

# 5825

KENNCO EXPLORATIONS, (WESTERN) LIMITED

REPORT ON DIAMOND DRILLING

*part 2 of 2*

LAWYERS NOS. 12 & 13 CLAIM GROUPS

Toodoggone River Area,  
Omineca M.D., British Columbia

Located 40 km northwest of Thutade Lake, B.C.

[57°18'N, 127°08'W]

Department of  
Mines and Petroleum Resources  
ASSESSMENT REPORT

NO. 5825 MAP \_\_\_\_\_

By

V. Ryback-Hardy, P.Eng.

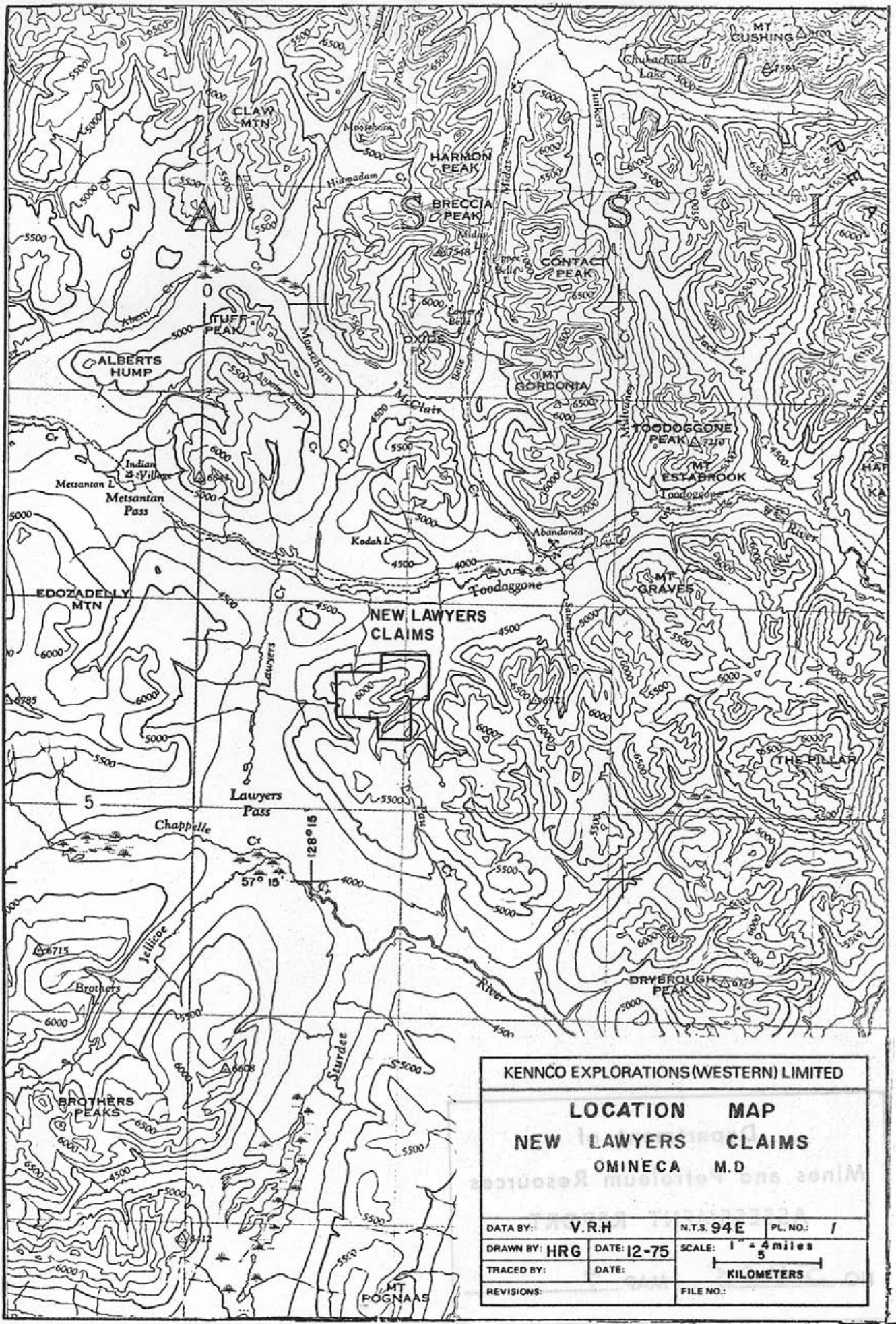
December 31, 1975

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**KENCO EXPLORATIONS (WESTERN) LIMITED**

**LOCATION MAP**  
**NEW LAWYERS CLAIMS**  
**OMINECA M.D.**

|                       |                    |                          |
|-----------------------|--------------------|--------------------------|
| DATA BY: <b>V.R.H</b> | N.T.S. 94E         | PL. NO.: 1               |
| DRAWN BY: <b>HRG</b>  | DATE: <b>12-75</b> | SCALE: 1" = 4 miles<br>5 |
| TRACED BY:            | DATE:              | KILOMETERS               |
| REVISIONS:            | FILE NO.:          |                          |

LAWYERS NOS. 12 & 13 CLAIM GROUPS

REPORT ON DIAMOND DRILLING

INTRODUCTION

From August 3 to August 25, 1975 a program consisting of 1770 feet (540 meters) of BQ Wireline diamond drilling six holes was completed on the Lawyers Nos. 12 and 13 claim groups, located near the Toodoggone River, 290 km north of Smithers, B.C. The drilling was done on behalf of Kennco Explorations, (Western) Limited by Coates Enterprises Ltd., under the supervision of V. Ryback-Hardy, P.Eng.

The holes were drilled to test a low-grade silver-gold deposit indicated by previous mapping, surface sampling, and diamond drilling.

Included in this report is a detailed cost statement covering the drill program. All costs were paid by Kennco Explorations, (Western) Limited.

The core diameter is 1 5/16 (BQ Wireline) inches. The core was collected in plastic core boxes, logged, split and sampled. The remaining core is stored in a core rack located at the Lawyers campsite.

The aximuth, inclination, and elevation of the drill holes are indicated on the logs.

The claims are owned by Kennco Explorations, (Western) Limited. Claim grouping and distribution of costs are given on the copies of Notice to Group and Affidavit on Application to Record Work included in the Appendices of this report.

Vancouver, B. C.

December 31, 1975

  
V. Ryback-Hardy, P.Eng.

# LEGEND

- TRENCH
- ▣ - CLAIM POST (metric system)
- DRILL HOLE
- ≡ - MINERALIZED ZONE
- QUARTZ FILLED BRECCIA & ASSOCIATED PERIPHERAL QUARTZ STOCKWORK ZONE

LAWYERS COMPILATION-1975



AMETHYST-GOLD BRECCIA ZONE

QUARTZ FILLED STOCKWORK BRECCIA

GOLD in SOIL ANOMALY

DDH8

DDH 4

DDH1&10

CHLORITIC CRYSTAL-LITHIC TUFFS

DDH 3

OVERBURDEN

DDH 5&6

CAMP

DDH 2

DDH 7

TRACHYTE PORPHYRY FLOWS

CLIFF CREEK BRECCIA ZONE

TRACHYTE PORPHYRY FLOWS

DDH 9  
 QUARTZ FILLED STOCKWORK BRECCIA  
 Δ6 (FROST HEAVED FLOAT)

NEW LAWYERS No. 4  
 NEW LAWYERS No. 3

L.C.P NEW LAWYERS No. 1  
 NEW LAWYERS No. 2

KENNCO EXPLORATIONS(WESTERN) LIMITED

DRILL SITE LOCATION  
 &  
 SURFACE PLAN  
 LAWYERS PROPERTY

|                  |             |                  |
|------------------|-------------|------------------|
| DATA BY: V.R.H.  | N.T.S. 94E  | PL. NO.: 4       |
| DRAWN BY: V.R.H. | DATE: 11-75 | SCALE: 1" = 800' |
| TRACED BY:       | DATE:       | 240 meters       |
| REVISIONS:       | FILE NO.:   |                  |

*VRH*

CLAIM SCHEDULE

| <u>Claim Name</u> | <u>Record No.</u> | <u>Date Recorded</u> | <u>Present<br/>Expiry Date</u> |
|-------------------|-------------------|----------------------|--------------------------------|
| New Lawyers No.1  | 39                | July 8, 1975         | 1981                           |
| New Lawyers No.2  | 40                | July 8, 1975         | 1980                           |
| New Lawyers No.3  | 41                | July 8, 1975         | 1980                           |
| New Lawyers No.4  | 42                | July 8, 1975         | 1979                           |

NEW LAWYERS NO.1, 20 Units



LAWYERS NO. 13 GROUP

NEW LAWYERS NO. 4, 8 Units

|   |   |   |   |    |   |   |   |   |
|---|---|---|---|----|---|---|---|---|
| 5 | 6 | 7 | 8 | 10 | 9 | 8 | 7 | 6 |
| 4 | 3 | 2 | 1 | 1  | 2 | 3 | 4 | 5 |

L.C.P.

|    |    |    |   |   |   |   |
|----|----|----|---|---|---|---|
| 4  | 3  | 2  | 1 | 1 | 2 | 3 |
| 5  | 6  | 7  | 8 | 6 | 5 | 4 |
| 7  | 8  | 9  |   |   |   |   |
| 12 | 11 | 10 |   |   |   |   |

BOLD LINE INDICATES  
OUTLINE OF LAWYERS  
NO. 12 GROUP

NEW LAWYERS NO.3, 8 Units

NEW LAWYERS NO. 2, 12 Units

KENNCO EXPLORATIONS(WESTERN) LIMITED

**NEW LAWYERS CLAIMS**

OMINECA M.D., B.C.

|                 |             |                   |
|-----------------|-------------|-------------------|
| DATA BY: V.R.H. | N.T.S.94E   | PL. NO.: 2        |
| DRAWN BY: HRG   | DATE: 12.75 | SCALE: 1" = 2640' |
| TRACED BY:      | DATE:       | 1000 Meters       |
| REVISIONS:      | FILE NO.:   |                   |

COST STATEMENT

Diamond Drilling Expenditures                      Period August 3-25, 1975  
-----

Salaries:

|   |                              |             |     |               |                    |
|---|------------------------------|-------------|-----|---------------|--------------------|
| V. Ryback-Hardy   | Project Manager              | \$1,135/mo. | 23  | \$1,088       |                    |
| D.R. MacKay   | Senior Assist.               | 850/mo.     | 19  | 673           |                    |
| J. O'Neill  | Pump Man                     | 700/mo.     | 23  | 671           |                    |
| R. Jones  | Core Splitter                | 525/mo.     | 23  | 503           |                    |
| D. Ramsay   | Cook                         | 1,200/mo.   | 23  | <u>1,150</u>  |                    |
|   | TOTAL DAYS                   |             | 115 |               | \$ 4,085.00        |
| <u>Room &amp; Board:</u> @ \$10/manday x 115 days   |                              |             |     | \$1,150       |                    |
|   | Drill crew, 4 men @ 20 days, |             |     |               |                    |
|   | 80 mandays x \$10/manday     |             |     | <u>800</u>    | \$ 1,950.00        |
| Drilling Services (as per invoices)   |                              |             |     |               | \$25,795.00        |
| Travel Expenses including Salaries (Travel Time),<br>Accommodation, and Meals, 11 men - \$3,107 @ 20% |                              |             |     |               | \$ 621.00          |
| Flying Services: Fixed Wing   |                              |             |     | \$15,934      |                    |
|   | Helicopter                   |             |     | <u>26,000</u> | \$41,934.00 x      |
| Assays 194 samples @ \$7.00/assay   |                              |             |     |               | \$ 1,358.00        |
| Fuel for Water Pump   |                              |             |     |               | \$ 117.00          |
| Core Storage Facilities, 8 x 10 = 80 sq.ft.   |                              |             |     |               | \$ 1,200.00        |
| Report Preparation  |                              |             |     |               | <u>\$ 300.00</u>   |
| TOTAL   |                              |             |     |               | <u>\$77,360.00</u> |

*V. Ryback-Hardy*

\_\_\_\_\_  
V. Ryback-Hardy, P.Eng.



STATEMENT OF QUALIFICATIONS

I, Victor Ryback-Hardy, state that:

1. I graduated from the University of British Columbia with a degree in Geological Engineering (B.A.Sc.) 1970.
2. I was employed by El Paso Mining and Milling Company as a geologist under the supervision of G.A. Noel, from May 1970 to January 1974.
3. I have been employed by Kennco Explorations, (Western) Limited as a geologist under the supervision of R. W. Stevenson, P.Eng. since January 1974.
4. I am a registered Professional Engineer in the Province of British Columbia (1973) residing at 1169 Trumpeter Drive, Richmond, B.C. and I have practiced my profession for five years.
5. I supervised the work outlined in this report while in the employ of Kennco Explorations, (Western) Limited.

Vancouver, B. C.  
December 31, 1975

*Victor Ryback-Hardy P.Eng.*  
Victor Ryback-Hardy, P.Eng.

APPENDIX I: Assay Lab Report

KENNCO EXPLORATIONS, (WESTERN) LIMITED

1405 PEMBERTON AVENUE  
NORTH VANCOUVER, B.C. V7P 2R8

Date August 25, 1975

| To               |      | ASSAY LAB REPORT |      |       |     | Code   |
|------------------|------|------------------|------|-------|-----|--------|
| V. R. Hardy      |      |                  |      |       |     | 010175 |
| KX<br>Sample No. | Ag   | Ag               | Au   | Au    | Cu  |        |
|                  | ppm  | oz./T            | ppm  | oz./T | ppm |        |
| 29197            | 1.0  | .03              | ND   | ND    | 33  |        |
| 98               | 1.8  | .05              | .03  | .001  | 34  |        |
| 99               | 2.4  | .07              | .22  | .006  | 30  |        |
| 29200            | 2.6  | .08              | .04  | .001  | 51  |        |
| 01               | 1.5  | .04              | .01  | Tr    | 35  |        |
| 02               | 2.1  | .06              | .03  | .001  | 24  |        |
| 03               | 3.3  | .10              | .03  | .001  | 24  |        |
| 04               | 4.0  | .12              | .23  | .007  | 30  |        |
| 05               | 4.0  | .12              | .04  | .001  | 28  |        |
| 06               | 37.5 | 1.10             | 1.08 | 0.032 | 46  |        |
| 07               | 1.2  | .04              | .05  | .001  | 28  |        |
| 08               | 1.7  | .05              | .04  | .001  | 18  |        |
| 09               | 1.2  | .04              | .01  | Tr    | 18  |        |
| 10               | 2.0  | .06              | .01  | Tr    | 30  |        |
| 11               | 1.6  | .05              | .01  | Tr    | 17  |        |
| 12               | 1.0  | .03              | ND   | ND    | 18  |        |
| 13               | 1.3  | .04              | ND   | .002  | 24  |        |
| 14               | 0.7  | .02              | ND   | ND    | 21  |        |
| 15               | 2.3  | .07              | .01  | Tr    | 36  |        |
| 16               | 0.7  | .02              | ND   | ND    | 25  |        |
| 17               | 1.0  | .03              | .01  | Tr    | 28  |        |
| 18               | 1.0  | .03              | .01  | Tr    | 24  |        |
| 19               | 1.3  | .04              | ND   | ND    | 60  |        |
| 20               | 1.0  | .03              | ND   | ND    | 23  |        |
| 21               | 0.8  | .02              | ND   | ND    | 18  |        |

EXTRACTION HCl HN03 REMARKS Au extracted from solution  
 METHOD AA by MIBK  
 FRACTION USED -100 ND Non detectable  
 WEIGHT USED 10 gm ANALYST H. R. Goddard *H. R. Goddard*

KENNCO EXPLORATIONS, (WESTERN) LIMITED

1405 PEMBERTON AVENUE  
NORTH VANCOUVER, B.C. V7P 2R8

Date September 3, 1975

| To               |       | ASSAY LAB REPORT |      |       |     | Code   |
|------------------|-------|------------------|------|-------|-----|--------|
| V. R. Hardy      |       |                  |      |       |     | 010175 |
| KX<br>Sample No. | Ag    | Ag               | Au   | Au    | Cu  |        |
|                  | ppm   | oz./T            | ppm  | oz/T  | ppm |        |
| 29222            | 315.0 | 9.26             | 3.3  | 0.097 | 118 |        |
| 23               | 94.0  | 2.76             | .80  | 0.023 | 70  |        |
| 24               | 190.0 | 5.59             | 1.80 | .053  | 74  |        |
| 25               | 18.5  | .54              | .10  | .007  | 50  |        |
| 26               | 5.0   | .15              | ND   | ND    | 40  |        |
| 27               | 5.2   | .15              | .01  | Tr    | 55  |        |
| 28               | 5.9   | .17              | .01  | Tr    | 70  |        |
| 29               | 19.1  | .56              | .08  | .003  | 120 |        |
| 30               | 30.0  | .88              | .23  | .007  | 95  |        |
| 31               | 36.0  | 1.06             | .20  | .006  | 71  |        |
| 32               | 6.8   | .20              | .01  | Tr    | 90  |        |
| 33               | 10.0  | .29              | .06  | .002  | 60  |        |
| 34               | 188.0 | 5.53             | .86  | .029  | 106 |        |
| 35               | 95.0  | 2.79             | 1.36 | .053  | 59  |        |
| 36               | 47.0  | 1.38             | .35  | .011  | 62  |        |
| 37               | 109.0 | 3.21             | .70  | .028  | 64  |        |
| 38               | 33.5  | .99              | .01  | Tr    | 55  |        |
| 39               | 27.0  | .79              | .01  | Tr    | 60  |        |
| 40               | 32.0  | .94              | .01  | Tr    | 62  |        |
| 41               | 28.2  | .83              | .10  | .003  | 43  |        |
| 42               | 18.0  | .53              | .24  | .010  | 36  |        |
| 43               | 6.0   | .17              | ND   | ND    | 32  |        |
| 44               | 5.0   | .15              | ND   | ND    | 38  |        |

EXTRACTION HCl HNO3 REMARKS Au extracted from solution  
 METHOD AA by MIBK  
 FRACTION USED -100  
 WEIGHT USED 10 gm. ANALYST H. R. Goddard *H. R. Goddard*

KENNCO EXPLORATIONS, (WESTERN) LIMITED

1405 PEMBERTON AVENUE  
NORTH VANCOUVER, B.C. V7P 2R8

Date August 19, 1975.

