished by Contractor and used in the work provided for herein does not infringe on any license or patent which has been issued or applied for, and Contractor agrees to indemnify and hold Company harmless from any and all claims, demands, and causes of action of every kind and character in favor of or made by any patentee, licensee, or claimant of any right or priority to such tool or equipment, or the use or construction thereof, which may result from or arise out of furnishing or use of any such tool or equipment by Contractor in connection with the work under this agreement and applicable work orders.

Contractor shall be liable at all times for damage to or destruction of Contractor's surface equipment and materials, regardless of how such damage or destruction occurs. Company shall be under no liability to reimburse Contractor for any such loss except loss or damage thereto caused by negligence or wilful acts or omissions of Company or Company's agents, servants, or employees.

Contractor shall not be responsible for damage to the hole on which Contractor performs services nor to property of Company unless such damage shall be caused by or the result of the gross negligence or wilful misconduct of Contractor, its agents or employees, this provision applying to sub-surface damage and surface damage resulting from subsurface damage.

Company shall be responsible for and protect, indemnify and save Contractor harmless from any liability for injury to or death of persons or damage to property (including, but not limited to, injury to the job) growing out of or in any way connected with the use of radioactive material in the hole, unless such damage shall be caused by the gross negligence or wilful misconduct of Contractor, its agents or employees.

Except as otherwise provided, Contractor will indemnify and hold Company harmless from and against all damages and claims for damage by reason of injury or death of persons or damage to property caused by the negligence of Contractor, its employees or agents, in the performance of work hereunder and not caused or contributed to by the negligence of Company, its agents or employees.

## 9. CORE:

The drilling shall be conducted so as to produce as high a percentage of core as the nature of the ground being drilled shall allow. All cores recovered shall be delivered to the COMPANY at the drill site, carefully marked.

## 10. HOLE DIRECTION AND DEPTH:

The Contractor does not guarantee the direction of the hole beyond the collar nor guarantee to drill any hole to any specified depth. The Contractor will however, expend every reasonable effort to complete all holes to the satisfaction of the Company.

## 11. COMPANY REPRESENTATIVE:

The Company will have a representative on site authorized to approve Company charges on a daily basis.

## 12. SECRECY:

The Contractor will not give out any information regarding drill results or permit any access to drill core to any individual other than the Company's representative, except upon specific permission of responsible officials of the Company.

## 13. DISCIPLINE:

The Contractor shall at all times enforce discipline and maintain good order among its employees, and shall not retain on the job any person not skilled in the work assigned to him.

Any employees of the Contractor who are objectionable or unsatisfactory to the Company shall be removed from the job and replaced by an employee satisfactory to the Company.

## 14. LIENS:

The Contractor shall be responsible for, and will pay promptly all costs and charges, incurred by itself for labor, machinery, tools, transportation, and supplies used.

**15. PAYMENTS:**

The Company shall pay Contractor for the work and/or equipment or materials furnished by Contractor at the rate stipulated in the work orders provided for herein, subject to the same being accepted by Company as fully complying with all the terms, conditions, specifications and requirements of this Contract and such work orders; provided Contractor shall have satisfied Company that there are no liens or claims on or against Company or its property by reason of the operations of Contractor hereunder. Invoices will be submitted twice monthly. Payment to be made 7 days after 7 days thereafter. Interest on overdue accounts will be charged at \_\_\_\_\_ percent per month.

**16. ECOLOGY AND SANITATION:**

Mobilization payment of \$5,000.00 in advance.

During the course of the work, the Contractor shall keep the site of any drilling and camp areas free from accumulation of waste materials, rubbish or garbage and upon completion of the work, shall remove all tools, scaffolding, surplus materials, rubbish and garbage and leave the working and camp site in a clean condition. The Contractor shall observe and comply with all applicable Federal and Provincial laws, regulations and orders relating to prevention of forest fires and sanitation in the bush and shall bear all costs arising from any violation thereof.

**17. INSURANCE:**

At any and all times during the term of this Agreement, Contractor agrees to carry insurance of the types and in the minimum amounts as follows:

17.1 Workmen's Compensation insurance in full compliance with all applicable Provincial laws and regulations.

17.2 Employer's liability insurance in the minimum limits of \$500,000 per accident covering injury or death to any employee which may be outside the scope of the workmen's compensation statute of the province in which the work is performed.

17.3 Comprehensive general liability insurance with minimum limits of \$500,000 for injury to or death of any one person and \$500,000 for any one accident and with minimum limits of \$500,000 for property damage.

17.4 Automobile liability insurance covering owned, non-owned, and hired automotive equipment with minimum limits of \$500,000 for injury to or death of any one person and \$500,000 for any one accident and \$500,000 property damage.