| To<br>V.R. Hardy        |           | <b>ASSAY LAB REPORT</b> |           |            |      | Code<br>010175 |  |
|-------------------------|-----------|-------------------------|-----------|------------|------|----------------|--|
| <b>KX</b><br>Sample No. | Ag<br>ppm | Ag<br>oz./T             | Au<br>ppm | Au<br>oz/T |      |                |  |
|                         | 29051     | 11.5                    | .34       | .29        | .009 |                |  |
| 52                      | 7.0       | .21                     | .22       | .006       |      |                |  |
| 53                      | 6.0       | .18                     | .36       | .011       |      |                |  |
| 54                      | 6.0       | .18                     | .18       | .005       |      |                |  |
| 55                      | 15.4      | .45                     | .35       | .010       |      |                |  |
| 56                      | 11.0      | .32                     | .24       | .007       |      |                |  |
| 57                      | 8.0       | .24                     | .17       | .005       |      |                |  |
| 58                      | 30.0      | .88                     | .65       | .019       |      |                |  |
| 59                      | 21.0      | .62                     | .49       | .014       |      |                |  |
| 60                      | 22.8      | .67                     | .38       | .014       |      |                |  |
| 61                      | 8.0       | .24                     | .67       | .020       |      |                |  |
| 62                      | 6.0       | .18                     | .33       | .010       |      |                |  |
| 63                      | 62.0      | 1.82                    | 20.5      | .59        |      |                |  |
| 64                      | 15.0      | .44                     | 1.40      | 0.040      |      |                |  |
| 65                      | 24.0      | .71                     | .29       | .009       |      |                |  |
| 66                      | 10.9      | .32                     | .42       | .012       |      |                |  |
| 67                      | 5.9       | .17                     | .31       | .009       |      |                |  |
| 68                      | 24.0      | .71                     | 1.72      | .052       |      |                |  |
| 69                      | 8.0       | .24                     | .01       | Tr         |      |                |  |
| 70                      | 1.5       | .04                     | ND        | ND         |      |                |  |
| 71                      | 0.8       | .02                     | ND        | ND         |      |                |  |
| 72                      | 0.8       | .02                     | ND        | ND         |      |                |  |
| 73                      | 11.0      | .32                     | .21       | .006       |      |                |  |
| 74                      | 10.4      | .31                     | .08       | .002       |      |                |  |
| 75                      | 7.0       | .21                     | .08       | .002       |      |                |  |
| 76                      | 5.5       | .16                     | .14       | .004       |      |                |  |
| 77                      | 7.0       | .21                     | .11       | .003       |      |                |  |
| 78                      | 6.9       | .20                     | .22       | .006       |      |                |  |
| 79                      | 8.0       | .24                     | 1.20      | .035       |      |                |  |
| 80                      | 5.9       | .17                     | .30       | .009       |      |                |  |
| 81                      | 8.0       | .24                     | .18       | .005       |      |                |  |
| 82                      | 5.1       | .15                     | .16       | .005       |      |                |  |
| 83                      | 6.7       | .20                     | .19       | .006       |      |                |  |
| 84                      | 55.0      | 1.62                    | 3.70      | .11        |      |                |  |
| 85                      | 10.0      | .29                     | .09       | .003       |      |                |  |

EXTRACTION HCl HNO3 REMARKS Au extracted from solution  
 METHOD AA by MIBK  
 FRACTION USED -100 ND Non detectable  
 WEIGHT USED 10 gm. ANALYST H. R. Goddard *H. R. Goddard*

KENNCO EXPLORATIONS, (WESTERN) LIMITED

1405 PEMBERTON AVENUE  
NORTH VANCOUVER, B.C. V7P 2R8

Date August 19, 1975

| To         |      | ASSAY LAB REPORT |      |       |  | Code   |  |
|------------|------|------------------|------|-------|--|--------|--|
| V.R. Hardy |      |                  |      |       |  | 010175 |  |
| Sample No. | Ag   | Ag               | Au   | Au    |  |        |  |
|            | ppm  | oz./T            | ppm  | oz./T |  |        |  |
| 29086      | 6.8  | .20              | .13  | .004  |  |        |  |
| 87         | 7.5  | .22              | 1.06 | .031  |  |        |  |
| 88         | 20.0 | .59              | .10  | .003  |  |        |  |
| 89         | 10.5 | .31              | .22  | .006  |  |        |  |
| 90         | 8.2  | .24              | .13  | .004  |  |        |  |
| 91         | 6.4  | .19              | .10  | .003  |  |        |  |
| 92         | 10.0 | .29              | .29  | .009  |  |        |  |
| 93         | 13.0 | .38              | .29  | .009  |  |        |  |
| 94         | 12.1 | .36              | .47  | .014  |  |        |  |
| 95         | 12.8 | .38              | .09  | .003  |  |        |  |
| 96         | 10.0 | .29              | .25  | .013  |  |        |  |
| 97         | 12.0 | .35              | .44  | .013  |  |        |  |
| 98         | 47.0 | 1.38             | .10  | .003  |  |        |  |
| 99         | 7.0  | .21              | .01  | Tr    |  |        |  |
| 29100      | 6.0  | .18              | .01  | Tr    |  |        |  |
| 01         | 1.0  | .03              | ND   | ND    |  |        |  |
| 02         | 1.9  | .06              | ND   | ND    |  |        |  |
| 03         | 1.0  | .03              | .01  | Tr    |  |        |  |
| 04         | 2.0  | .06              | .03  | .001  |  |        |  |
| 05         | 6.5  | .19              | .06  | .002  |  |        |  |
| 06         | 3.0  | .09              | .04  | .001  |  |        |  |
| 07         | 1.0  | .03              | ND   | ND    |  |        |  |
| 08         | 1.7  | .05              | .03  | .001  |  |        |  |
| 09         | 10.0 | .29              | .45  | .013  |  |        |  |
| 10         | 13.0 | .38              | 1.00 | .029  |  |        |  |
| 11         | 13.0 | .38              | 2.20 | .065  |  |        |  |
| 12         | 18.5 | .54              | .06  | .002  |  |        |  |
| 13         | 24.0 | .71              | 4.20 | .12   |  |        |  |
| 14         | 18.5 | .54              | 2.20 | .084  |  |        |  |
| 15         | 27.0 | .79              | .57  | .017  |  |        |  |
| 16         | 30.5 | .90              | .60  | .018  |  |        |  |
| 17         | 73.5 | 2.16             | 1.75 | .051  |  |        |  |
| 18         | 45.5 | 1.34             | .18  | .005  |  |        |  |
| 19         | 32.0 | .94              | .16  | .005  |  |        |  |
| 20         | 30.0 | .88              | .10  | .003  |  |        |  |

EXTRACTION HCl HNO3 REMARKS Au extracted from solution  
 METHOD AA by MIBK  
 FRACTION USED -100 ND Non detectable  
 WEIGHT USED 10 gm. ANALYST H. R. Goddard *H. R. Goddard*

KENNCO EXPLORATIONS, (WESTERN) LIMITED

1405 PEMBERTON AVENUE  
NORTH VANCOUVER, B.C. V7P 2R8

Date August 19, 1975

| To<br>V. R. Hardy |      | ASSAY LAB REPORT |      |       | Code<br>010175 |  |
|-------------------|------|------------------|------|-------|----------------|--|
| KX<br>Sample No.  | Ag   | Ag               | Au   | Au    |                |  |
|                   | ppm  | oz./T            | ppm  | oz./T |                |  |
| 29121             | 32.5 | .96              | 1.02 | .030  |                |  |
| 22                | 47.0 | 1.38             | 1.90 | .056  |                |  |
| 23                | 25.0 | .74              | .93  | .027  |                |  |
| 24                | 16.3 | .48              | .66  | .019  |                |  |
| 25                | 5.6  | .16              | .48  | .014  |                |  |
| 26                | 5.0  | .15              | .14  | .004  |                |  |
| 27                | 3.2  | .09              | .15  | .004  |                |  |
| 28                | 22.8 | .67              | .07  | .002  |                |  |
| 29                | 25.0 | .74              | .92  | .027  |                |  |
| 30                | 23.0 | .68              | 3.12 | .092  |                |  |
| 31                | 15.1 | .44              | .15  | .004  |                |  |
| 32                | 40.5 | 1.19             | 1.00 | .029  |                |  |
| 33                | 32.2 | .95              | 1.80 | .053  |                |  |
| 34                | 29.0 | .85              | 3.50 | .10   |                |  |
| 35                | 8.4  | .25              | 6.20 | .18   |                |  |
| 36                | 4.1  | .12              | .38  | .011  |                |  |
| 37                | 16.8 | .49              | .25  | .007  |                |  |
| 38                | 32.0 | .94              | .03  | .001  |                |  |
| 39                | 27.6 | .81              | .21  | .006  |                |  |
| 40                | 19.0 | .56              | .05  | .001  |                |  |
| 41                | 9.3  | .27              | .31  | .009  |                |  |
| 42                | 17.0 | .50              | 1.23 | 0.080 |                |  |
| 43                | 10.0 | .29              | .28  | 1.09  |                |  |
| 44                | 1.9  | .06              | .01  | Tr    |                |  |
| 45                | 1.0  | .03              | ND   | ND    |                |  |
| 46                | 1.1  | .03              | ND   | ND    |                |  |
| 47                | 1.9  | .06              | .02  | Tr    |                |  |
| 48                | 2.8  | .08              | .01  | Tr    |                |  |
| 49                | 2.8  | .08              | .26  | .008  |                |  |
| 50                | 1.3  | .04              | ND   | ND    |                |  |
| 51                | 1.0  | .03              | ND   | ND    |                |  |
| 52                | 1.0  | .03              | ND   | ND    |                |  |
| 53                | 1.0  | .03              | .01  | Tr    |                |  |

EXTRACTION HCl HNO3 REMARKS Au extracted from solution  
 METHOD AA by NIBK  
 FRACTION USED -100 ND Non detectable  
 WEIGHT USED 10 gm. ANALYST H. R. Goddard *H. R. Goddard*

KENNCO EXPLORATIONS, (WESTERN) LIMITED

1405 PEMBERTON AVENUE  
NORTH VANCOUVER, B.C. V7P 2R8

Date August 28, 1975

| To<br>V. R. Hardy |           | <b>ASSAY LAB REPORT</b> |           |             |           | Code<br>010175 |  |
|-------------------|-----------|-------------------------|-----------|-------------|-----------|----------------|--|
| KX<br>Sample No.  | Ag<br>ppm | Ag<br>oz./T             | Au<br>ppm | Au<br>oz./T | Cu<br>ppm |                |  |
|                   | 29154     | 1.4                     | .04       | ND          | ND        |                |  |
| 55                | 1.4       | .04                     | ND        | ND          |           |                |  |
| 56                | 1.4       | .04                     | .01       | Tr          |           |                |  |
| 57                | 1.3       | .04                     | ND        | ND          |           |                |  |
| 58                | 1.3       | .04                     | ND        | ND          |           |                |  |
| 59                | 1.4       | .04                     | ND        | ND          |           |                |  |
| 60                | 1.3       | .04                     | ND        | ND          |           |                |  |
| 61                | 1.2       | .04                     | ND        | ND          |           |                |  |
| 62                | 1.3       | .04                     | ND        | ND          |           |                |  |
| 63                | 1.4       | .04                     | ND        | ND          |           |                |  |
| 64                | 1.2       | .04                     | .01       | Tr          |           |                |  |
| 65                | 1.4       | .04                     | ND        | ND          |           |                |  |
| 66                | 1.1       | .03                     | ND        | ND          | 26        |                |  |
| 67                | 1.1       | .03                     | ND        | ND          | 32        |                |  |
| 68                | 1.0       | .03                     | ND        | ND          | 30        |                |  |
| 69                | 1.0       | .03                     | ND        | ND          | 34        |                |  |
| 70                | 0.9       | .03                     | ND        | ND          | 28        |                |  |
| 71                | 1.1       | .03                     | ND        | ND          | 38        |                |  |
| 72                | 1.0       | .03                     | ND        | ND          | 37        |                |  |
| 73                | 1.0       | .03                     | ND        | ND          | 36        |                |  |
| 74                | 1.0       | .03                     | ND        | ND          | 40        |                |  |
| 75                | 1.0       | .03                     | ND        | ND          | 35        |                |  |
| 76                | 1.0       | .03                     | ND        | ND          | 22        |                |  |
| 77                | 1.4       | .04                     | ND        | ND          | 24        |                |  |
| 78                | 1.1       | .03                     | ND        | ND          | 34        |                |  |
| 79                | 1.0       | .03                     | ND        | ND          | 44        |                |  |
| 80                | 2.0       | .06                     | ND        | ND          | 445       |                |  |
| 81                | 1.0       | .03                     | ND        | ND          | 49        |                |  |
| 82                | 1.1       | .03                     | ND        | ND          | 44        |                |  |
| 83                | 1.0       | .03                     | ND        | ND          | 39        |                |  |
| 84                | 1.2       | .04                     | ND        | ND          | 97        |                |  |
| 85                | 1.0       | .03                     | ND        | ND          | 26        |                |  |
| 86                | 1.0       | .03                     | ND        | ND          | 40        |                |  |
| 87                | 1.0       | .03                     | ND        | ND          | 52        |                |  |
| 88                | 0.9       | .03                     | ND        | ND          | 52        |                |  |

EXTRACTION HCl HN03 REMARKS Au extracted from solution  
 METHOD AA by MIBK  
 FRACTION USED -100  
 WEIGHT USED 10 gm. ANALYST H. R. Goddard *H. R. Goddard*



KENNCO EXPLORATIONS, (WESTERN) LIMITED

1405 PEMBERTON AVENUE  
NORTH VANCOUVER, B.C. V7P 2R8

Date September 3, 1975

| To<br>V. R. Hardy       |           | <b>ASSAY LAB REPORT</b> |           |             |           | Code<br>010175 |
|-------------------------|-----------|-------------------------|-----------|-------------|-----------|----------------|
| <b>KX</b><br>Sample No. | Ag<br>ppm | Ag<br>oz./T             | Au<br>ppm | Au<br>oz./T | Cu<br>ppm |                |
| 29189                   | 1.0       | .03                     | ND        | ND          | 50        |                |
| 90                      | 1.0       | .03                     | ND        | ND          | 47        |                |
| 91                      | 1.0       | .03                     | ND        | ND          | 56        |                |
| 92                      | 1.0       | .03                     | ND        | ND          | 52        |                |
| 93                      | 0.8       | .02                     | ND        | ND          | 50        |                |
| 94                      | 0.8       | .02                     | ND        | ND          | 31        |                |
| 95                      | 0.9       | .03                     | ND        | ND          | 33        |                |
| 96                      | 1.4       | .04                     | ND        | ND          | 950       |                |

EXTRACTION HCl HNO3 REMARKS Au extracted from solution  
 METHOD AA BY MIBK  
 FRACTION USED -100  
 WEIGHT USED 10 gm. ANALYST H. R. Goddard *H.R. Goddard*

APPENDIX II: Notice to Group





APPENDIX III: Affidavit on Application to Record  
Work



DEPARTMENT OF MINES AND PETROLEUM RESOURCES

FORM B (Section 51) MINERAL ACT

Affidavit on Application to Record Work

1. I, R. W. Stevenson Agent for Kennco Explorations, (Western) Limited
730 - 505 Burrard Street 730 - 505 Burrard Street
Vancouver, B.C. V7X 1M4 Vancouver, B.C. V7X 1M4
Free Miner's Certificate No. 144109 Free Miner's Certificate No. 143090
Date issued March 3, 1976-Vancouver Date issued December 11, 1975-Vancouver

MAKE OATH AND SAY:

- 2. I have done, or caused to be done, work on the LAWYERS NO. 12 GROUP consisting of
New Lawyers 1, 2 and 3 Mineral Claim(s)
Record No.(s) 39, 40 & 41
Situate at Toodoggone River in the Omineca Mining Division,
to the value of at least \$68,051 dollars. Work was done from the 5th day
of August 19 75, to the 25th day of August 19 75
3. The following is a detailed statement of such work done in the 12 months in which such work is required to be done.

(COMPLETE APPROPRIATE SECTION(S) A, B, C, D, BELOW)

A. PHYSICAL (Trenches, open cuts, adits, pits, shafts, reclamation, and construction of roads and trails)

(Give details as required by regulations)

Table with 2 columns: Description (with horizontal lines) and COST

TOTAL

I wish to apply \$ of this work to the claims listed below.
(State number of years to be applied to each claim and its month of record)

B. DRILLING

(Details as per report submitted)
From submitted report on diamond drilling - portion of \$77,760
applicable to Lawyers No. 12 Group

Table with 1 column labeled 'COST' and 2 rows. The second row contains the value '\$68,051.00'.

I wish to apply \$ 36,400.00 of this work to the claims listed below.
(State number of years to be applied to each claim and its month of record)

Table with 4 columns: New Lawyers No., years + units, = units, and Month of Record. Row 1: New Lawyers No. 1, 3 years + 16 units = 76 units, Month of Record = July. Row 2: New Lawyers No. 2, 5 years + 3 units = 63 units, for all three claims. Row 3: New Lawyers No. 3, 5 years + 3 units = 43 units.

C. PROSPECTING

(Details as per report submitted)

Table with 1 column labeled 'COST' and 2 rows.

I wish to apply \$ of this work to the claims listed below.
(State number of years to be applied to each claim and its month of record)

Series of horizontal dashed lines for listing claims under section C.

D. GEOLOGICAL, GEOCHEMICAL, GEOPHYSICAL (Includes line cutting)

(State type of work)

Table with 1 column labeled 'COST' and multiple rows. The bottom row is labeled 'TOTAL'.

I wish to apply \$ of this work to the claims listed below.
(State number of years to be applied to each claim and its month of record)

Series of horizontal dashed lines for listing claims under section D.

NOTE—Dollar value of work done under A, B, C, or D sections, totalling \$200, may be applied as one year's work.

Who paid for the above-described work?

Name Kennco Explorations, (Western) Limited
Address 730 - 505 Burrard Street,
Vancouver, B.C. V7X 1M4

If you intend to claim a refund of cash in lieu under the provisions of the Mineral Act, you must make application on this affidavit under A, B, C, or D sections as applicable.

4. That I have not and will not use the work declared herein in any way for the purposes of obtaining tax exemption on a Crown-granted mineral claim under the terms of the Mineral Land Tax Act.

SWORN and subscribed to at this day of 19, before me

This affidavit may be taken by a person empowered to take affidavits by the Evidence Act of British Columbia.



DEPARTMENT OF MINES AND PETROLEUM RESOURCES

FORM B (Section 51) MINERAL ACT

Affidavit on Application to Record Work

1. I, R. W. Stevenson Agent for Kennco Explorations, (Western) Limited
730 - 505 Burrard Street, 730 - 505 Burrard Street,
Vancouver, B.C. V7X 1M4 Vancouver, B.C. V7X 1M4
Free Miner's Certificate No. 144109 Free Miner's Certificate No. 143090
Date issued March 3, 1976-Vancouver Date issued December 11, 1975-Vancouver

MAKE OATH AND SAY:

2. I have done, or caused to be done, work on the LAWYERS NO. 13 GROUP consisting of
New Lawyers No. 4 Mineral Claim(s)
Record No.(s) 42
Situate at Toodoggone River in the Omineca Mining Division,
to the value of at least \$9,709.00 dollars. Work was done from the 5th day
of August 19 75, to the 25th day of August 19 75

3. The following is a detailed statement of such work done in the 12 months in which such work is required to be done.

(COMPLETE APPROPRIATE SECTION(S) A, B, C, D, BELOW)

A. PHYSICAL (Trenches, open cuts, adits, pits, shafts, reclamation, and construction of roads and trails)

(Give details as required by regulations)

COST

Table with 2 columns: Description (with horizontal lines) and COST. Includes a TOTAL row at the bottom.

I wish to apply \$ of this work to the claims listed below.
(State number of years to be applied to each claim and its month of record)



**B. DRILLING**

(Details as per report submitted)  
 From submitted diamond drilling report - portion of \$77,360  
 applicable to New Lawyers No. 4 mineral claim.

| COST        |
|-------------|
|             |
| \$ 9,309.00 |

I wish to apply \$ 9,200.00 of this work to the claims listed below.  
 (State number of years to be applied to each claim and its month of record)

New Lawyers No. 4 (Lawyers No. 13 Group) - apply 5 years + 6 units = 46 units

Month of Record = July

**C. PROSPECTING**

(Details as per report submitted)

| COST |
|------|
|      |
|      |

I wish to apply \$ \_\_\_\_\_ of this work to the claims listed below.  
 (State number of years to be applied to each claim and its month of record)

**D. GEOLOGICAL, GEOCHEMICAL, GEOPHYSICAL (Includes line cutting)**  
 (State type of work)

From submitted report on Soil Geochemical & supporting  
 Ground Control Survey.... Lawyers Nos. 12 and 13 Groups  
 portion of \$2,777.00 applicable to New Lawyers No. 4 mineral  
 claim

| COST                    |
|-------------------------|
|                         |
|                         |
|                         |
| \$ 400.00               |
| <b>TOTAL</b> \$9,709.00 |

I wish to apply \$ 400.00 of this work to the claims listed below.  
 (State number of years to be applied to each claim and its month of record)

New Lawyers No. 4 - apply 2 units

NOTE—Dollar value of work done under A, B, C, or D sections, totalling \$200, may be applied as one year's work.

Who paid for the above-described work?

Name Kennco Explorations, (Western) Limited  
 Address 730 - 505 Burrard Street,  
Vancouver, B.C. V7X 1M4

If you intend to claim a refund of cash in lieu under the provisions of the *Mineral Act*, you must make application on this affidavit under A, B, C, or D sections as applicable.

4. That I have not and will not use the work declared herein in any way for the purposes of obtaining tax exemption on a Crown-granted mineral claim under the terms of the *Mineral Land Tax Act*.

SWORN and subscribed to at \_\_\_\_\_  
 this \_\_\_\_\_ day of \_\_\_\_\_  
 19\_\_\_\_, before me—  
 \*

o • This affidavit may be taken by a person empowered to take affidavits by the *Evidence Act* of British Columbia.

APPENDIX IV: Agreement between Kennco Explorations,  
(Western) Limited and D.W. Coates  
Enterprises Limited

THIS AGREEMENT made as of the 1st day of April, 1975:

BETWEEN:

KENNCO EXPLORATIONS, (WESTERN) LIMITED,  
730 - 505 Burrard Street,  
Vancouver, B.C. V7X 1M4

(hereinafter referred to as  
"the Company")

AND:

D. W. COATES ENTERPRISES LTD.,  
256 A Simpson Road,  
Richmond, B. C. V6X 2P9

(hereinafter referred to as  
"the Contractor")

WHEREAS the Company has requested the Contractor to complete a minimum of 1500 feet of diamond drilling and other services as herein set forth, on the property of the Company in the Chappelle area in the Province of British Columbia, known as the Lawyers Property;

AND WHEREAS the Contractor has agreed to do the said minimum diamond drilling and to perform the other services requested upon the terms, conditions and provisos herein contained;

NOW THEREFORE this Agreement Witnesseth that in consideration of the payment of the amounts herein stipulated and of the mutual covenants hereinafter contained, the parties hereto agree as follows:-

SCHEDULE OF RATES - CORING

THAT the Company hereby employs the Contractor to diamond drill on the said property a series of bore holes using a BQ core barrel producing a core of approximately 1.5/16 inches. The Company agrees to pay the Contractor on a footage basis for the said diamond drilling according to the following schedule of rates:

| <u>From</u> |   | <u>To</u>     | <u>Price/Foot</u> |
|-------------|---|---------------|-------------------|
| 0           | - | 500' in depth | \$10.80           |
| 500'        | - | 800' in depth | \$11.50           |

It is understood that measurement of all bore holes shall be from the top of the casing or stand pipe as the case may be.

OVERBURDEN

THAT the Company agrees to pay for casing or stand pipe for the first 50 feet in any hole according to the following schedule of rates:

| <u>From</u> |   | <u>To</u>    | <u>Price/Foot</u> |
|-------------|---|--------------|-------------------|
| 0           | - | 25' in depth | \$10.80           |
| 25'         |   | 50' in depth | \$12.30           |
| 50' plus    |   |              | Field Cost        |

The Company further agrees that in the event that casing or stand pipe on any hole exceeds 50 feet, then costs for casing or stand piping on that hole shall be charged on an operating field cost basis from 50 foot depth to bedrock.

Whenever pipe or casing is lost or left in a hold on the instructions

of the Company's engineer, the Company agrees to pay for said casing or pipe at Contractor's cost F.O.B. mobilization point plus fifteen percent.

The Company agrees to pay the Contractor for the cost of the diamond set shoe or bit in addition to the casing, at Contractor's cost plus ten percent, where pipe or casing are left in the ground.

The Company further agrees that should the casing or stand pipe exceed 50 feet in any hole, the Contractor shall be reimbursed at the rate of \$0.70 per foot beyond 50 feet of casing employed down the hole to cover wear and tear on the casing.

#### MOVING BETWEEN HOLES - SETTING UP - TEARING DOWN

THAT the Company agrees to pay the Contractor for all moves between drill site locations on an operating field cost basis. This item includes obtaining sills, tearing down, setting up and moving. At the request of the Contractor, the Company shall provide a helicopter or tractor and driver to aid in moving between holes, at no cost to the Contractor.

#### ACID TESTS

THAT the Contractor agrees to take acid tests at the depths as instructed by the Company's engineer. Such tests shall be charged at the rate of two feet of drilling at the depth at which the tests were taken.

TRANSPORTATION

THAT the Contractor agrees to move his men, equipment and supplies from Smithers to first hole site and return from last hole site to Smithers on an operating field cost basis, provided that if the drill is moved from the Kemess property (5 miles east of the north end of Thutade Lake) upon completion of the program carried out by Getty Mines Ltd., then operating field costs shall apply only for transportation from Kemess to Lawyers and return to Smithers.

At the request of the Contractor, the Company agrees to provide all necessary aircraft for mobilization and demobilization and for continuing supplies as the job progresses, at no cost to the Contractor.

WATER SUPPLY

The Company, which owns a high pressure pump and waterline, will supply the water to a central point accessible to the drill sites at no cost to the Contractor. Any time spent on the Company waterline by the Contractor will be charged on an operating field cost basis.

DRILLING WITH MUD

THAT it is mutually agreed that should mud be required to penetrate the overburden and/or aid in core recovery while core drilling, such mud employed will be charged on a Contractor's cost at job site basis plus fifteen percent.

Time employed mixing mud and stabilizing the drill hole would be charged on an operating field cost basis.

CEMENTING

THAT the Company agrees to pay the Contractor for the cementing of bore holes to stop cave-ins on an operating field cost basis.

Waiting for cement to set would be charged on a non-operating field cost basis.

TRAVELLING TIME

THAT the Company agrees that should the time required to walk or ride from the camp to the drill site and return per shift be greater than one-half hour, then all travelling time will be recovered on an operating field cost basis.

REAMING AND CASING

THAT the Company agrees that all reaming and casing that is necessary to stop cave-ins or maintain the return flow of water shall be completed at the Company's request and that the cost of performing such reaming and placing of such casing as may be required would be charged on an operating field cost basis.

Casing would be charged at the rate of \$0.70 per reamed foot.

DIRECTIONAL AND CONTROLLED DRILLING

THAT it is mutually agreed that directional drilling to change the

direction of a bore hole and controlled drilling to maintain the angle of a bore hole shall not be part of this agreement.

#### SECURITY

THAT the Contractor will not give out, or in any way divulge, any information regarding drill results or <sup>allow</sup> access to core to any person other than to the Company's representative.

#### BOARD AND LODGING

THAT the Company agrees to supply suitable board and lodging at no cost to the Contractor.

#### PERFORMANCE OF WORK

The Contractor shall perform the work contemplated hereby in a good and workman like manner in accordance with the orders and directions of the representative of the Company and, without limitation, conduct the drilling so as to produce maximum core recovery with every reasonable precaution taken to prevent crushing, wearing or grinding of core. All cores recovered by the Contractor shall be carefully marked, placed in core boxes provided by and delivered to the Company at the drillsite.



CORE BOXES

THAT the Company agrees to pay the Contractor \$4.30 per box and \$1.50 per lid, supplied at its request by the Contractor at the Company's request.

CORE SPLITTER

THAT the Contractor agrees to supply a core splitter if requested, at the rate of \$25.00 per month.

DRILLING SITES

THAT 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 said representative relating to place and time of drilling.

SUSPENSION OF DRILLING

THAT if the drilling contemplated hereunder is suspended temporarily for technical and engineering reasons at the direction of the representative of the Company, then the time involved during such suspension shall be charged to the Company on a non-operating field cost basis.

FIELD COSTS

THAT the Company agrees that subject to the clause entitled "DELAY CAUSED BY CONTRACTOR" the following rates shall apply when certain work as defined in this contract is performed on a field cost basis. "Field Cost" is defined as all direct labour, including supervision and all related costs, drill and support equipment per hour, and cost of pipe or casing lost, diamond loss, and materials and supplies consumed in this work.

Operating Field Costs:

|                                       |  |
|---------------------------------------|--|
| Labour . . . . .                      | .\$11.30 per man hour  |
| Drill . . . . .                       | .\$ 7.50 per hour  |
| Pump . . . . .                        | .\$ 0.85 per hour  |
| Mud Mixer (when applicable) . . . . . | .\$ 0.60 per hour  |
| Materials Consumed . . . . .          | Invoice cost to Contractor at job site plus fifteen percent. |

Note: No charge is made for drill or pumps when mobilizing or demobilizing and moving between holes.

Non-Operating Field Costs: (Maximum 8 hours per day)

|  |                       |
|--|-----------------------|
| Labour . . . . .   | .\$10.50 per man hour |
| Drill, pumps, and all other equipment<br>as one unit . . . . . | .\$ 4.00 per hour     |

TAXES

Except for sales taxes on material paid for by the Company as part of Field Costs, all taxes which Contractor may be required to pay or collect are for Contractor's account and shall be deemed to be included in the price stipulated, whether or not they are required to be separately stated.

PAYMENTS

THAT the Company agrees to make payments at the rates hereinbefore specified in accordance with the terms hereinafter set out, that is: For all work done hereunder between the first and 15th day

and the 16th and last day of the month, payment shall be due and payable thirty days after the date on which the invoice is submitted to the Company. All accounts unpaid more than thirty days after the date the invoice is submitted to the Company shall upon written notice that the account is overdue, bear interest at the rate of one percent per month calculated from the date of receipt of written notice to that effect by the Company. These payments shall be made as the work progresses in conformity with the Contractor's semi-monthly invoices, which shall be supported by vouchers or other evidence satisfactory to the Company. The Company will have the right to inspect the books of the Contractor to verify costs.

CAVED OR BROKEN GROUND

THAT in the event that cavities or loose and caving materials are encountered of a nature such as to prevent the successful completion of any hole, the Contractor does not, under such conditions, guarantee to drill a predetermined depth and in the event that it becomes necessary to abandon the hole, the Company agrees to pay for such incompletd hole at the rates herein specified for all footage completed.

ENVIRONMENT

THAT during the course of the work, the Contractor shall at all times keep the Company's property free from accumulation of waste material and rubbish and upon completion of the work shall remove all tools, scaffolding and surplus material and leave the property in a clean condition. The Contractor shall observe and comply with all applicable Federal and Provincial laws, regulations, and orders

including, without limitation, those relating to prevention of forest fires and sanitation in the bush.

#### ESCALATION

THAT both the Contractor and Company appreciate the inflationary forces that are prevalent and active to-day. It is thus agreed that the enclosed schedule includes: (1) the labour rates that will be in effect after April 1, 1975 and (2) the cost for diamonds, rods, casing, fuel and food as of January 31, 1975.

If there is an increase in (2) of more than 10%, it is agreed that the schedule of rates in the first paragraph would be adjusted to compensate for such increase.

#### INSURANCE

THAT the Contractor, during the term of this agreement, will obtain and continue in force, at its own expense, all insurance specified below. The Contractor will not commence work nor allow any subcontractor to commence work until all insurance to be obtained by the Contractor has been approved and accepted by the Comptroller of the Company.

The insurance to be obtained and continued in force by the Contractor

includes the following:

- (a) Workmen's Compensation Insurance
- (b) Comprehensive Automobile Liability Insurance, with Bodily Injury Limits of \$100,000.00 each person and \$300,000.00 each accident and Property damage with a Limit of \$25,000.00 each accident.
- (c) Comprehensive General Liability Insurance with limits of at least \$500,000 bodily injury, including death, and \$500,000/500,000 property damage.

Any exclusion of the insurance pertaining to (1) damage to underground property, (2) collapse of structures, or (3) damage resulting from explosion or blasting, shall be deleted.

Certificates of insurance which shall be furnished to the Comptroller of the Company shall include the following statements:

- (aa) At least ten (10) days prior to the effective date of any material change or cancellation written notice thereof will be sent by registered mail to the Comptroller, Kennecott Canada Limited, P.O. Box 20, Toronto-Dominion Centre, Toronto, Ontario, M5K 1A1.
- (bb) The Contractural Liability insurance coverage covers the liability of the insured assumed under the indemnity and insurance provisions of this agreement.
- (cc) The Comprehensive General Liability Insurance coverage covers (1) damage to underground property, (2) collapse of structures, (3) damage resulting from explosion or blasting, and (4) liability for sickness or injury, including death, to any employee not compensable under the Workmen's Compensation Act of British Columbia.

#### RIGHT OF CANCELLATION

THAT the Contractor reserves the right to cancel this agreement should its fulfillment be rendered impossible by:

(a) Natural disaster, war, invasion, insurrection, riot<sup>5</sup>, the order or regulations of any civil or military authority, or by strikes, lockout, or labour disputes, whether in or in the neighbourhood of the Contractor's plant or of that of any supplier of materials necessary for the completion of the contract.

(b) The inability to obtain essential materials and supplies due to priority restriction.

(c) The inability to secure labour due to restrictions or causes beyond the Contractor's control, and the Contractor shall not be liable for any loss or damage directly or indirectly suffered by the Company by reason of exercise of such right of cancellation.

THAT the Company will have the right at any time after commencement of work on the site to terminate this agreement upon giving written notice to the Contractor PROVIDED that if such termination is effective before completion of the said minimum drilling the Company shall reimburse the Contractor for substantiated actual costs incurred by the Contractor directly as a result of cancellation, excluding consequential damages and loss of profits. Termination shall be effective (i) immediately upon receipt of notice, or (ii) upon such date as may be specified in the notice.

DELAY CAUSED BY THE CONTRACTOR

If delay in the drilling is caused by the Contractor, either as a

result of a breakdown in its equipment or otherwise, no charge shall be made to the Company for the time required to repair such equipment or otherwise remedy the situation to permit continuance of the work contemplated by this agreement.

GENERAL

THAT the Contractor agrees to indemnify and save harmless the Company against any and all loss and expense, including attorney's fees and other legal expenses by reason of liability imposed or claimed to be imposed by law upon the Company for damage because of bodily injuries, including death at any time resulting therefrom, or on account of damage to property, sustained by any person or persons arising out of or in consequence of the performance of the work contemplated by this agreement or the use by the Contractor or any sub-contractor of any equipment which may be furnished or loaned to the Contractor or any sub-contractor by the Company, whether or not such bodily injuries, death, or damage to property arise or are claimed to have arisen in whole or in part out of the negligence or any other grounds of legal liability, including violation of any duty imposed by a statute, or ordinance or regulation, on the part of the Contractor, or sub-contractors, the Company, the employees or agents of any of them, or any other person or organization.

THAT 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.

THAT it is further agreed that this agreement and any dispute arising hereunder shall be interpreted and determined in accordance with the laws of the Province of British Columbia.

NOTWITHSTANDING anything to the contrary herein contained, the relationship of the Contractor, its servants and agents, with the Company shall be that of any independent contractor and not of master and servants.

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

Kennco Explorations, (Western) Limited,  
Suite 730 - One Bentall Centre,  
505 Burrard Street,  
Vancouver, B.C. V7X 1M4

or to the Contractor by registered letter addressed as follows:

D. W. Coates Enterprises Ltd.,  
256 A Simpson Road,  
Richmond, B. C. V6X 2P9

IN WITNESS WHEREOF these presents have been executed by the parties



hereto the day and year first above written:

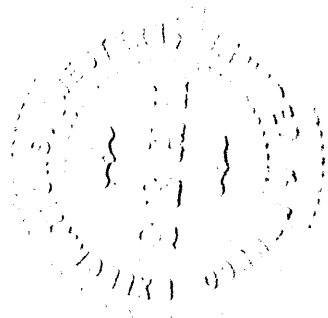
THE COMMON SEAL of KENNCO  
EXPLORATIONS (WESTERN)  
LIMITED was hereunto  
affixed in the presence of:

R. H. Johnson

\_\_\_\_\_

THE COMMON SEAL of D. W.  
COATES ENTERPRISES LTD.  
was hereunto affixed in  
the presence of:

D. W. Coates



Project Lawyers Appraisal w/010175 Location AGB Trench No. 2

Contractor D. W. Coates

Hole No. DPH No. 5 Page No. 1 of 4

Date Started Aug. 6 1975

Coordinates: 50025 N 50250 E KENNCO EXPLORATIONS, (WESTERN) LIMITED

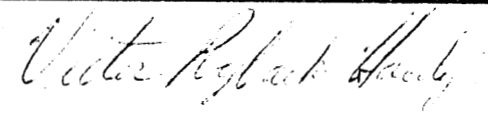
Date Finished Aug. 7 1975

Collar elev. 5785.91 (Top Men Assumed Bearing NGOE approx. (N63E) 6070.0 A.S.L.)