17.5 All such insurance shall be carried in a company or companies acceptable to Company and shall be maintained in full force and effect during the term of this Agreement, and shall not be cancelled, altered, or amended without ten (10) days' prior written notice having first been furnished Company. Contractor agrees to have its insurance carrier furnish Company a certificate or certificates evidencing insurance coverage in accordance with the above requirements and, when requested by Company, to furnish certified copies of all said insurance policies.

**18. RIGHT TO VACATE:**

Upon completion of the work herein contracted to be performed the Contractor shall have the right to remove within a reasonable length of time all temporary buildings and other fixtures including trade fixtures, machinery, equipment and appliances placed by the Contractor upon such lands.

**19. DISPUTES:**

This Agreement and any dispute arising hereunder shall be interpreted and determined in accordance with the laws of

British Columbia

In the event there is a conflict between the provisions hereof and any papers or documents, which may have been executed or passed between the parties hereto in connection with the subject matter hereof, it is understood and agreed that the provisions hereof shall be controlling. It is expressly understood and agreed by the parties hereto that no provision of any delivery ticket, invoice or other instrument used by Contractor in setting forth the operations conducted hereunder shall supersede the provisions of this Agreement.

**20. FORCE MAJEURE**

Neither Company nor Contractor shall be liable to the other for any delays or damages or any failure to act due, occasioned, or caused by reason of Provincial laws or the rules, regulations or orders of any public body or official purporting to exercise authority or control respecting the operations covered hereby, including the use of tools and equipment, or due, occasioned, or caused by strikes, action of the elements, or causes beyond the control of the elements, or causes beyond the control of the parties affected hereby, and delays due to the above causes, or any of them shall not be deemed to be a breach of or failure to perform under this Agreement.

**21. NOT ASSIGNABLE:**

It is mutually agreed that this Agreement shall be binding upon and enure to the benefit of the parties hereto, their respective successors and permitted assigns, but shall not be assignable by either party without the consent in writing of the other party first had and obtained.

**22. MAILING ADDRESSES:**

That any notice required to be given hereunder shall be properly given if mailed by registered letter addressed to the Company as follows:

New Cinch Uranium Ltd. 416-25 Adelaide St West  
TORONTO, Ont.

or to the Contractor by registered letter addressed as follows:

Malcolm McLean, of 1147 Bidwell St.  
VANCOUVER, B.C.

This AGREEMENT may be altered only by written consent of both parties hereto.

**23. TIME IS OF THE ESSENCE:**

Time is expressly declared to be the essence of this Contract. If either party hereto defaults in the performance of this Contract of work commenced under work orders as provided for herein, the other party has the option to terminate this Contract and the work order involved.

WITNESS the signatures of the parties hereto in DUPLICATE ORIGINALS, this 18th day of December, A.D. 19 73.

**NEW CINCH URANIUM LTD. (N.P.L.)**

WITNESSES:

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
*[Signature]*  
\_\_\_\_\_  
\_\_\_\_\_  
By: *[Signature]*  
\_\_\_\_\_

WITNESSES:

*[Signature]*  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
*[Signature]*  
\_\_\_\_\_  
Contractor  
By: \_\_\_\_\_



**EXHIBIT A  
BID SHEET AND JOB SPECIFICATIONS**

New Cinch Uranium Ltd.  
SUITE 1402, 295 BAY STREET  
416 25 Adelaide St. West, Toronto, Ont.

To: Malcolm McLean  
1147 Bidwell St. Vancouver, B.C.

Gentlemen:

We solicit your bid to drill and complete the hereinafter designated project.

This bid form has been filled in by us to the extent necessary to identify the project, the quantity, and size of core desired. If you desire to submit a bid, please complete this instrument in every respect, execute the original and two copies, and return to our office at 821-602 West Hasintgs St. Vanc. not later than 5 p.m. A.M./P.M. December 18th, 1973 1973.

Very truly yours,

\_\_\_\_\_  
E.O. Chisholm  
Company

**1. INTRODUCTION:**

Minimum footage 1000 feet No. of drills 1  
Starting date January 3rd 1974 Completion date January 15th, 1974  
Location (attach map) McIntyre Lake, Monashee District, British Columbia  
Access - all weather road ( ), winter road ( ), aircraft ( ), others specify Highway #6.

**2. DESCRIPTION OF WORK:**

The work is to consist of a series of drill holes, drilled at locations specified by the Company. A total minimum footage of 1000 feet shall be drilled but, total footage may be extended by mutual consent. Holes shall be drilled with AQ Wireline tools producing 11/16 diameter core. Maximum depth of any hole shall not exceed 300 feet, and minimum depth shall be 200 feet. The Contractor will not be called upon to drill any hole at a flatter angle than 30 degrees. Measurement of all holes shall be taken from the top of the casing pipe. If holes of a greater depth than 300 feet are desired, such drilling shall be performed only upon such conditions and at such rates as may be agreed upon before commencement of such drilling.