Ref. to Claim Corner New Lawyers No. 1

Inclination -45° Total Depth 212.5

Logged by VR-H.

| DRILLING INTERVAL | % CORE RECOVERED | CORE SIZE WL | SECTION  | ALTERATION |                |           | FRACTURING | MINERAL | GEOLOGY | COMMENTS:  | AVE. CORE REC'Y/HOLE: |  |
|-------------------|------------------|--------------|----------|------------|----------------|-----------|------------|---------|---------|--|-----------------------|---|
|                   |                  |              |          | SiO2       | Epidote/Chlor. | Carbonate |            |         |         |  |                       |   |
| 10' - 11.25 109   |                  |              | B Casing |            |                |           |            |         |         | 10' Casing   |                       |   |
| 11.25 - 21.5 97   |                  |              |          |            |                |           |            |         |         | Overburden No Core   |                       |   |
| 21.5 - 26.8 100   |                  |              |          |            |                |           |            |         |         | 1/8" Qtz seamlet w/ky brecciated   |                       |   |
| 26.8 - 36.8 101   |                  |              |          |            |                |           |            |         |         | Well frct'd.   |                       |   |
| 36.8 - 46.8 96    |                  |              |          |            |                |           |            |         |         | Trachyte Porphyry - Chocolate brown grndmass; - orange to salmon pink phenocrysts of K-spar; occasional disseminated grain of specularite. Scattered narrow seamlets (1/8"-1/4") Chalcedonic quartz. |                       |   |
| 46.8 - 56.8 99    |                  |              |          |            |                |           |            |         |         | Very fine grained groundmass, phenocrysts x 1/4" dia.  |                       |   |
| 56.8 - 60         |                  |              |          |            |                |           |            |         |         | 2"-3" Calcite filled Breccia Seam  |                       |   |
|                   |                  |              |          |            |                |           |            |         |         | blotchy Qtz vein<br>2" Qtz-Carb. filled Breccia seam   |                       |   |

| DRILLING INTERVAL | % CORE RECOVERED | CORE SIZE | SECTION | ALTERATION       |            |                | FRACTURING | MINERAL | GEOLOGY   | COMMENTS: Scale : 1" = 10'   | AVE. CORE REC'Y/HOLE: |
|-------------------|------------------|-----------|---------|------------------|------------|----------------|------------|---------|---|--|-----------------------|
|                   |                  |           |         | SiO <sub>2</sub> | Chlor/Epid | Carbonate Clay |            |         |   |  |                       |
| 66.8              | 97               | Box 4     | 60-70   |                  |            |                |            |         | Trachyte Porphyry (contd.) - mud (lithified) filled fractures ≈ 1 per foot; Qtz veinlets (x 1 per foot) 1/4" - 1/8" wide 40°-60° to core<br>Tuffaceous groundmass |  |                       |
| 76.8              | 99               |           | 70-80   |                  |            |                |            |         | Qtz-carb vein<br>Mud - very fine grained homogeneous red hematitic groundmass. looks like red ooze, but well lithified  |  |                       |
| 86.8              | 98               |           | 80-90   |                  |            |                |            |         | Mud filled Breccia seam<br>Qtz-carb filling cuts mud.   |  |                       |
| 96.8              | 99               | Box 5     | 90-100  |                  |            |                |            |         | Brecciated Mud-filled Flow Top (1' wide) fine grained hematitic 'mud' groundmass mud seam 1" Qtz vein in Brx  | Trachyte Porphyry Breccia - Crowded fragments of Trachyte (lighter in color than above) in hematitic 'muddy' groundmass (f.g.). Very angular fragments increase in quartz-carbonate veining.<br><br>(May be 'micro-lahar') or Flow Breccia |                       |
| 106.8             | 100              |           | 100-110 |                  |            |                |            |         | Qtz-Carb filled Brx seam<br>2" Qtz filled Brx seam<br>1/8" mud seam   |  |                       |
| 116.8             | 95               | Box 6     | 110-120 |                  |            |                |            |         | Mixture of rounded & angular frag fragments in reddish f.g. 'muddy' groundmass  | Lahar (?) - Fragments 'float' in groundmass  |                       |
|                   |                  |           |         |                  |            |                |            |         | Vuggy   | Trachyte Porphyry - Vesicular flow top Wkly brecciated.  |                       |

*CRH*

| DRILLING INTERVAL | % CORE RECOVERED | CORE SIZE | SECTION | ALTERATION        |            |           | FRACTURING | MINERAL | GEOLOGY | COMMENTS: Scale: 1" = 10'   | AVE. CORE REC'Y/HOLE: |
|-------------------|------------------|-----------|---------|-------------------|------------|-----------|------------|---------|---------|---|-----------------------|
|                   |                  |           |         | S. O <sub>2</sub> | Chlor/Epid | Carbonate |            |         |         |   |                       |
| 136.8             | 98               |           | Box 7   |                   |            |           |            |         |         | Trachyte Porphyry weakly brecciated<br>Limonitic along fractures.   |                       |
| 136.8             | 98               |           |         |                   |            |           |            |         |         | Trachyte Porphyry Breccia limonitic   |                       |
| 146.8             | 98               |           | Box 8   |                   |            |           |            |         |         | 136.6 - native A <sub>2</sub> (?)<br>(small grain)<br><br>Limonite  |                       |
| 156.8             | 99               |           |         |                   |            |           |            |         |         | Trachytic Tuff - 'Cruddy' - Open voids, mud-filled spaces, mixture of fragments. (Flow Top?) well frit'd.   |                       |
| 161               | 85               |           |         |                   |            |           |            |         |         | Lahar? - Composed of 'floating' sub-rounded Trachyte fragments in a fine-grained reddish 'mud' matrix (lithified); frequent irregular veinlets of semi-opaque quartz. |                       |
| 166.5             | 105              |           | Box 9   |                   |            |           |            |         |         | Slickenside   |                       |
| 174               | 100              |           |         |                   |            |           |            |         |         |   |                       |
| 176.5             | 76               |           |         |                   |            |           |            |         |         |   |                       |
| 186.5             | 96               |           | Box 10  |                   |            |           |            |         |         | Crystal-Lithic Tuff - Andesitic; Soft, red-brown to grey dis sepecularite chloritic and clayey.   |                       |

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| DRILLING INTERVAL | % CORE RECOVERED | 80 CORE W/L SIZE | SECTION | ALTERATION       |            |           |      | FRACTURING | MINERAL | GEOLOGY                     | COMMENTS: 1" = 10' | AVE. CORE REC'Y/HOLE: |
|-------------------|------------------|------------------|---------|------------------|------------|-----------|------|------------|---------|-----------------------------|--------------------|-----------------------|
|                   |                  |                  |         | SiO <sub>2</sub> | Chlor/Epid | Carbonate | C/ay |            |         |                             |                    |                       |
| 192.5             | 100              | 8 x 10           | 190     |                  |            |           |      |            |         | Crysta-Lithic Tuff (contd.) |                    |                       |
| 206.5             | 99               |                  | 200     | /                | /          | /         | /    | /          | /       |                             | 1" Aplite vein     |                       |
| 212.5             | 100              |                  | 210     | /                | /          | /         | /    | /          | /       |                             |                    |                       |
|                   |                  |                  |         |                  |            |           |      |            |         | End of hole                 |                    |                       |

*[Handwritten scribble]*

Project Lawyers Appraisal Location \_\_\_\_\_

Contractor \_\_\_\_\_

Hole No. DDH No 5 Page No. 1 of 1

Date Started \_\_\_\_\_

Coordinates: \_\_\_\_\_ N \_\_\_\_\_ E **KENNCO EXPLORATIONS,  
(WESTERN) LIMITED**

Date Finished \_\_\_\_\_

Collar elev. \_\_\_\_\_ Bearing \_\_\_\_\_

Ref. to Claim Corner \_\_\_\_\_

Inclination \_\_\_\_\_ Total Depth 212.5

Logged by \_\_\_\_\_

| Depth Interval |       | CORE       |             |        |          |                           |       |  | Depth Interval |      | SLUDGE |            |           |        |       |  |  |  |
|----------------|-------|------------|-------------|--------|----------|---------------------------|-------|--|----------------|------|--------|------------|-----------|--------|-------|--|--|--|
| From           | To    | Sample No. | Inches Rec. | % Rec. | OZ / Ton |                           | ASSAY |  | g / Ton        | From | To     | Sample No. | Lbs. Rec. | % Rec. | ASSAY |  |  |  |
|                |       |            |             |        | Ag       | Au                        |       |  |                |      |        |            |           |        |       |  |  |  |
| 10             | 20    | KX 29051   |             |        | 0.34     | 0.009                     |       |  | 2.88           |      |        |            |           |        |       |  |  |  |
| 20             | 30    | 52         |             |        | 0.21     | 0.006                     |       |  | 1.85           |      |        |            |           |        |       |  |  |  |
| 30             | 40    | 53         |             |        | 0.18     | 0.011                     |       |  | 2.46           |      |        |            |           |        |       |  |  |  |
| 40             | 50    | 54         |             |        | 0.18     | 0.005                     |       |  | 1.56           |      |        |            |           |        |       |  |  |  |
| 50             | 60    | 55         |             |        | 0.45     | 0.010                     |       |  | 3.53           |      |        |            |           |        |       |  |  |  |
| 60             | 70    | 56         |             |        | 0.32     | 0.007                     |       |  | 2.49           |      |        |            |           |        |       |  |  |  |
| 70             | 80    | 57         |             |        | 0.24     | 0.005                     |       |  | 1.83           |      |        |            |           |        |       |  |  |  |
| 80             | 90    | 58         |             |        | 0.88     | 0.019                     |       |  | 6.81           |      |        |            |           |        |       |  |  |  |
| 90             | 100   | 59         |             |        | 0.62     | 0.014                     |       |  | 4.89           |      |        |            |           |        |       |  |  |  |
| 100            | 110   | 60         |             |        | 0.67     | 0.011                     |       |  | 4.67           |      |        |            |           |        |       |  |  |  |
| 110            | 120   | 61         |             |        | 0.24     | 0.020                     |       |  | 4.08           |      |        |            |           |        |       |  |  |  |
| 120            | 130   | 62         |             |        | 0.18     | 0.010                     |       |  | 2.31           |      |        |            |           |        |       |  |  |  |
| 130            | 136   | 63         |             |        | 1.82     | 0.590                     |       |  | 96.69          |      |        |            |           |        |       |  |  |  |
| * 136          | 146   | 64         |             |        | 0.44     | <del>0.040</del><br>0.039 |       |  | 7.83           |      |        |            |           |        |       |  |  |  |
| 146            | 153   | 65         |             |        | 0.71     | 0.009                     |       |  | 2.11           |      |        |            |           |        |       |  |  |  |
| 153            | 159   | 66         |             |        | 0.32     | 0.012                     |       |  | 3.24           |      |        |            |           |        |       |  |  |  |
| 159            | 169   | 67         |             |        | 0.17     | 0.009                     |       |  | 2.11           |      |        |            |           |        |       |  |  |  |
| * 169          | 177   | 68         |             |        | 0.71     | <del>0.050</del><br>0.049 |       |  | 10.55          |      |        |            |           |        |       |  |  |  |
| 177            | 187   | 69         |             |        | 0.24     | Tr                        |       |  | 1.08           |      |        |            |           |        |       |  |  |  |
| 187            | 197   | 70         |             |        | 0.04     | N.D.                      |       |  | 0.18           |      |        |            |           |        |       |  |  |  |
| 197            | 207   | 71         |             |        | 0.02     | N.D.                      |       |  | 0.09           |      |        |            |           |        |       |  |  |  |
| 207            | 212.5 | KX 29072   |             |        | 0.02     | N.D.                      |       |  | 0.09           |      |        |            |           |        |       |  |  |  |

\* Samples Re-Run

Project Lawyers Appraisal Location AGB Tr 2  
 Hole No. DDH No 6 Page No. 1 of 9  
 Coordinates: 50025 N 50250 E KENNCO EXPLORATIONS,  
 Collar elev. 5785.9 Bearing N60E approx (N63E) (WESTERN) LIMITED  
 Inclination -60° Total Depth 296.8

Contractor D.W. Coates Ltd.  
 Date Started Aug 7, 1975  
 Date Finished Aug 8, 1975  
 Ref. to Claim Corner New Lawyers No. 1  
 Logged by V.R.H.

| DRILLING INTERVAL | % CORE RECOVERED | CORE SIZE | SECTION | ALTERATION       |            |           |      | FRACTURING | MINERAL | GEOLOGY | COMMENTS: | AVE. CORE REC'Y/HOLE: |
|-------------------|------------------|-----------|---------|------------------|------------|-----------|------|------------|---------|---------|-----------|-----------------------|
|                   |                  |           |         | SiO <sub>2</sub> | Chlor/Epid | Carbonate | Clay |            |         |         |           |                       |
|                   |                  |           | 0       |                  |            |           |      |            |         |         |           |                       |
|                   |                  |           | 6-11.3  |                  |            |           |      |            |         |         |           |                       |
| 11.3              | 47               |           | 10      |                  |            |           |      |            |         |         |           |                       |
| 16.8              | 95               |           | 20      |                  |            |           |      |            |         |         |           |                       |
| 24.8              | 100              |           | 30      |                  |            |           |      |            |         |         |           |                       |
| 36.8              | 100              |           | 40      |                  |            |           |      |            |         |         |           |                       |
| 46.8              | 100              |           | 50      |                  |            |           |      |            |         |         |           |                       |
| 56.8              | 100              |           | 60      |                  |            |           |      |            |         |         |           |                       |

Scale 1" = 10'  
 BOWL  
 6' B Casing

AVE. CORE REC'Y/HOLE:  
*Victor Ryzback Hardy*

Overburden No Core

Broken rubble core

Trachyte Porphyry - Massive chocolate brown f.g. groundmass  
 K-spar phenoc. Minor Biotite after augite?

0.3" Qtz seam @ 60°

Irregular Qtz seamlet

0.3" Qtz-carb seam

limonite and/or hematite lined fractures.

Narrow Bx seam carb. filled

*Handwritten mark*

| DRILLING INTERVAL | % CORE RECOVERED | CORE SIZE | SECTION | ALTERATION       |            |                   |      | FRACTURING | MINERAL | GEOLOGY | COMMENTS: 1" = 10' | AVE. CORE REC'Y/HOLE: |
|-------------------|------------------|-----------|---------|------------------|------------|-------------------|------|------------|---------|---------|--------------------|-----------------------|
|                   |                  |           |         | SiO <sub>2</sub> | Chlor/Epid | CaCO <sub>3</sub> | Clay |            |         |         |                    |                       |
| 66.8              | 100              | Box 4     | 66      |                  | *          |                   |      |            |         |         |                    |                       |
| 76.8              | 100              | Box 4     | 70      |                  | X          |                   |      |            |         |         |                    |                       |
| 86.8              | 100              | Box 5     | 80      |                  |            |                   |      |            |         |         |                    |                       |
| 96.8              | 99               | Box 5     | 90      |                  |            |                   |      |            |         |         |                    |                       |
| 106.8             | 102              | Box 6     | 100     |                  |            |                   |      |            |         |         |                    |                       |
| 116.8             | 95               | Box 6     | 110     |                  |            |                   |      |            |         |         |                    |                       |
|                   |                  |           | 120     |                  |            |                   |      |            |         |         |                    |                       |

Trachyte Porphyry - Massive - Brown to Red-Brown.

Carbonate seam 3/4" with specularite core

Finely dis silver white metallic mineral (native Ag?)

Abundant qtz veining 100'-105' (minor CaCO<sub>3</sub>)

1/8" hematitic quartz veinlet.

hematitic slickensides 6" wide

*[Handwritten signature]*



| DRILLING INTERVAL | % CORE RECOVERED | CORE SIZE | SECTION | ALTERATION       |            |           |      | FRACTURING | MINERAL | GEOLOGY  | COMMENTS: 1" = 20' | AVE. CORE REC'Y/HOLE: |
|-------------------|------------------|-----------|---------|------------------|------------|-----------|------|------------|---------|--|--------------------|-----------------------|
|                   |                  |           |         | SiO <sub>2</sub> | Chlor/Epid | Carbonate | Clay |            |         |  |                    |                       |
| 126.8             | 101              | Box 7     |         |                  |            |           |      |            |         | 6" Brx etc<br>Trachyte Porphyry - Massive<br>Layer? - rounded to subrounded<br>fragments cemented in a mud matrix              |                    |                       |
| 136.8             | 99               | Box 7     |         |                  |            |           |      |            |         | Fault etc<br>1/4" Qtz carb seam with Brx frags. of qtz-carb.<br>Trachyte Porphyry<br>dis specularite                           |                    |                       |
|                   |                  | Box 7     |         |                  |            |           |      |            |         | 2" Qtz-Carb filled Brx. seam.<br>Mud flow  |                    |                       |
| 146.8             | 99               | Box 8     |         |                  |            |           |      |            |         |  |                    |                       |
| 156.8             | 95               | Box 8     |         |                  |            |           |      |            |         | 6" of qtz  |                    |                       |
| 161               |                  | Box 9     |         |                  |            |           |      |            |         | Breccia - Trachyte Porphyry fragments with influx of Chalcedonic quartz. some chert fragments (Tuff-Breccia) Limonite stained. |                    |                       |
| 166.8             | 117              | Box 9     |         |                  |            |           |      |            |         | Argentite? in qtz-carb seam  |                    |                       |
| 176.8             | 88               | Box 10    |         |                  |            |           |      |            |         |  |                    |                       |
| 186.8             | 95               | Box 10    |         |                  |            |           |      |            |         |  |                    |                       |

*[Handwritten scribble]*

| DRILLING INTERVAL | % CORE RECOVERED | BQ CORE W/L SIZE | SECTION   | ALTERATION       |            |                   |      | FRACTURING | MINERAL | GEOLOGY   | COMMENTS: 1" = 10'                                | AVE. CORE REC'Y/HOLE |
|-------------------|------------------|------------------|-----------|------------------|------------|-------------------|------|------------|---------|---|---|----------------------|
|                   |                  |                  |           | SiO <sub>2</sub> | Chlor/Epid | CaCO <sub>3</sub> | Clay |            |         |   |   |                      |
| 196.8 - 206.8     | 100              | Box 11           | 190 - 200 | [Hatched]        |            | [X's]             |      |            | Δ       | 2' unbrecciated fragment  |   |                      |
| 206.8 - 216.8     | 99               | Box 11           | 200 - 210 | [Hatched]        |            | [X's]             |      |            | Δ       | Tuff Breccia or Lahar? Trachyte, chert and other fragments in a 'mud' (lithified) matrix. |   |                      |
| 216.8 - 226.8     | 98               | Box 11           | 210 - 220 | [Hatched]        |            | [X's]             |      |            | Δ       | 5' hematitic gouge  |   |                      |
| 226.8 - 236.8     | 101              | Box 12           | 220 - 230 | [Hatched]        |            | [X's]             |      |            | ⊙       | 1" x 1/2" Granitic fragment   |   |                      |
| 236.8 - 246.8     | 100              | Box 12           | 230 - 240 | [Hatched]        |            | [X's]             |      |            |         | gouge   |   |                      |
| 246.8 - 256.8     | 100              | Box 13           | 240 - 250 | [Hatched]        |            | [X's]             |      |            |         |   | Trachyte Porphyry - weak quartz-carbonate veining |                      |
| 256.8 - 266.8     | 100              | Box 13           | 250 - 260 | [Hatched]        |            | [X's]             |      |            |         |   | Andesite dyke                                     |                      |

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| DRILLING INTERVAL | % CORE RECOVERED | CORE SIZE | SECTION | ALTERATION       |            |           |      | FRACTURING | MINERAL | GEOLOGY   | COMMENTS: 1" = 10' | AVE. CORE REC'Y/HOLE |
|-------------------|------------------|-----------|---------|------------------|------------|-----------|------|------------|---------|---|--------------------|----------------------|
|                   |                  |           |         | SiO <sub>2</sub> | Chlor/Epid | Carbonate | Clay |            |         |   |                    |                      |
| 256.5             | 97               | Box 14    | 255     |                  |            |           |      |            |         | Andesite dyke - Dark green fine-grain.  |                    |                      |
| 263.5             | 93               |           | 260     |                  |            |           |      |            |         | Trachyte Porphyry - weak quartz-carbonate veining.                                    |                    |                      |
| 272.5             | 101              | Box 15    | 270     |                  |            |           |      |            |         | 3" gouge large grain of qtz-carb.   |                    |                      |
| 276.8             | 106              |           | 280     |                  |            |           |      |            |         | Crystal-Lithic Tuff - Gradational contact with above. Soft-green chloritic fragmental |                    |                      |
| 296.5             | 99               |           | 290     |                  |            |           |      |            |         | large frag. of f.g. trachyte  |                    |                      |
| 296.8             | 98               |           | 300     |                  |            |           |      |            |         | End of Hole   |                    |                      |
|                   |                  |           | 310     |                  |            |           |      |            |         |   |                    |                      |
|                   |                  |           | 320     |                  |            |           |      |            |         |   |                    |                      |

*[Handwritten signature]*

Project Lawyers Appraisal Location AGB Tr #2

Contractor \_\_\_\_\_

Hole No. DDH No. 6 Page No. 1 of 2

Date Started \_\_\_\_\_

Coordinates: \_\_\_\_\_ N \_\_\_\_\_ E **KENNCO EXPLORATIONS,  
(WESTERN) LIMITED**

Date Finished \_\_\_\_\_

Collar elev. \_\_\_\_\_ Bearing \_\_\_\_\_

Ref. to Claim Corner \_\_\_\_\_

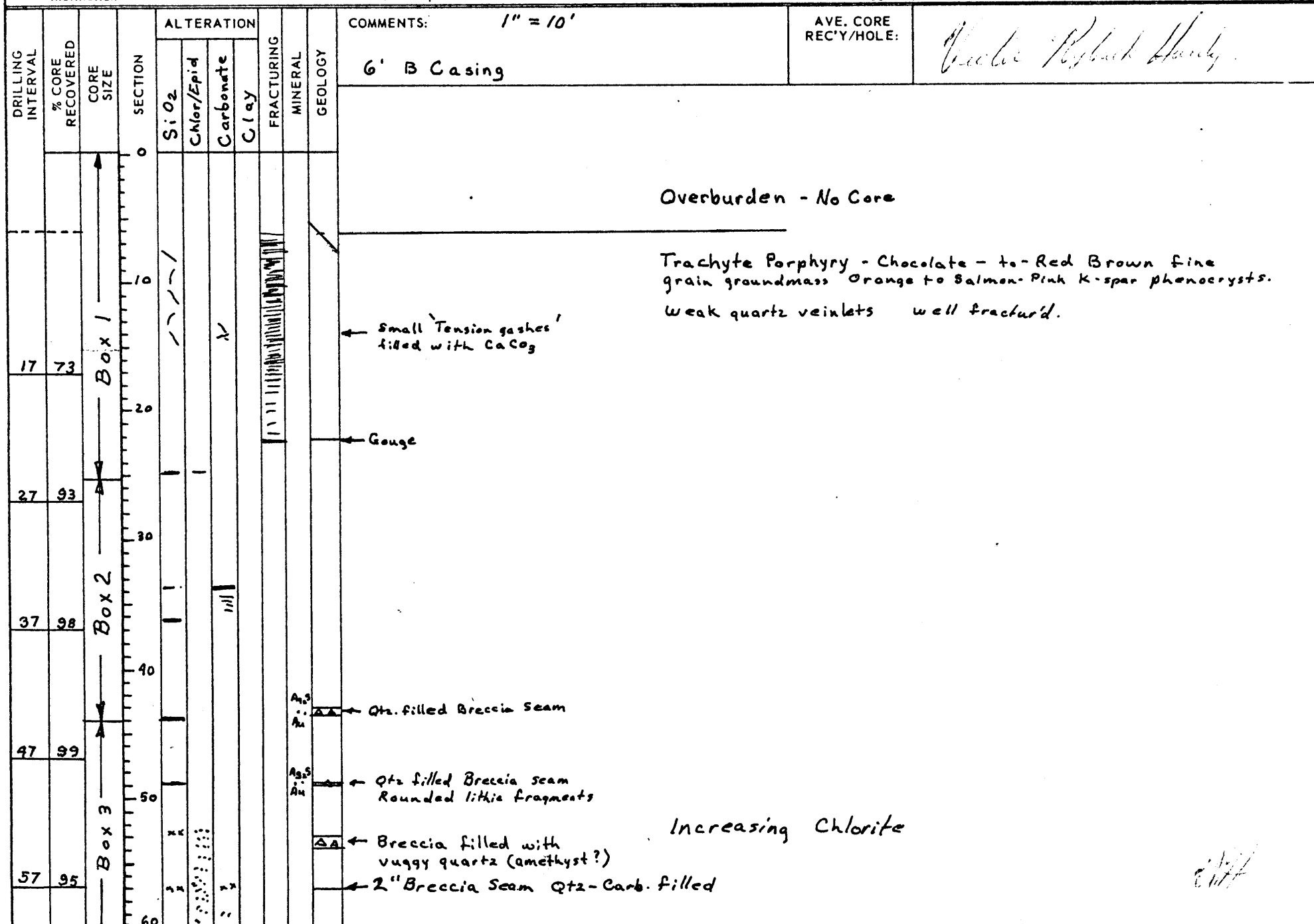
Inclination \_\_\_\_\_ Total Depth 296.8

Logged by \_\_\_\_\_

| Depth Interval |     | CORE       |             |        |        |       |             |       | Depth Interval |    | SLUDGE     |           |        |       |  |  |  |
|----------------|-----|------------|-------------|--------|--------|-------|-------------|-------|----------------|----|------------|-----------|--------|-------|--|--|--|
| From           | To  | Sample No. | Inches Rec. | % Rec. | oz/Ton |       | ASSAY #/Ton |       | From           | To | Sample No. | Lbs. Rec. | % Rec. | ASSAY |  |  |  |
|                |     |            |             |        | Ag     | Al    |             |       |                |    |            |           |        |       |  |  |  |
| 10             | 20  | KX-29073   |             |        | 0.32   | 0.006 |             | 2.34  |                |    |            |           |        |       |  |  |  |
| 20             | 30  | 74         |             |        | 0.31   | 0.002 |             | 3.56  |                |    |            |           |        |       |  |  |  |
| 30             | 40  | 75         |             |        | 0.21   | 0.002 |             | 1.25  |                |    |            |           |        |       |  |  |  |
| 40             | 50  | 76         |             |        | 0.16   | 0.004 |             | 1.32  |                |    |            |           |        |       |  |  |  |
| 50             | 55  | 77         |             |        | 0.21   | 0.003 |             | 1.40  |                |    |            |           |        |       |  |  |  |
| 55             | 60  | 78         |             |        | 0.20   | 0.006 |             | 1.80  |                |    |            |           |        |       |  |  |  |
| 60             | 65  | 79         |             |        | 0.24   | 0.035 |             | 6.33  |                |    |            |           |        |       |  |  |  |
| 65             | 70  | 80         |             |        | 0.17   | 0.009 |             | 2.12  |                |    |            |           |        |       |  |  |  |
| 70             | 80  | 81         |             |        | 0.24   | 0.005 |             | 1.83  |                |    |            |           |        |       |  |  |  |
| 80             | 90  | 82         |             |        | 0.15   | 0.005 |             | 1.43  |                |    |            |           |        |       |  |  |  |
| 90             | 100 | 83         |             |        | 0.20   | 0.006 |             | 1.80  |                |    |            |           |        |       |  |  |  |
| 100            | 105 | 84         |             |        | 1.62   | 0.11  |             | 23.79 |                |    |            |           |        |       |  |  |  |
| 105            | 110 | 85         |             |        | 0.29   | 0.003 |             | 1.76  |                |    |            |           |        |       |  |  |  |
| 110            | 120 | 86         |             |        | 0.20   | 0.004 |             | 2.36  |                |    |            |           |        |       |  |  |  |
| 120            | 130 | 87         |             |        | 0.22   | 0.031 |             | 5.64  |                |    |            |           |        |       |  |  |  |
| 130            | 140 | 88         |             |        | 0.59   | 0.003 |             | 3.11  |                |    |            |           |        |       |  |  |  |
| 140            | 150 | 89         |             |        | 0.31   | 0.006 |             | 2.30  |                |    |            |           |        |       |  |  |  |
| 150            | 155 | 90         |             |        | 0.24   | 0.004 |             | 1.68  |                |    |            |           |        |       |  |  |  |
| 155            | 157 | 91         |             |        | 0.19   | 0.003 |             | 1.31  |                |    |            |           |        |       |  |  |  |
| 157            | 160 | 92         |             |        | 0.29   | 0.009 |             | 2.66  |                |    |            |           |        |       |  |  |  |
| 160            | 170 | 93         |             |        | 0.38   | 0.009 |             | 3.06  |                |    |            |           |        |       |  |  |  |
| 170            | 180 | 94         |             |        | 0.36   | 0.014 |             | 3.72  |                |    |            |           |        |       |  |  |  |

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Project Lawyers AppraisalLocation AGB Near Tr #3Contractor D.W. CoatesHole No. DDH 7Page No. 1 of 8Date Started Aug 9, 1975Coordinates: 49825N 50220 EKENNCO EXPLORATIONS,  
(WESTERN) LIMITEDDate Finished Aug 11, 1975Collar elev. 5748.37Bearing N63°ERef. to Claim Corner New Lawyers No.1Inclination -45°Total Depth 447Logged by VR-14

| DRILLING INTERVAL | % CORE RECOVERED | CORE SIZE | SECTION | ALTERATION       |            |                   | FRACTURING | MINERAL | GEOLOGY | COMMENTS: 1" = 10'  | AVE. CORE REC'Y/HOLE: |
|-------------------|------------------|-----------|---------|------------------|------------|-------------------|------------|---------|---------|---|-----------------------|
|                   |                  |           |         | SiO <sub>2</sub> | Chlor/Epid | CaCO <sub>3</sub> |            |         |         |   |                       |
| 60                |                  |           |         |                  |            |                   |            |         |         | Abundant Chlorite   |                       |
| 67                |                  | Box 4     |         |                  |            |                   |            |         |         | Trachyte Porphyry<br>Crystal Tuff - Dark brown rounded chloritic fragments of latite? 1/4" - 3/8" (chlorite after hornblende)   |                       |
| 77                |                  |           |         |                  |            |                   |            |         |         | 1' Band of Chloritic Trachyte Porphyry  |                       |
| 87                |                  |           |         |                  |            |                   |            |         |         | Trachyte Porphyry chloritic   |                       |
| 97                |                  | Box 5     |         |                  |            |                   |            |         |         | Trachyte Porphyry Chloritic - Several large fragments of dark brown latite<br>Gradational with unit below i.e. inclusions (or dykes?) of latite increases to 100% to contact indicated. |                       |
| 107               |                  |           |         |                  |            |                   |            |         |         | Latite - Chocolate brown, dense, fine grain, even-textured, massive, hard. Scattered inclusions of Trachyte Porphyry. Rounded clots of chloritised hornblende (?).<br>Qtz seamlet       |                       |
| 117               |                  | Box 6     |         |                  |            |                   |            |         |         | Qtz filled Brecciated contact.<br>Trachyte Porphyry - At times, chloritic zones extend several inches.  |                       |

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| DRILLING INTERVAL | % CORE RECOVERED | CORE SIZE | SECTION | ALTERATION       |             |           |             | FRACTURING | MINERAL | GEOLOGY  | COMMENTS: 1" = 10' | AVE. CORE REC'Y/HOLE: |
|-------------------|------------------|-----------|---------|------------------|-------------|-----------|-------------|------------|---------|--|--------------------|-----------------------|
|                   |                  |           |         | SiO <sub>2</sub> | Chlor/Epid. | Carbonate | Clay or Gyp |            |         |  |                    |                       |
| 127               | 95               | Box 7     | 120     |                  |             |           |             |            |         | Broken Core highly fractured                           |                    |                       |
| 131               | 10               |           | 130     | /                | /           | /         | /           | /          | /       |  |                    |                       |
| 137               | 120              | Box 8     | 140     | /                | /           | /         | /           | /          | /       | 2" Breccia Seam Qtz-Carb filled.                       |                    |                       |
| 147               | 94               |           | 150     | /                | /           | /         | /           | /          | /       |  |                    |                       |
| 157               | 94               | Box 9     | 160     | /                | /           | /         | /           | /          | /       | Irregular stockwork veining. occasional finely dis. py |                    |                       |
| 167               | 97               |           | 170     | /                | /           | /         | /           | /          | /       |  |                    |                       |
| 177               | 100              | Box 10    | 180     | /                | /           | /         | /           | /          | /       |  |                    |                       |

Trachyte Porphyry

*[Handwritten signature]*



| DRILLING INTERVAL | % CORE RECOVERED | CORE SIZE | SECTION | ALTERATION       |              |           |              | FRACTURING | MINERAL | GEOLOGY   | COMMENTS: 1" = 10' | AVE. CORE REC'Y/HOLE: |
|-------------------|------------------|-----------|---------|------------------|--------------|-----------|--------------|------------|---------|---|--------------------|-----------------------|
|                   |                  |           |         | SiO <sub>2</sub> | Chlor./Epid. | Carbonate | Clay or Gyp. |            |         |   |                    |                       |
| 187-197           | 99               | Box 10    | 180-190 |                  |              |           |              |            |         | <p>Trachyte Porphyry - veined with quartz-carbonate; narrow breccia seams every 2-3 feet along core length veinlets (1/4"-1/2") spaced at 4" to 10" intervals</p> <p>Chloritic at times</p> <p>Seam filled with hematite enveloped in quartz-carb.</p> <p>Amethyst</p> <p>Amethyst</p> <p>Scattered narrow breccia seams</p> <p>Breccia - Angular Trachyte Porphyry and Latite fragments weak silicification except for scattered seams of quartz as indicated. Hematitic fragments common, discrete grains or fragments of quartz-carbonate.</p> |                    |                       |
| 197-207           | 97               | Box 11    | 190-200 |                  |              |           |              |            |         |   |                    |                       |
| 207-217           | 97               | Box 11    | 200-210 |                  |              |           |              |            |         |   |                    |                       |
| 217-227           | 98               | Box 12    | 210-220 |                  |              |           |              |            |         |   |                    |                       |
| 227-237           | 97               | Box 12    | 220-230 |                  |              |           |              |            |         |   |                    |                       |
| 237-240           | 97               | Box 13    | 230-240 |                  |              |           |              |            |         |   |                    |                       |

| DRILLING INTERVAL | % CORE RECOVERED | CORE SIZE | SECTION | ALTERATION       |            |           | FRACTURING | MINERAL | GEOLOGY | COMMENTS: 1" = 10'  | AVE. CORE REC'Y/HOLE: |
|-------------------|------------------|-----------|---------|------------------|------------|-----------|------------|---------|---------|---|-----------------------|
|                   |                  |           |         | SiO <sub>2</sub> | Chlor/Epid | Carbonate |            |         |         |   |                       |
| 247               | 99               | Box 13    | 240     | ~                |            |           |            |         |         | <p>Breccia - Angular Fragments mainly composed of Trachyte porphyry and Latite. Trachyte is chloritic, Latite is fine grain, even textured brown to red brown. Hematitic</p> <p>Latite fragments decreasing in size. Gradual increase in quartz carbonate veining.</p> <p>← mud' filled fracture</p> <p>Mud filled Breccia in turn re-brecciated and filled with later chaledonic quartz and quartz - carbonate</p> <p>Quartz filled Breccia - (Tuff-Breccia?) - angular and rounded polymictic fragments cemented in limonite. Fragments and cement re-brecciated and filled with quartz</p> <p>Chloritic Lithic Tuff (?) - soft, cruddy; andesitic; speckled; containing abundant lithic grains weakly veined with CaCO<sub>3</sub> (no quartz)</p> |                       |
| 257               | 99               |           | 250     | ~                |            |           |            |         |         |   |                       |
| 267               | 99               | Box 14    | 260     | ~                |            |           |            |         |         |   |                       |
| 270               |                  |           | 270     |                  |            |           |            |         |         |   |                       |
| 277               | 97               | Box 15    | 280     |                  |            |           |            |         |         |   |                       |
| 287               | 98               |           | 290     |                  |            |           |            |         |         |   |                       |
| 297               | 96               | Box 16    | 300     |                  |            |           |            |         |         |   |                       |