**3. SCHEDULE OF RATES:**

The Company agrees to pay the Contractor for footage drilled and other services performed as follows:

(a) Coring at Bedrock

Depth Intervals	<u>AQ</u> Size	<u>BQ</u> Size
0 - 500 Ft.	\$ <u>9.00</u> /Ft.	\$ <u>9.50</u> /Ft.
500 - 1000 Ft.	\$ _____ /Ft.	\$ _____ /Ft.
1000 - 1500 Ft.	\$ _____ /Ft.	\$ _____ /Ft.
____ - ____ Ft.	\$ _____ /Ft.	\$ _____ /Ft.

(b) Casing of Overburden

Depth Interval	
0 - 50 Ft.	\$ _____ /Ft.
50 - 100 Ft.	\$ _____ /Ft.
0 - 25 Ft.	\$ 10 _____ /Ft.

(c) The following services will be provided on an operating Field Cost plus 10 % basis.

1. Casing of overburden over 25 ft.
2. Reaming and setting casing for borehole reduction, borehole stabilization, and control of return water.
3. Drilling caved or broken ground.
4. All cementing operations excluding setting time but including drilling of set cement.
5. Wedging of boreholes.
6. Supplying water to the drill when water supply over 1000 ft. lateral and/or 500 ft. vertical lift from borehole collar under non-freezing conditions and \_\_\_\_\_ ft. lateral and/or \_\_\_\_\_ ft. vertical lift under freezing conditions.
7. Recovering pipe and/or casing at Company's request.

Where operating Field Costs are defined as:

OPERATING FIELD COSTS

Labour (including Supervision) 7.50 per man hour.

Drill, 2 pumps and service vehicles including normal operating repairs, \$30.00 per drill hour.

Tractor \$20.00 per hour.

Water truck (excluding driver) \_\_\_\_\_ per hour.

Pumps for water supply

Type	Operating hourly Rate
<u>Bean</u>	<u>0.75</u>

Supplies consumed or damaged beyond use due to site conditions including diamond articles, mud ingredients, cement, rods, core barrels, etc. Site replacement value plus \_\_\_\_\_ %.

(d) The following services would be provided on a non-operating field cost plus 10% % basis.

1. Setting time for cement.
2. Delays caused by Company.
3. Travelling time of crew in excess of \_\_\_\_\_ minutes per man shift (Labour only).

Where non-operating field costs are defined as:

NON-OPERATING FIELD COSTS

Labour (including supervision) 7.50 per man hour.

Drill, pumps and service vehicle \_\_\_\_\_ per drill hour.

Tractor • operating \_\_\_\_\_ per hour.  
not operating \_\_\_\_\_ per hour.

(e) Testing of borehole

The Contractor, when instructed so to do, shall take any clinometer dip tests desired by the Company. The Contractor's charge for such test shall be at the rate of 3 feet of drilling at the depth where tested.

(f) **Transportation and moves**

The contractor would move his men equipment and supplies from his base to truck unload point and return and return from truck load point to his base for the lump sum of \$800.00

(g) Room and board for Contractor's personnel will be provided by Contractor.

Contractor will provide meals for up to \_\_\_\_\_ of Company's representatives at a price of \_\_\_\_\_ per meal.

Room and board will be provided by Company to Contractor at \_\_\_\_\_ per man day.

(h) Core boxes will be provided by Contractor. Contractor's rates for Core boxes on site \$3.65 per box

<u>Nominal core length</u>	<u>Core Size</u>	<u>Rate</u>
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(i) Core Splitter to be supplied by Company

Contractor to supply core splitter at \_\_\_\_\_ per month.

(j) **Controlled Drilling**

The Contractor agrees to use controlled feeds when requested by the Company. An extra charge per foot will apply to all such controlled feed drilling as follows:

Controlled drilling on \_\_\_\_\_ Feed at \_\_\_\_\_ extra per foot

Controlled drilling on \_\_\_\_\_ Feed at \_\_\_\_\_ extra per foot

(k) **Standby Rental**

It is agreed that, at the completion of the present active drilling program, the Company may retain the Contractor's drilling equipment at the drill area for a rental rate of \$1500.00 per month, per drilling unit. The standby rental charge will cease to apply upon commencement of continuous drilling Program, or, on the giving of a written notice to the Contractor by the Company that the drilling equipment is no longer required.

(l) **Equipment Repairs**

If it becomes necessary to shut down the Contractor's equipment for repairs while the Contractor is performing work on an hourly basis, Contractor shall be allowed compensation for such repairs at the appropriate rate.

The number of hours for which Contractor is to be compensated shall be limited as follows:

For any one repair job 48 hours.

Total hours per month \_\_\_\_\_

(m) Special Agreements

Mobilization payment of company to contractor of \$5,000.00  
in advance of contract and the balance on certified completion of job by  
companies representative.

In response to the above request our bid for the drilling of the project hereinabove described is submitted as set forth above.

Malcolm M. Lewis  
Contractor

Date: Dec. 12/73

By: \_\_\_\_\_