2/11/77

| DRILLING INTERVAL | % CORE RECOVERED | CORE SIZE | SECTION | ALTERATION       |            |           | FRACTURING | MINERAL | GEOLOGY | COMMENTS: 1" = 10'  | AVE. CORE REC'Y/HOLE: |
|-------------------|------------------|-----------|---------|------------------|------------|-----------|------------|---------|---------|---|-----------------------|
|                   |                  |           |         | SiO <sub>2</sub> | Chlor/Epid | Carbonate |            |         |         |   |                       |
|                   |                  |           | 300     |                  |            |           |            |         |         |   |                       |
| 307               | 99               | Box 16    | 310     |                  |            |           |            |         |         | Chloritic Lithic Tuff soft medium grain abundant lithic and crystal fragments grading to andesite   |                       |
|                   |                  |           |         |                  |            |           |            |         |         | etc @ 70°   |                       |
| 317               | 95               | Box 17    | 320     |                  |            |           |            |         |         | Andesite - soft; green (chloritic); weakly veined with CaCO <sub>3</sub> abundant lithic & crystal fragments (fragments consist of fine grain syenite, basalt or andesite, tuff, and clots of chloritic material; crystal fragments are mainly K-spar). |                       |
|                   |                  |           |         |                  |            |           |            |         |         | Small fragment of Biotite Syenite   |                       |
| 327               | 97               |           | 330     |                  |            |           |            |         |         | Epidote lined seam<br>Fragment of Biotite Syenite (1/2" dia.)   |                       |
|                   |                  |           |         |                  |            |           |            |         |         |   |                       |
| 337               | 86               | Box 18    | 340     |                  |            |           |            |         |         | Becoming more porphyritic - fewer lithic fragments epidote is conspicuous; limonite along fractures. Grey-green equigranular medium grained groundmass  |                       |
|                   |                  |           |         |                  |            |           |            |         |         |   |                       |
| 347               | 96               |           | 350     |                  |            |           |            |         |         |   |                       |
|                   |                  |           |         |                  |            |           |            |         |         |   |                       |
| 357               | 98               | Box 19    | 360     |                  |            |           |            |         |         |   |                       |
|                   |                  |           |         |                  |            |           |            |         |         |   |                       |
|                   |                  |           |         |                  |            |           |            |         |         | Small calcite filled Breccia  |                       |

| DRILLING INTERVAL | % CORE RECOVERED | BO CORE SIZE<br>4L | SECTION | ALTERATION       |            |                   |              | FRACTURING | MINERAL | GEOLOGY | COMMENTS: 1" = 10'           | AVE. CORE REC'Y/HOLE: |
|-------------------|------------------|--------------------|---------|------------------|------------|-------------------|--------------|------------|---------|---------|------------------------------|-----------------------|
|                   |                  |                    |         | SiO <sub>2</sub> | Chlor/Epid | CaCO <sub>3</sub> | Clay/600 24' |            |         |         |                              |                       |
|                   |                  |                    | 360     |                  |            |                   |              |            |         |         |                              |                       |
| 367               | 98               | Box 20             | 370     |                  |            |                   |              |            |         | Δ       | - Brecciated                 |                       |
|                   |                  |                    |         |                  |            |                   |              |            |         | ○       | Syen. Frag 1 1/2" long       |                       |
| 377               | 96               | Box 20             | 380     |                  |            |                   |              |            |         | ○       | Syen Frag                    |                       |
|                   |                  |                    |         |                  |            |                   |              |            |         | ○       | Syen Frag. (Biotite Syenite) |                       |
| 387               | 100              | Box 21             | 390     |                  |            |                   |              |            |         |         | Scattered Syenite Fragments  |                       |
|                   |                  |                    |         |                  |            |                   |              |            |         |         |                              |                       |
| 397               | 94               | Box 21             | 400     |                  |            |                   |              |            |         |         |                              |                       |
|                   |                  |                    |         |                  |            |                   |              |            |         |         |                              |                       |
| 407               | 97               | Box 22             | 410     |                  |            |                   |              |            |         |         |                              |                       |
|                   |                  |                    |         |                  |            |                   |              |            |         |         |                              |                       |
| 417               | 99               |                    | 420     |                  |            |                   |              |            |         |         |                              |                       |

| DRILLING INTERVAL | % CORE RECOVERED | CORE SIZE | SECTION | ALTERATION        |            |           |              | FRACTURING | MINERAL | GEOLOGY | COMMENTS: 1" = 10'  | AVE. CORE REC'Y/HOLE:        |  |
|-------------------|------------------|-----------|---------|-------------------|------------|-----------|--------------|------------|---------|---------|---|------------------------------|--|
|                   |                  |           |         | Si O <sub>2</sub> | Chlor/Epid | Carbonate | Clay/Ep.zeol |            |         |         |   |                              |  |
| 427               | 95               | Box 23    | 120     |                   |            |           |              |            |         |         | Massive Green to Grey Andesite - Lithic-crystal Tuff(?);<br>Fragmental; soft weakly veined with CaCO <sub>3</sub> and pink<br>zeolite laumontite. |                              |  |
| 437               | 95               | Box 24    | 130     |                   |            |           |              |            |         |         |   |                              |  |
| 447               | 100              |           | 140     |                   |            |           |              |            |         |         |   | Fractures veining<br>// core |  |
|                   |                  |           | 150     |                   |            |           |              |            |         |         | End of Hole   |                              |  |

Project Lawyers Appraisal Location A.G.P.

Contractor D.W. Coates

Hole No. DDH No. 7 Page No. 1 of 2

Date Started Aug 9, 1975

Coordinates: \_\_\_\_\_ N \_\_\_\_\_ E **KENNCO EXPLORATIONS.**

Date Finished Aug 11, 1975

Collar elev. \_\_\_\_\_ Bearing N63E **(WESTERN) LIMITED**

Ref. to Claim Corner \_\_\_\_\_

Inclination -45° Total Depth 447'

Logged by VR-H

| Depth Interval |     | CORE       |             |        |                |                |   |      | Depth Interval |            | SLUDGE    |        |          |  |  |
|----------------|-----|------------|-------------|--------|----------------|----------------|---|------|----------------|------------|-----------|--------|----------|--|--|
| From           | To  | Sample No. | Inches Rec. | % Rec. | oz / Ton ASSAY |                |   | From | To             | Sample No. | Lbs. Rec. | % Rec. | ASSAY    |  |  |
|                |     |            |             |        | Ag             | Au             |   |      |                |            |           |        | \$ / Ton |  |  |
| 10             | 20  | KY 29109   |             |        | 0.29           | 0.013          |   |      |                |            |           |        |          |  |  |
| 20             | 30  | 110        |             |        | 0.38           | 0.029          |   |      |                |            |           |        |          |  |  |
| 30             | 40  | 111        |             |        | 0.38           | 0.065          |   |      |                |            |           |        |          |  |  |
| 40             | 44  | 112        |             |        | 0.54           | 0.002          |   |      |                |            |           |        |          |  |  |
| 44             | 45  | 113        |             |        | 0.77           | 0.12           |   |      |                |            |           |        |          |  |  |
| 45             | 50  | 114        |             |        | 0.59<br>0.54   | 0.084<br>0.065 | * |      |                |            |           |        |          |  |  |
| 50             | 55  | 115        |             |        | 0.79           | 0.017          |   |      |                |            |           |        |          |  |  |
| 55             | 60  | 116        |             |        | 0.90           | 0.018          |   |      |                |            |           |        |          |  |  |
| 60             | 62  | 117        |             |        | 2.16           | 0.081          |   |      |                |            |           |        |          |  |  |
| 62             | 65  | 118        |             |        | 1.34           | 0.005          |   |      |                |            |           |        |          |  |  |
| 65             | 70  | 119        |             |        | 0.94           | 0.005          |   |      |                |            |           |        |          |  |  |
| 70             | 80  | 120        |             |        | 0.88           | 0.003          |   |      |                |            |           |        |          |  |  |
| 80             | 90  | 121        |             |        | 0.96           | 0.030          |   |      |                |            |           |        |          |  |  |
| 90             | 100 | 122        |             |        | 1.38           | 0.056          |   |      |                |            |           |        |          |  |  |
| 100            | 110 | 123        |             |        | 0.74           | 0.027          |   |      |                |            |           |        |          |  |  |
| 110            | 120 | 124        |             |        | 0.48           | 0.019          |   |      |                |            |           |        |          |  |  |
| 120            | 130 | 125        |             |        | 0.16           | 0.014          |   |      |                |            |           |        |          |  |  |
| 130            | 137 | 126        |             |        | 0.15           | 0.004          |   |      |                |            |           |        |          |  |  |
| 137            | 147 | 127        |             |        | 0.09           | 0.004          |   |      |                |            |           |        |          |  |  |
| 147            | 157 | 128        |             |        | 0.67           | 0.002          |   |      |                |            |           |        |          |  |  |
| 157            | 167 | 129        |             |        | 0.74           | 0.027          |   |      |                |            |           |        |          |  |  |

\* Sample Re-assayed

| Depth Interval |       | CORE       |             |        |                |                |     |       |      | Depth Interval |            | SLUDGE    |        |       |  |  |
|----------------|-------|------------|-------------|--------|----------------|----------------|-----|-------|------|----------------|------------|-----------|--------|-------|--|--|
| From           | To    | Sample No. | Inches Rec. | % Rec. | oz / Ton ASSAY |                |     |       | From | To             | Sample No. | Lbs. Rec. | % Rec. | ASSAY |  |  |
|                |       |            |             |        | Ag             | Au             | *Tm | Ag:Au |      |                |            |           |        |       |  |  |
| 167            | 177   | Kx 29130   |             |        | 0.71<br>0.68   | 0.094<br>0.092 | *   |       |      |                |            |           |        |       |  |  |
| 177            | 179   | 131        |             |        | 0.49           | 0.004          |     |       |      |                |            |           |        |       |  |  |
| 179            | 180   | 132        |             |        | 1.19           | 0.029          |     |       |      |                |            |           |        |       |  |  |
| 180            | 190   | 133        |             |        | 0.95           | 0.053          |     |       |      |                |            |           |        |       |  |  |
| 190            | 200   | 134        |             |        | 0.85           | 0.10           |     |       |      |                |            |           |        |       |  |  |
| 200            | 210   | 135        |             |        | 0.25           | 0.18           |     |       |      |                |            |           |        |       |  |  |
| 210            | 220   | 136        |             |        | 0.12           | 0.011          |     |       |      |                |            |           |        |       |  |  |
| 220            | 233   | 137        |             |        | 0.49           | 0.007          |     |       |      |                |            |           |        |       |  |  |
| 233            | 237   | 138        |             |        | 0.99<br>0.94   | Tr<br>0.001    | *   |       |      |                |            |           |        |       |  |  |
| 237            | 247   | 139        |             |        | 0.91<br>0.81   | 0.007<br>0.006 | *   |       |      |                |            |           |        |       |  |  |
| 247            | 257   | 140        |             |        | 0.47<br>0.36   | Tr<br>0.001    | *   |       |      |                |            |           |        |       |  |  |
| 257            | 266   | 141        |             |        | 0.23<br>0.27   | 0.008<br>0.009 |     |       |      |                |            |           |        |       |  |  |
| 266            | 271   | 142        |             |        | 0.50           | 0.036          |     |       |      |                |            |           |        |       |  |  |
| 271            | 274   | 143        |             |        | 0.29           | 0.008          |     |       |      |                |            |           |        |       |  |  |
| 274            | 284   | 144        |             |        | 0.06           | Tr             |     |       |      |                |            |           |        |       |  |  |
| 284            | 294   | 145        |             |        | 0.03           | N.D.           |     |       |      |                |            |           |        |       |  |  |
| 294            | 305   | 146        |             |        | 0.03           | N.D.           |     |       |      |                |            |           |        |       |  |  |
| 305            | 310   | 147        |             |        | 0.06           | Tr             |     |       |      |                |            |           |        |       |  |  |
| 310            | 320   | 148        |             |        | 0.08           | Tr             |     |       |      |                |            |           |        |       |  |  |
| 320            | 330   | 149        |             |        | 0.08           | 0.008          |     |       |      |                |            |           |        |       |  |  |
| 330            | 340   | 150        |             |        | 0.04           | N.D.           |     |       |      |                |            |           |        |       |  |  |
| 340            | 350   | 151        |             |        | 0.03           | N.D.           |     |       |      |                |            |           |        |       |  |  |
| 350            | 360   | 152        |             |        | 0.03           | N.D.           |     |       |      |                |            |           |        |       |  |  |
| 360            | 365.5 | 153        |             |        | 0.03           | Tr             |     |       |      |                |            |           |        |       |  |  |

\* Sample re-assayed

*[Handwritten signature]*





| DRILLING INTERVAL | % CORE RECOVERED | CORE SIZE | SECTION | ALTERATION       |            |           | FRACTURING | MINERAL | GEOLOGY   | COMMENTS: 1" = 10'  | AVE. CORE REC'Y/HOLE: |
|-------------------|------------------|-----------|---------|------------------|------------|-----------|------------|---------|---|---|-----------------------|
|                   |                  |           |         | SiO <sub>2</sub> | Chlor/Epid | Carbonate |            |         |   |   |                       |
| 67                | 96               | Box 4     | 66-70   | .....            | .....      | .....     | .....      | .....   | Latite (contd.)   | Abundant disseminated magnetite<br>H - under 'Mineral' - is hematite. |                       |
| 77                | 95               | Box 4     | 70-80   | .....            | .....      | .....     | .....      | .....   | CaCO <sub>3</sub> filling in shard-like void  |   |                       |
| 87                | 99               | Box 5     | 80-90   | .....            | .....      | .....     | .....      | .....   | 'As above'  |   |                       |
| 97                | 92               | Box 5     | 90-100  | .....            | .....      | .....     | .....      | .....   |   |   |                       |
| 107               | 98               | Box 6     | 100-110 | .....            | .....      | .....     | .....      | .....   |   |   |                       |
| 117               | 97               | Box 7     | 110-120 | .....            | .....      | .....     | .....      | .....   | Andesite - Porous; calcereous; abundant pink zeolite; Chloritic; red to grey-red mottled; Decreasing grain size down hole. Chlorite intimately mixed with white CaCO <sub>3</sub> & pink zeolite to give green tinge to fracture and void fillings. Clots of chloritized mafics. Blotches and seams of creamy pink mineral and CaCO <sub>3</sub> (laumontite and CaCO <sub>3</sub> ). Rock similar to above 'Latite' in composition but is coarser textured ('frothy' is best description). |   |                       |
|                   |                  | Box 7     | 120-130 | .....            | .....      | .....     | .....      | .....   |   |   |                       |

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| DRILLING INTERVAL | % CORE RECOVERED | CORE SIZE | SECTION | ALTERATION        |            |                    |               | FRACTURING | MINERAL | GEOLOGY  | COMMENTS: 1" = 10' | AVE. CORE REC'Y/HOLE: |
|-------------------|------------------|-----------|---------|-------------------|------------|--------------------|---------------|------------|---------|--|--------------------|-----------------------|
|                   |                  |           |         | Si O <sub>2</sub> | Chlor/Epid | Ca CO <sub>3</sub> | Zeol. or Clay |            |         |  |                    |                       |
| 127-128           | 98               | Box 7     | 120-127 | .....             | .....      | .....              | .....         | .....      | .....   | Scattered dis Fe <sub>3</sub> O <sub>4</sub>                   |                    |                       |
| 137-140           | 100              | Box 8     | 130-137 | .....             | .....      | .....              | .....         | .....      | .....   | - Pink mineral (zeolite)                                       |                    |                       |
| 147-149           | 99               | Box 8     | 140-147 | .....             | .....      | .....              | .....         | .....      | .....   | - 1/4" seam of zeolite<br>- 1/2" " " "<br>- 6" seam of zeolite | Amygdaloidal       |                       |
| 157-159           | 97               | Box 9     | 150-157 | .....             | .....      | .....              | .....         | .....      | .....   |  |                    |                       |
| 167-170           | 94               | Box 9     | 160-167 | .....             | .....      | .....              | .....         | .....      | .....   | Bright green chlorite in amygdale.                             |                    |                       |
| 177-180           | 96               | Box 10    | 170-177 | .....             | .....      | .....              | .....         | .....      | .....   |  |                    |                       |
|                   |                  |           | 180-180 | .....             | .....      | .....              | .....         | .....      | .....   | Breccia seam with CaCO <sub>3</sub> & zeolite.                 |                    |                       |

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| DRILLING INTERVAL | % CORE RECOVERED | BQ CORE WL SIZE | SECTION | ALTERATION        |            |           | FRACTURING | MINERAL | GEOLOGY   | COMMENTS: 1"=10' | AVE. CORE REC'Y/HOLE: |
|-------------------|------------------|-----------------|---------|-------------------|------------|-----------|------------|---------|---|------------------|-----------------------|
|                   |                  |                 |         | Si O <sub>2</sub> | Chlor/Epid | Carbonate |            |         |   |                  |                       |
| 187               | 96               | Box 10          |         |                   |            |           |            |         | <p>Andesite - Amygdaloidal (contd.)</p> <p>Latite - Red-brown fine even grained; clots of chloritized mafics; abundant dis Fe<sub>3</sub>O<sub>4</sub>; compact, hard.</p> <p>Numerous CaCO<sub>3</sub> filled fractures.<br/>Inclusion muddy amygdaloidal flow. (porous)<br/>6" Breccia seam filled with CaCO<sub>3</sub> &amp; Zeolite.</p> <p>Andesite - Soft, porous, (muddy); lacking magnetite.</p> |                  |                       |
| 191               | 103              |                 |         |                   |            |           |            |         |   |                  |                       |
| 197               | 82               | Box 11          |         |                   |            |           |            |         |   |                  |                       |
| 207               | 95               | Box 12          |         |                   |            |           |            |         |   |                  |                       |
| 217               | 82               |                 |         |                   |            |           |            |         |   |                  |                       |
| 223               | 92               |                 |         |                   |            |           |            |         |   |                  |                       |
| 231.5             | 86               | Box 13          |         |                   |            |           |            |         |   |                  |                       |
| 241.5             | 90               |                 |         |                   |            |           |            |         |   |                  |                       |

2/11

| DRILLING INTERVAL | % CORE RECOVERED | CORE SIZE | SECTION | ALTERATION        |            |                    |              | FRACTURING | MINERAL | GEOLOGY   | COMMENTS: 1" = 10' | AVE. CORE REC'Y/HOLE: |
|-------------------|------------------|-----------|---------|-------------------|------------|--------------------|--------------|------------|---------|---|--------------------|-----------------------|
|                   |                  |           |         | Si O <sub>2</sub> | Chlor/Epid | Ca CO <sub>3</sub> | Clay or/zeol |            |         |   |                    |                       |
| 241.5             | 90               |           | 240     |                   |            |                    |              |            |         |   |                    |                       |
|                   |                  |           |         |                   |            |                    |              |            |         | Andesite - mud cemented flow; porous; soft; chloritic lacking magnetite.  |                    |                       |
| 251.6             | 97               |           | 250     |                   |            |                    |              |            |         | Vug filled with black 'earthy' carbonate  |                    |                       |
| 261.7             | 92               |           | 260     |                   |            |                    |              |            |         | 1" - CaCO <sub>3</sub> filled breccia seam.   |                    |                       |
| 271               | 78               |           | 270     |                   |            |                    |              |            |         | 2" Qtz-carb seam with bright apple green mineral (malachite?) & metallic speck (bornite?)<br>6" inclusion of latite.                        |                    |                       |
| 280.5             | 95               |           | 280     |                   |            |                    |              |            |         | Latite - red-brown chloritic with dis Fe <sub>3</sub> O <sub>4</sub>  |                    |                       |
| 290.5             | 91               |           | 290     |                   |            |                    |              |            |         |   |                    |                       |
| 300.6             | 98               |           | 300     |                   |            |                    |              |            |         | Gradational Contact<br>Andesite (Basaltic) Porous; soft; vuggy; strongly veined with Ca CO <sub>3</sub> . no Fe <sub>3</sub> O <sub>4</sub> |                    |                       |

| DRILLING INTERVAL | % CORE RECOVERED | CORE SIZE | SECTION | ALTERATION       |            |                   |              | FRACTURING | MINERAL | GEOLOGY   | COMMENTS: 1" = 10' | AVE. CORE REC'Y/HOLE: |
|-------------------|------------------|-----------|---------|------------------|------------|-------------------|--------------|------------|---------|---|--------------------|-----------------------|
|                   |                  |           |         | SiO <sub>2</sub> | Chlor/Epid | CaCO <sub>3</sub> | Clay or Zeol |            |         |   |                    |                       |
| 320.5             | 99               | Box 18    | 320     |                  |            |                   |              |            |         | <p>Andesite (Basaltic) - weak flow banding; voids &amp; fractures filled with CaCO<sub>3</sub> &amp; zeolite. Pumice CaCO<sub>3</sub> filled weak alignment of amygdulites approx. 90° to core<br/>Soft.</p>  |                    |                       |
| 321               | 99               |           | 320     |                  |            |                   |              |            |         |   |                    |                       |
| 331.3             | 95               | Box 19    | 330     |                  |            |                   |              |            |         |   |                    |                       |
| 337               | 99               |           | 340     |                  |            |                   |              |            |         |   |                    |                       |
| 347               | 96               |           | 350     |                  |            |                   |              |            |         |   |                    |                       |
| 357               | 97               | Box 20    | 360     |                  |            |                   |              |            |         | <p>Bright rust red Fe<sub>2</sub>O<sub>3</sub> on walls of CaCO<sub>3</sub> lined seamlet</p> <p>Latite - fine grained equigranular except for clots of chloritized mafics; red-brown color; magnetite bearing; very poorly fractured scattered veinlets of CaCO<sub>3</sub> (1 per foot or less) chlorite replaces augite?</p> |                    |                       |

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| DRILLING INTERVAL | % CORE RECOVERED | CORE SIZE | SECTION | ALTERATION       |            |                   |             | FRACTURING | MINERAL | GEOLOGY   | COMMENTS: 1"=10' | AVE. CORE REC'Y/HOLE: |
|-------------------|------------------|-----------|---------|------------------|------------|-------------------|-------------|------------|---------|---|------------------|-----------------------|
|                   |                  |           |         | SiO <sub>2</sub> | Chlor/Epid | CaCO <sub>3</sub> | Zeol/w/Clay |            |         |   |                  |                       |
| 363               | 112              |           | 360     |                  |            |                   |             |            |         | Latite (contd.)   |                  |                       |
| 367               | 62               |           | 370     |                  |            |                   |             |            |         | Gradational etc. over 1.5'  |                  |                       |
| 377               | 94               | Box 21    | 380     |                  |            |                   |             |            |         | Augite or diopside(?) partly chloritized  |                  |                       |
| 387               | 100              | Box 22    | 390     |                  |            |                   |             |            |         | Andesite (Basaltic) - Voids (amygdules) filled with CaCO <sub>3</sub> and zeolite (pink creamy mineral, Hardness = 4) |                  |                       |
| 397               | 76               | Box 23    | 400     |                  |            |                   |             |            |         | Latite - (As previous) Fe <sub>2</sub> O <sub>4</sub>   |                  |                       |
| 407               | 65               |           | 410     |                  |            |                   |             |            |         | Small qtz seam with py, cpy, mal (barite?)  |                  |                       |
|                   |                  |           | 420     |                  |            |                   |             |            |         | End of hole   |                  |                       |

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Project Lawyers Appraisal Location \_\_\_\_\_

Contractor \_\_\_\_\_

Hole No. DDH No 8 Page No. 1 of 2

Date Started \_\_\_\_\_

Coordinates: \_\_\_\_\_ N \_\_\_\_\_ E **KENNCO EXPLORATIONS,  
(WESTERN) LIMITED**

Date Finished \_\_\_\_\_

Collar elev. \_\_\_\_\_ Bearing 550E

Ref. to Claim Corner \_\_\_\_\_

Inclination - 95° Total Depth 407

Logged by \_\_\_\_\_

| Depth Interval |      | CORE       |             |        |           |           |          |         |        | Depth Interval |    | SLUDGE     |           |        |       |  |  |  |  |  |
|----------------|------|------------|-------------|--------|-----------|-----------|----------|---------|--------|----------------|----|------------|-----------|--------|-------|--|--|--|--|--|
| From           | To   | Sample No. | Inches Rec. | % Rec. | ASSAY     |           |          |         |        | From           | To | Sample No. | Lbs. Rec. | % Rec. | ASSAY |  |  |  |  |  |
|                |      |            |             |        | Ag (oz/l) | Au (oz/l) | Cu (ppm) | S (Ton) | Ag: Au |                |    |            |           |        |       |  |  |  |  |  |
| 15             | 25   | KX-29154   |             |        | 0.04      | N.D.      |          |         |        |                |    |            |           |        |       |  |  |  |  |  |
| 25             | 34.5 | 155        |             |        | "         | "         |          |         |        |                |    |            |           |        |       |  |  |  |  |  |
| 35             | 45   | 156        |             |        | "         | "         |          |         |        |                |    |            |           |        |       |  |  |  |  |  |
| 45             | 55   | 157        |             |        | "         | "         |          |         |        |                |    |            |           |        |       |  |  |  |  |  |
| 55             | 65   | 158        |             |        | "         | "         |          |         |        |                |    |            |           |        |       |  |  |  |  |  |
| 65             | 75   | 159        |             |        | "         | "         |          |         |        |                |    |            |           |        |       |  |  |  |  |  |
| 75             | 85   | 160        |             |        | "         | "         |          |         |        |                |    |            |           |        |       |  |  |  |  |  |
| 85             | 97   | 161        |             |        | "         | "         |          |         |        |                |    |            |           |        |       |  |  |  |  |  |
| 97             | 107  | 162        |             |        | "         | "         |          |         |        |                |    |            |           |        |       |  |  |  |  |  |
| 107            | 117  | 163        |             |        | "         | "         |          |         |        |                |    |            |           |        |       |  |  |  |  |  |
| 117            | 127  | 164        |             |        | "         | "         |          |         |        |                |    |            |           |        |       |  |  |  |  |  |
| 127            | 137  | 165        |             |        | "         | "         |          |         |        |                |    |            |           |        |       |  |  |  |  |  |
| 137            | 147  | 166        |             |        | 0.03      | "         | 26       |         |        |                |    |            |           |        |       |  |  |  |  |  |
| 147            | 157  | 167        |             |        | "         | "         | 32       |         |        |                |    |            |           |        |       |  |  |  |  |  |
| 157            | 167  | 168        |             |        | "         | "         | 30       |         |        |                |    |            |           |        |       |  |  |  |  |  |
| 167            | 177  | 169        |             |        | "         | "         | 34       |         |        |                |    |            |           |        |       |  |  |  |  |  |
| 177            | 187  | 170        |             |        | "         | "         | 28       |         |        |                |    |            |           |        |       |  |  |  |  |  |
| 187            | 197  | 171        |             |        | "         | "         | 38       |         |        |                |    |            |           |        |       |  |  |  |  |  |
| 197            | 207  | 172        |             |        | "         | "         | 37       |         |        |                |    |            |           |        |       |  |  |  |  |  |
| 207            | 217  | 173        |             |        | "         | "         | 36       |         |        |                |    |            |           |        |       |  |  |  |  |  |
| 217            | 227  | 174        |             |        | "         | "         | 40       |         |        |                |    |            |           |        |       |  |  |  |  |  |

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| Depth Interval |       | CORE       |             |        |           |           |          |       | Depth Interval |      | SLUDGE |            |           |        |       |  |  |  |  |  |
|----------------|-------|------------|-------------|--------|-----------|-----------|----------|-------|----------------|------|--------|------------|-----------|--------|-------|--|--|--|--|--|
| From           | To    | Sample No. | Inches Rec. | % Rec. | ASSAY     |           |          |       |                | From | To     | Sample No. | Lbs. Rec. | % Rec. | ASSAY |  |  |  |  |  |
|                |       |            |             |        | Ag (oz/l) | Au (oz/l) | Cu (ppm) | B/Ten | Ag: Au         |      |        |            |           |        |       |  |  |  |  |  |
| 227            | 237   | KX 29175   |             |        | 0.03      | N.D.      | 35       |       |                |      |        |            |           |        |       |  |  |  |  |  |
| 237            | 247   | 176        |             |        | 0.03      | "         | 22       |       |                |      |        |            |           |        |       |  |  |  |  |  |
| 247            | 248.5 | 177        |             |        | 0.04      | "         | 24       |       |                |      |        |            |           |        |       |  |  |  |  |  |
| 248.5          | 257   | 178        |             |        | 0.03      | "         | 34       |       |                |      |        |            |           |        |       |  |  |  |  |  |
| 257            | 267   | 179        |             |        | "         | "         | 44       |       |                |      |        |            |           |        |       |  |  |  |  |  |
| 267            | 268.5 | 180        |             |        | 0.06      | "         | 445      |       |                |      |        |            |           |        |       |  |  |  |  |  |
| 268.5          | 279   | 181        |             |        | 0.03      | "         | 49       |       |                |      |        |            |           |        |       |  |  |  |  |  |
| 279            | 289   | 182        |             |        | "         | "         | 44       |       |                |      |        |            |           |        |       |  |  |  |  |  |
| 289            | 298   | 183        |             |        | "         | "         | 39       |       |                |      |        |            |           |        |       |  |  |  |  |  |
| 298            | 308   | 184        |             |        | 0.04      | "         | 97       |       |                |      |        |            |           |        |       |  |  |  |  |  |
| 308            | 318   | 185        |             |        | 0.03      | "         | 26       |       |                |      |        |            |           |        |       |  |  |  |  |  |
| 318            | 328   | 186        |             |        | "         | "         | 40       |       |                |      |        |            |           |        |       |  |  |  |  |  |
| 328            | 339.5 | 187        |             |        | "         | "         | 52       |       |                |      |        |            |           |        |       |  |  |  |  |  |
| 339.5          | 350   | 188        |             |        | "         | "         | 52       |       |                |      |        |            |           |        |       |  |  |  |  |  |
| 350            | 360   | 189        |             |        | "         | "         | 50       |       |                |      |        |            |           |        |       |  |  |  |  |  |
| 360            | 366   | 190        |             |        | "         | "         | 47       |       |                |      |        |            |           |        |       |  |  |  |  |  |
| 366            | 376   | 191        |             |        | "         | "         | 56       |       |                |      |        |            |           |        |       |  |  |  |  |  |
| 376            | 386   | 192        |             |        | "         | "         | 52       |       |                |      |        |            |           |        |       |  |  |  |  |  |
| 386            | 393   | 193        |             |        | 0.02      | "         | 50       |       |                |      |        |            |           |        |       |  |  |  |  |  |
| 393            | 396   | 194        |             |        | "         | "         | 31       |       |                |      |        |            |           |        |       |  |  |  |  |  |
| 396            | 407   | 195        |             |        | 0.03      | "         | 33       |       |                |      |        |            |           |        |       |  |  |  |  |  |
| 398            | 398.2 | 196        |             |        | 0.04      | "         | 950      |       |                |      |        |            |           |        |       |  |  |  |  |  |

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Project Lawyers Appraisal Location Cliff Creek Breccia (CCB) Contractor D. W. Coates Enterprises  
 Hole No. DDH No 9 Page No. 1 of 4 Date Started Aug. 15, 1975  
 Coordinates: 49230 N 93820 E KENNCO EXPLORATIONS, Date Finished Aug. 16, 1975  
 Collar elev. 5809.7 5815.0 Bearing N72E N73.5E (WESTERN) LIMITED Ref. to Claim Corner New Lawyers No. 4  
 Inclination -45° Total Depth 213 ft Logged by V.R.H.

| DRILLING INTERVAL | % CORE RECOVERED | CORE SIZE | SECTION | ALTERATION       |            |                   |      | FRACTURING | MINERAL | GEOLOGY | COMMENTS: 1" = 10' | AVE. CORE REC'Y/HOLE: | V.R.H. |
|-------------------|------------------|-----------|---------|------------------|------------|-------------------|------|------------|---------|---------|--------------------|-----------------------|--------|
|                   |                  |           |         | SiO <sub>2</sub> | Chlor/Epid | CaCO <sub>3</sub> | Clay |            |         |         |                    |                       |        |
| 0 - 8             | 0                |           |         |                  |            |                   |      |            |         |         |                    |                       |        |
| 8 - 15            | 53               | Box 1     |         | X                |            |                   |      |            |         |         |                    |                       |        |
| 15 - 22.3         | 78               |           |         |                  |            |                   |      |            |         |         |                    |                       |        |
| 22.3 - 29         | 75               |           |         |                  |            |                   |      |            |         |         |                    |                       |        |
| 29 - 33.4         | 86               | Box 2     |         |                  |            |                   |      |            |         |         |                    |                       |        |
| 33.4 - 44         | 84               |           |         |                  |            |                   |      |            |         |         |                    |                       |        |
| 44 - 52           | 85               | Box 3     |         |                  |            |                   |      |            |         |         |                    |                       |        |
| 52 - 57           | 100              |           |         |                  |            |                   |      |            |         |         |                    |                       |        |
| 57 - 60           |                  |           |         |                  |            |                   |      |            |         |         |                    |                       |        |

Overburden - No Core

Trachyte Porphyry - very similar to trachyte in AGB zone. Well fractured; weak quartz seamlets; approx. 0.3% to 0.5% finely dis py mainly along fractures. Weak irregular quartz carbonate breccia seamlets.

CaCO<sub>3</sub> more conspicuous

Milky qtz-carb seamlet

V.R.H.

| DRILLING INTERVAL | % CORE RECOVERED | BQ CORE SIZE | SECTION | ALTERATION       |            |           | FRACTURING | MINERAL | GEOLOGY   | COMMENTS: 1" = 10' | AVE. CORE REC'Y/HOLE: |
|-------------------|------------------|--------------|---------|------------------|------------|-----------|------------|---------|---|--------------------|-----------------------|
|                   |                  |              |         | SiO <sub>2</sub> | Chlor/Epid | Carbonate |            |         |   |                    |                       |
| 65.3              | 93               | Box 4        | 60      | -                | -          | -         | -          | -       | Mafics totally altered  |                    |                       |
| 75.7              | 96               | Box 5        | 70      | -                | -          | -         | -          |         |   |                    |                       |
| 85.8              | 97               | Box 5        | 80      | -                | -          | -         | -          |         |   |                    |                       |
| 96.3              | 95               | Box 6        | 90      | -                | -          | -         | -          | ▲       | Quartz-filled Breccia - Altered fragments of Trachyte Porphyry. Alteration is weak consists mainly of bleaching.  |                    |                       |
| 101.5             | 77               | Box 6        | 100     | -                | -          | -         | -          | ▲       |   |                    |                       |
| 107               | 95               | Box 6        | 110     | -                | -          | -         | -          | ▲       |   |                    |                       |
| 117               | 97               | Box 7        | 120     | -                | -          | -         | -          | ▲       | Intense Alteration - Originally trachyte porphyry (?) - now composed of scattered rounded grains ('quartz eyes') of quartz (1/8"-1/16" dia.) in a mush of white clay and sericite (?). Rock is very very soft. Contains approx. 0.5-1.0% finely disseminated euhedral pyrite. |                    |                       |
|                   |                  | Box 7        |         | -                | -          | -         | -          | ▲       |   |                    |                       |

Trachyte Porphyry - Green; weakly veined with milky qtz-carbonate. Sparsely disseminated pyrite (euhedral). Alteration mainly bleaching minor sericite.

Quartz-filled Breccia - Altered fragments of Trachyte Porphyry. Alteration is weak consists mainly of bleaching.

Intense Alteration - Originally trachyte porphyry (?) - now composed of scattered rounded grains ('quartz eyes') of quartz (1/8"-1/16" dia.) in a mush of white clay and sericite (?). Rock is very very soft. Contains approx. 0.5-1.0% finely disseminated euhedral pyrite.

1" seam of dark blue clay

SRB

| DRILLING INTERVAL | % CORE RECOVERED | CORE SIZE | SECTION | ALTERATION       |            |                   |      | FRACTURING | MINERAL | GEOLOGY | COMMENTS: 1" = 10' | AVE. CORE REC'Y/HOLE: |
|-------------------|------------------|-----------|---------|------------------|------------|-------------------|------|------------|---------|---------|--------------------|-----------------------|
|                   |                  |           |         | SiO <sub>2</sub> | Chlor/Epid | CaCO <sub>3</sub> | Clay |            |         |         |                    |                       |
| 127               | 100              | Box 7     |         | .....            |            |                   |      |            |         |         |                    |                       |
|                   |                  |           |         | .....            |            |                   |      |            |         |         |                    |                       |
|                   |                  |           |         | .....            |            |                   |      |            |         |         |                    |                       |
| 137               | 98               | Box 8     |         | .....            |            |                   |      |            |         |         |                    |                       |
|                   |                  |           |         | .....            |            |                   |      |            |         |         |                    |                       |
|                   |                  |           |         | .....            |            |                   |      |            |         |         |                    |                       |
| 147               | 82               | Box 9     |         | .....            |            |                   |      |            |         |         |                    |                       |
|                   |                  |           |         | .....            |            |                   |      |            |         |         |                    |                       |
|                   |                  |           |         | .....            |            |                   |      |            |         |         |                    |                       |
| 157               | 96               | Box 10    |         | .....            |            |                   |      |            |         |         |                    |                       |
|                   |                  |           |         | .....            |            |                   |      |            |         |         |                    |                       |
|                   |                  |           |         | .....            |            |                   |      |            |         |         |                    |                       |
| 167               | 96               |           |         | .....            |            |                   |      |            |         |         |                    |                       |
|                   |                  |           |         | .....            |            |                   |      |            |         |         |                    |                       |
|                   |                  |           |         | .....            |            |                   |      |            |         |         |                    |                       |
| 177               | 98               |           |         | .....            |            |                   |      |            |         |         |                    |                       |
|                   |                  |           |         | .....            |            |                   |      |            |         |         |                    |                       |
|                   |                  |           |         | .....            |            |                   |      |            |         |         |                    |                       |

Intensely Altered Trachyte Porphyry (?)

Transition zone - gradual decrease in alteration intensity 128.8-136' - no noticeable change in py content.

Grey Feldspar Porphyry - 1/8" phenocrysts of feldspar weakly sericitized; bleached, abundant clay along thin fractures.

Several irregular veinlets qtz-carbonate filled

Scattered bands of strongly clay altered rock containing a few "quartz eye" remnants

wkly chloritic

| DRILLING INTERVAL | % CORE RECOVERED | CORE SIZE | SECTION | ALTERATION       |            |           |      | FRACTURING | MINERAL | GEOLOGY | COMMENTS: 1" = 10'   | AVE. CORE REC'Y/HOLE: |
|-------------------|------------------|-----------|---------|------------------|------------|-----------|------|------------|---------|---------|--|-----------------------|
|                   |                  |           |         | SiO <sub>2</sub> | Chlor/Epid | Carbonate | Clay |            |         |         |  |                       |
| 187-197           | 97               |           | 180-190 | /                | ∴          |           | █    | /          |         |         | 6" clay gouge<br>wkly veined with<br>CaCO <sub>3</sub>   |                       |
| 197.5-207         | 82               |           | 190-200 | /                |            |           | █    | /          |         |         | Andesite Dyke - Basaltic; fine grain; dark green to black;<br>limonitic clay gouge along lower contact   |                       |
| 207-213           | 87               |           | 200-210 | /                |            |           | █    | /          |         |         | Fragmental Volcanic - white feldspar amygdules and crystal fragments in a medium-to coarse-grained tuff matrix containing hornblende & biotite. Some voids have been filled with clay and zeolite. interstitial py disseminated specularite. |                       |
| 213-240           | 87               |           | 210-240 | /                |            |           |      | /          |         |         | End of hole.   |                       |

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| Depth Interval |     | CORE       |             |        |       |      |          |      | Depth Interval |  | SLUDGE     |           |        |       |  |  |  |  |  |
|----------------|-----|------------|-------------|--------|-------|------|----------|------|----------------|--|------------|-----------|--------|-------|--|--|--|--|--|
|                |     | Sample No. | Inches Rec. | % Rec. | ASSAY |      |          |      |                |  | Sample No. | Lbs. Rec. | % Rec. | ASSAY |  |  |  |  |  |
| From           | To  |            |             |        | Ag    | Au   | Cu (ppm) | \$/T | Ag:Au          |  |            |           |        |       |  |  |  |  |  |
| 186            | 196 | KX29218    |             |        | 0.03  | Tr   | 24       |      |                |  |            |           |        |       |  |  |  |  |  |
| 196            | 198 | 219        |             |        | 0.04  | N.D. | 60       |      |                |  |            |           |        |       |  |  |  |  |  |
| 198            | 208 | 220        |             |        | 0.03  | "    | 23       |      |                |  |            |           |        |       |  |  |  |  |  |
| 208            | 213 | 221        |             |        | 0.02  | "    | 18       |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |
|                |     |            |             |        |       |      |          |      |                |  |            |           |        |       |  |  |  |  |  |

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Project Lawyers Appraisal Location AGB  
 Hole No. DDH. No. 10 Page No. 1 of 4  
 Coordinates: 51060 N 50010 E  
 Collar elev. 5990.1 Bearing N90E  
 Inclination -45° Total Depth 193

Contractor D. W. Coates Enterprises  
 Date Started Aug 18, 1975  
 Date Finished Aug 23, 1975  
 Ref. to Claim Corner Newlawyers No 1  
 Logged by V.R.H.

KENCO EXPLORATIONS,  
(WESTERN) LIMITED

| DRILLING INTERVAL | % CORE RECOVERED | Bq CORE SIZE | SECTION | ALTERATION       |            |                    |                | FRACTURING | MINERAL | GEOLOGY | COMMENTS: 1"=10' 19' B casing<br>Hole lost at 193' due to caving ground @ 182'-180'<br>Casing & shoe left in hole | AVE. CORE REC'Y/HOLE: |
|-------------------|------------------|--------------|---------|------------------|------------|--------------------|----------------|------------|---------|---------|---|-----------------------|
|                   |                  |              |         | SiO <sub>2</sub> | Chlor/Epid | Ca CO <sub>3</sub> | clay/Serp-Zeol |            |         |         |   |                       |
|                   |                  |              |         |                  |            |                    |                |            |         |         |   |                       |
| 12                | 0                |              |         |                  |            |                    |                |            |         |         |   |                       |
| 16                | 55               |              |         |                  |            |                    |                |            |         |         |   |                       |
| 22.3              | 85               |              |         |                  |            |                    |                |            |         |         |   |                       |
| 23.3              | 98               |              |         |                  |            |                    |                |            |         |         |   |                       |
| 26.5              | 100              |              |         |                  |            |                    |                |            |         |         |   |                       |
| 27.3              | 98               |              |         |                  |            |                    |                |            |         |         |   |                       |
| 32.8              | 81               |              |         |                  |            |                    |                |            |         |         |   |                       |
| 37                | 82               |              |         |                  |            |                    |                |            |         |         |   |                       |
| 47                | 95               |              |         |                  |            |                    |                |            |         |         |   |                       |
| 57                | 92               |              |         |                  |            |                    |                |            |         |         |   |                       |

*Victor Ryback Hardy*

Overburden - Trachyte porphyry rubble

Trachyte porphyry - numerous quartz seams 2.0mm to 2.0 cm. Quartz-carbonate filled fractures cutting older quartz seams.

Quartz-Amethyst filled breccia; with Trachyte Inclusions. Limonite stained fragments. Some Qtz-calcite veins contain amethyst

Trachyte Porphyry - limonite stained feldspars - highly limonitic. Occasional finely disseminated pyrite (rare).

— increase in SiO<sub>2</sub>

— decrease in limonite.

*V.R.H.*

| DRILLING INTERVAL | % CORE RECOVERED | CORE SIZE | SECTION | ALTERATION       |            |           |               | FRACTURING | MINERAL | GEOLOGY | COMMENTS: 1"=10'<br>'Cave'- 117'-120' | AVE. CORE REC'Y/HOLE: |
|-------------------|------------------|-----------|---------|------------------|------------|-----------|---------------|------------|---------|---------|---------------------------------------|-----------------------|
|                   |                  |           |         | SiO <sub>2</sub> | Chlor/Epid | Carbonate | Clay/ser-Zeol |            |         |         |                                       |                       |
| 63                | 77               |           | 60      |                  |            |           |               |            |         |         |                                       |                       |
| 67                | 82               |           | 70      |                  |            |           |               |            |         |         |                                       |                       |
| 77                | 95               |           | 80      |                  |            |           |               |            |         |         |                                       |                       |
| 87                | 100              |           | 90      |                  |            |           |               |            |         |         |                                       |                       |
| 97                | 100              |           | 100     |                  |            |           |               |            |         |         |                                       |                       |
| 107               | 99               |           | 110     |                  |            |           |               |            |         |         |                                       |                       |
| 110.5             | 86               |           |         |                  |            |           |               |            |         |         |                                       |                       |
| 117               | 68               |           | 120     |                  |            |           |               |            |         |         |                                       |                       |

Trachyte Porphyry (contd.) - limonite & clay (?) in fractures. Disseminated specularite.

- Epidote common

- Narrow Breccia seam.

- Qtz Amethyst filled breccia 6" wide

Very siliceous Trachyte - start of quartz-filled breccia zone - pronounced increase of quartz amethyst veining

Tuff-breccia - polymictic

Coarsely brecciated - vuggy  
Qtz-carb filled fractures

Tuff-breccia - polymictic - vuggy - fragments of quartz-carbonate.

*CRH*



| DRILLING INTERVAL | % CORE RECOVERED | CORE SIZE | SECTION | ALTERATION       |            |           | FRACTURING | MINERAL | GEOLOGY | COMMENTS: 1" = 10'   | AVE. CORE REC'Y/HOLE:              |
|-------------------|------------------|-----------|---------|------------------|------------|-----------|------------|---------|---------|--|------------------------------------|
|                   |                  |           |         | SiO <sub>2</sub> | Color/Epid | Carbonate |            |         |         |  |                                    |
| 125.3             | 66               |           | 120     |                  |            |           |            |         |         | Tuff-breccia - (contd.)  |                                    |
| 127               | 100              |           | 130     |                  |            |           |            |         |         | Flow banding 20° to core   |                                    |
| 137               | 99               |           | 140     |                  |            |           |            |         |         | Latite Breccia grading to latite with numerous fractures filled with Qtz-Calc  |                                    |
| 143               | 101              |           | 150     |                  |            |           |            |         |         | Latite - varying degrees of brecciation - from massive to quartz-carbonate filled fractures  |                                    |
| 152               | 93               |           | 160     |                  |            |           |            |         |         | Angular & sub-angular to sub-rounded fragments.  |                                    |
| 157               | 96               |           | 170     |                  |            |           |            |         |         | Trachyte Lahar or mud flow - trachytic texture; trachytic inclusions - poorly defined flow banding of feldspar phenocrysts in fine dark brown 'mud' matrix - vuggy |                                    |
| 167               | 98               |           | 180     |                  |            |           |            |         |         | flow banding   |                                    |
| 177               |                  |           |         |                  |            |           |            |         |         |  |                                    |
| 181.8             |                  |           |         |                  |            |           |            |         |         |  | Porphyritic Andesite - flow banded |

*CPA*

| DRILLING INTERVAL | % CORE RECOVERED | CORE SIZE | SECTION | ALTERATION       |              |           |              | FRACTURING | MINERAL | GEOLOGY             | COMMENTS: 1"=10'<br>End of hole -193.5' | AVE. CORE REC'Y/HOLE: |
|-------------------|------------------|-----------|---------|------------------|--------------|-----------|--------------|------------|---------|---------------------|---|-----------------------|
|                   |                  |           |         | SiO <sub>2</sub> | Chlor/Epical | Carbonate | Clay/or Zeol |            |         |                     |   |                       |
| 187               |                  |           | 180     |                  |              |           |              |            |         | — Good flow banding |   |                       |
| 193               |                  |           |         |                  |              |           |              |            |         |                     | End of hole                             |                       |
|                   |                  |           |         |                  |              |           |              |            |         |                     |   |                       |

Porphyritic Andesite

4/2/11

Project Lawyers Appraisal Location N 6 E

Hole No. DDH No. 10 Page No. 1 of 2

Coordinates: \_\_\_\_\_ N \_\_\_\_\_ E **KENCO EXPLORATIONS.  
(WESTERN) LIMITED**

Collar elev. \_\_\_\_\_ Bearing N90E

Inclination - 15° Total Depth 193'

Contractor \_\_\_\_\_

Date Started \_\_\_\_\_

Date Finished \_\_\_\_\_

Ref. to Claim Corner \_\_\_\_\_

Logged by \_\_\_\_\_

| Depth Interval |     | CORE       |             |        |                |           |          |         |       | Depth Interval |    | SLUDGE     |           |        |       |  |  |  |  |
|----------------|-----|------------|-------------|--------|----------------|-----------|----------|---------|-------|----------------|----|------------|-----------|--------|-------|--|--|--|--|
| From           | To  | Sample No. | Inches Rec. | % Rec. | oz / Ton ASSAY |           |          |         |       | From           | To | Sample No. | Lbs. Rec. | % Rec. | ASSAY |  |  |  |  |
|                |     |            |             |        | Ag (oz/T)      | Au (oz/T) | Cu (ppm) | S / Ton | Ag:Au |                |    |            |           |        |       |  |  |  |  |
| 12             | 17  | KX 29222   |             |        | 9.26           | 0.097     | 118      |         | 95.5  |                |    |            |           |        |       |  |  |  |  |
| 17             | 22  | 223        |             |        | 2.76           | 0.023     | 70       |         | 120.0 |                |    |            |           |        |       |  |  |  |  |
| 22             | 29  | 224        |             |        | 5.59           | 0.053     | 74       |         | 105.5 |                |    |            |           |        |       |  |  |  |  |
| 29             | 39  | 225        |             |        | 0.54           | 0.007     | 50       |         | 77.1  |                |    |            |           |        |       |  |  |  |  |
| 39             | 46  | 226        |             |        | 0.15           | N.D.      | 40       |         | -     |                |    |            |           |        |       |  |  |  |  |
| 46             | 51  | 227        |             |        | 0.15           | Tr.       | 55       |         | -     |                |    |            |           |        |       |  |  |  |  |
| 51             | 57  | 228        |             |        | 0.17           | Tr        | 70       |         | -     |                |    |            |           |        |       |  |  |  |  |
| 57             | 66  | 229        |             |        | 0.56           | 0.003     | 120      |         | 186.7 |                |    |            |           |        |       |  |  |  |  |
| 66             | 76  | 230        |             |        | 0.88           | 0.007     | 95       |         | 125.7 |                |    |            |           |        |       |  |  |  |  |
| 76             | 83  | 231        |             |        | 1.06           | 0.006     | 71       |         | 176.7 |                |    |            |           |        |       |  |  |  |  |
| 83             | 87  | 232        |             |        | 0.20           | Tr        | 90       |         | -     |                |    |            |           |        |       |  |  |  |  |
| 87             | 97  | 233        |             |        | 0.29           | 0.002     | 60       |         | 145.0 |                |    |            |           |        |       |  |  |  |  |
| 97             | 104 | 234        |             |        | 5.53           | 0.029     | 106      |         | 190.7 |                |    |            |           |        |       |  |  |  |  |
| 104            | 111 | 235        |             |        | 2.79           | 0.053     | 59       |         | 52.6  |                |    |            |           |        |       |  |  |  |  |
| 111            | 120 | 236        |             |        | 1.38           | 0.011     | 62       |         | 125.4 |                |    |            |           |        |       |  |  |  |  |
| 120            | 126 | 237        |             |        | 3.21           | 0.028     | 64       |         | 114.6 |                |    |            |           |        |       |  |  |  |  |
| 126            | 136 | 238        |             |        | 0.99           | Tr        | 58       |         | -     |                |    |            |           |        |       |  |  |  |  |
| 136            | 146 | 239        |             |        | 0.79           | Tr        | 60       |         | -     |                |    |            |           |        |       |  |  |  |  |
| 146            | 152 | 240        |             |        | 0.94           | Tr        | 62       |         | -     |                |    |            |           |        |       |  |  |  |  |
| 152            | 162 | 241        |             |        | 0.83           | 0.003     | 43       |         | 276.7 |                |    |            |           |        |       |  |  |  |  |
| 162            | 172 | 242        |             |        | 0.53           | 0.007     | 36       |         | 75.7  |                |    |            |           |        |       |  |  |  |  |

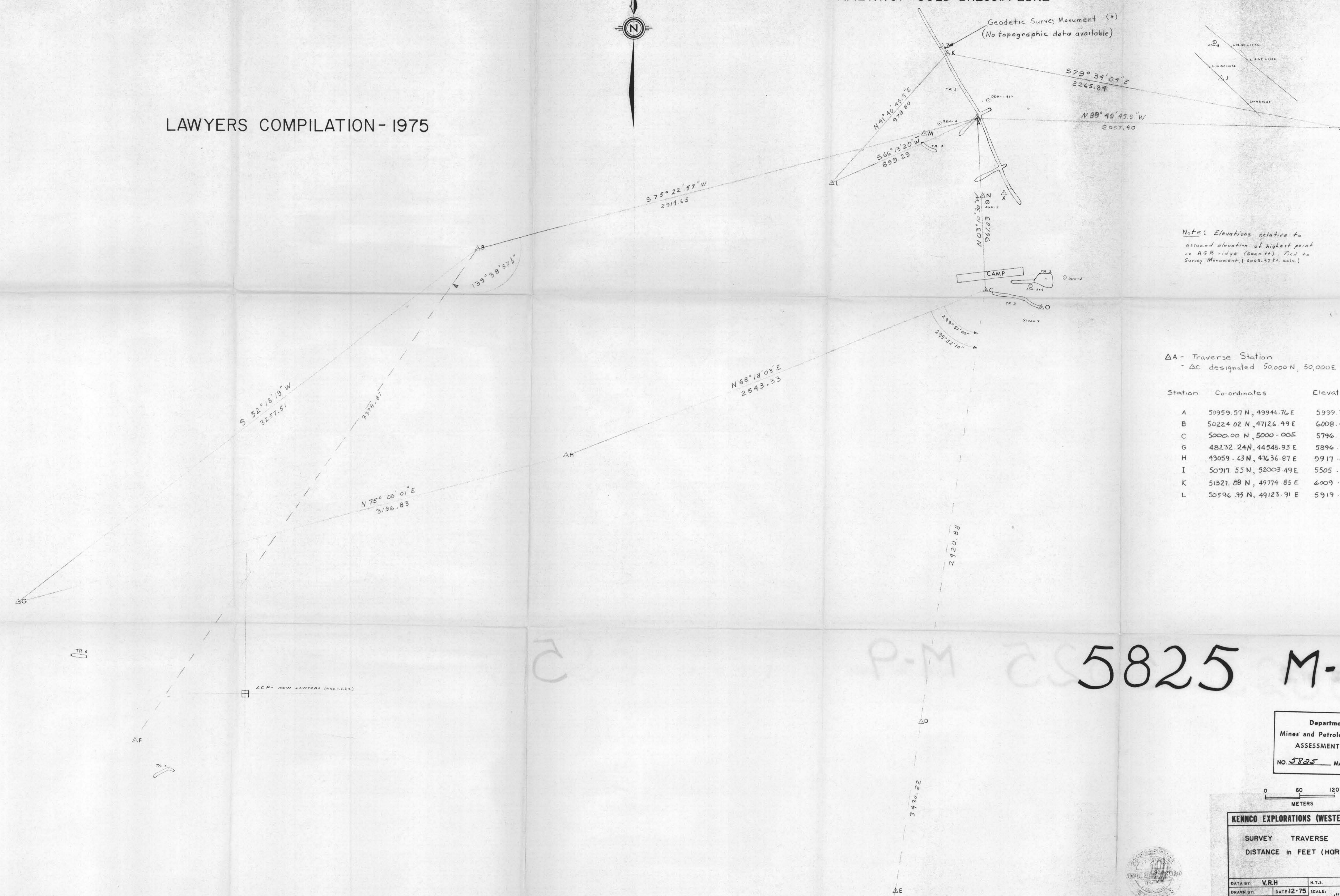
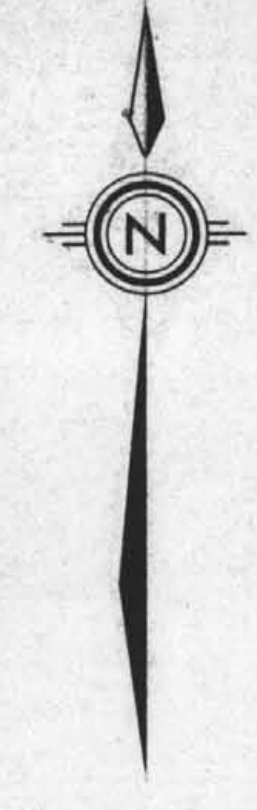
*Handwritten initials/signature*



LAWYERS COMPILATION - 1975

AMETHYST - GOLD BRECCIA ZONE

CLIFF CREEK BRECCIA ZONE



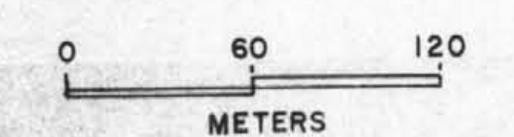
Note: Elevations relative to assumed elevation of highest point on AGR ridge (6020 ft). Tied to Survey Monument (6009.37 ft. calc.)

ΔA - Traverse Station  
 ΔC designated 50,000 N, 50,000 E

| Station | Co-ordinates           | Elevation |
|---------|------------------------|-----------|
| A       | 50959.57 N, 49946.76 E | 5999.38'  |
| B       | 50224.02 N, 47126.49 E | 6008.45'  |
| C       | 5000.00 N, 5000.00 E   | 5796.14'  |
| G       | 48232.24 N, 44548.93 E | 5896.50'  |
| H       | 49059.63 N, 47636.87 E | 5917.05'  |
| I       | 50977.55 N, 52003.49 E | 5505.14'  |
| K       | 51321.88 N, 49774.85 E | 6009.19'  |
| L       | 50596.93 N, 49123.91 E | 5919.30'  |

P.M 25 5825 M-9

Department of  
 Mines and Petroleum Resources  
 ASSESSMENT REPORT  
 No. 5825 MAP 9



**KENCO EXPLORATIONS (WESTERN) LIMITED**

SURVEY TRAVERSE MAP  
 DISTANCE in FEET (HORIZONTAL)

DATA BY: V.R.H. N.T.S. PL. NO.: 3  
 DRAWN BY: DATE: 12-75 SCALE: 1" = 200'  
 TRACED BY: DATE:  
 REVISIONS:

