# The Agnes & Tennie Mining Co. Ltd.

203 - 1209 EAST FOURTH STREET, NORTH VANCOUVER, B.C., V7J 1GB (604) 985-1233

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	-Core storage lacation	F
	-Tatal Metres drilled	F
	-Total cost/M drilled	F

# 5887

Department of

Mines and Petroleum Resources

ASSESSMENT REPORT

5887\_

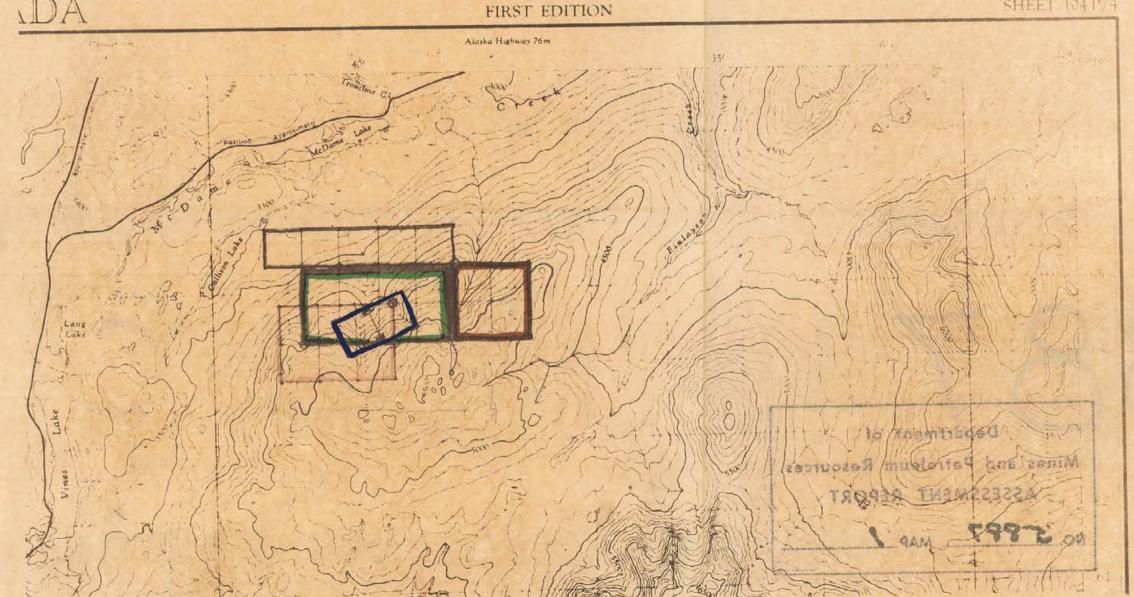
MAP

UP M.C. (5 UNITE) SNO M. C (6 UNITS) FG # 1 + FG #2 M.C'S ( 2 UNITS) SUN MC. (4 UNITS) LCP CLAIM POST

INDEX MAP SCALE : 1 50,000

PROVISIONAL MAP

SHEET 104 P/4



SCALE /= 150M

SURFACE PLAN.

0975-3

Department of

Mines and Cetagoleum Rescurci

ASSESSMENT REPORT

2.

LX

OV

FG#1

· · · · · · · · · · · · · · · · · · ·	<del>*************************************</del>	
Co-Ords:	K. L. DAUGHTRY & ASSOCIATES LTD.	Hole No. DD 75-2
Azimuth: 166	Diamond Drill Record	Property: Agnes & Jennie Mining Co. Ltd.
Dip: -56°30′	Drill Type & Size: NQ	Location: Table Mtn. 8 mi. SE Cassiar,
		Liard M.D.
Elevation: 1200 M	Dip Tests:	Date Started:
		Date Completed:
Length: 84 M		Logged By: K. L. Daughtry, P. Eng.
Section:		Date Logged; November 27, 1975
Purpose:		

Metres Too	tage	Decemination		Foo	tage	Length					
From	to	Description	No.	from	to	Lengu					
0	5.6	Casing									
		0-4.0 Overburden, approx, 15 cm. of pale greenish	·								
		-grey siliceous rock.									
	<u> </u>	4.0-5.6 1M of broken & ground core. Mainly green	-								
		ish-grey f.g. shr"d silrock.									
									1		
5.6	9.4	SILICEOUS ROCK									
		Pale to med. gy., f.g. shr'd & brecciated silrock.							1		
		Appears to be pale gy f.g. massive quartzite or sil.						1		<u> </u>	
		tuff. Rock is broken & shr'd to med or dark gy "mafi	c"							<b>†</b>	
		comminuted material. Intense fracturing has produced				1		<b>†</b>	1	<del>                                     </del>	
		breccia in places, with fragments of pale siliceous					 <del> </del>			<b>†</b>	
	1	rock (quartzite?) in "mafic" matrix. Orig rk appears					<del>                                     </del>	<del>†</del>	<b>†</b>		
· <del></del>	<b>†</b>	to be mainly quartz & feldspar-probably tuffaceous.		ļ .	<del>                                     </del>	<b>†</b>	 <b>†</b>	<del> </del>	<b></b>	<del>                                     </del>	
		Disseminated pyrite common in "mafic" rk. Veinlets							1		
		& stringers of quartz common, 1-2MM. Rock is general	ly					I			
		weakly calcareous.									
·						1					
9.4-13	1	Quartz Stockwork & Breccia		<u> </u>	<u> </u>						
		Zone of Brecciated & shr'd rk cut by numerous qtz									
		veins. Rock is intensely shr'd siliceous rk (quartz:	te?								
		or tuff?) as above but highly altered & silicified.									
	<u> </u>	Abundant apple green mineral in places (mariposite?)									
		Abundant diss py <a href="#">10%</a>					 I				

Sheet No.....1......

METRES Feet			Sample	· Foo	tage	T				
from	to	Description	No.	from	to	Length				
	13.1	9.4-10.4 Vuggy quartz breccia vein. Open spaces in								
	r't)	vugs. Rk fragments are "mafic" siliceous rk with								
		diss py as above. Vein @ 10°-20°c.a. (to core axis)								
		No py in qtz.								
		Highly shr'd rk with foliation @ 60° c.a. Occas. fra	zs							
		of tuffaceous rk 3-4 cm long. Qtz veins 2 mm to 2	em							···
	<u> </u>	wide-mainly white milky qtz but some glassy, vuggy						 <u> </u>		
		veins. Some veins show stoping of wall rk frags.	L	ļ				 <del> </del>		
		Veins & rk only weakly calcareous. Vein attitudes:						 <del> </del>		
		40°, 50°, 10°, 80° to c.a.						 <b></b>		
			ļ		ļ			 <u> </u>		
13.1	21.9	SHEARED & BRECCIATED SILICEOUS ROCK		ļ				 <b></b>		
		Pale to med gy intensely shr'd, comminuted & brecci	ated	ļ	ļ			 		
		siliceous rk.						 <b></b>		
	<u> </u>	13.1-14.9 Intensely shr'd with abundant green min &						 <del> </del>		
		clots of diss py to 1 cm. Only a few qtz veinlets.	ļ	ļ	ļ	<del></del>		 <b></b>		<u> </u>
	<u> </u>	14.9-16.2 As above but green min. & py rare.		ļ	<u> </u>			 <del> </del>		
	ļ	16.2-16.8 Calcareous zone. Numerous pits due to	<u> </u>	<b> </b>				 <del> </del>		
		leaching-limonite (siderite?) Diss py . Qtz vein @	<del> </del>	ļ				 <del> </del>		
	<del> </del>	16.3 approx. 3 cm @ 10°c.a.	<b></b>	<del> </del>				 <del> </del>		
	<del> </del>	16.8-17.1 Qtz vein -massive, white	<del> </del>	<del> </del>	<u> </u>	<del></del>		 <del> </del>		
	<del> </del>	17.1-18.1 Shr'd graphitic & calcareous zone. Qtz	<del> </del>					 <del> </del>		
	<del> </del>	veining, abundant calcite.	<u> </u>	<del> </del>				 -		
	<del>                                     </del>	18.1-18.3 Qtz vein- massive, white	<del> </del>	<del> </del>		-		 +		
	<del> </del>	18.3-21.3 Shr'd rk with lenticular pale gy frags. aligned parallel foliation @ 80°c.a. Shrearing	<del> </del>	<del> </del>	<b></b>	-		 <del> </del>		<del> </del> -
			<del> </del>	<del> </del>	<b></b>	<del></del>	<del></del>	 +		
<u> </u>	<del> </del>	gradually diminishes down hole. Breccia more appared down hole. Rk variably calcareous, graphitic along a	1100	<del> </del>			<del></del>	 <del> </del>		
	+		LIPS.	<del> </del>		<del>-   -</del>		 <del> </del>		
	<del> </del>	18.6-19.8 Qtz vein @ high angle c.a. 21.3-21.6 Qtz vein, massive white.	<del> </del>	<del> </del>	<b></b>			 +		
	<del>                                     </del>	21.)-21.0 Quz vein, massive white,	<del> </del>	<del> </del>		+		 <del> </del>		
21.9	25.3	GREY SILICEOUS ROCK	<del>                                     </del>	<del> </del>	<del> </del>	+		 <del> </del>		ļ
~107	ر • ر -		†	<del> </del>	<b> </b>	++		 <del> </del>	-	
	1	Mainly med. gy shr'd f.g. siliceous rk. Foliation prominent @ 45°-60° c.a. Numerous lenticular clots	<del>                                     </del>	<del> </del>	<b> </b>	++		 <b>†</b>		
	<del>                                     </del>	of py <1 cm long. Abundant diss calcite crystals	<b>†</b>	1	<del>                                     </del>	+	<del> </del>	1		
	<del>                                     </del>	1-2 mm. Numerous qtz veinlets & veins 1-2 cm @ 10°c.		1	<b></b>	++		1		
	<del>                                     </del>	Occasional green mineral in pale gy frags.				1-1		1		
<u> </u>		loccastonat Steen minerat in bate \$1 11982.	ــــــــــــــــــــــــــــــــــــــ		L			 <u> </u>	L	L

METTO DE			<del></del>		<b></b>	<del>-,</del>		 	+	
METRES Foot	age	Paganintian   Sa	ample	' Foo	tage	7 41			1	
110111	0	Description	No.	from	to	Length				
25.3	26.1	QUARTZ VEIN (Mineralized)								
		@ 60 c.a. Thin bands rk @ 60 c.a. Minor diss f.g.								
		metallic minerals ≤ 1% including py, chalco, tetrahe	drite(?)							
L		and gold(?) minor malachite.								
26.1	26.7									
		Possible fault zone. Numerous angular to rounded								
		frags < 3cm of buff to pale gy siliceous rk in		· · · · · · · · · · · · · · · · · · ·					ļ	
		"mafic" matrix. Py variable to 10%								
						<u> </u>		 	<u> </u>	
26.7	41.8	BUFF ALTERED SILICEOUS ROCK								ļ
		Mainly pale buff to pale salmon to pale gy f.g.								
		silicified (?) shattered qtz-feldspar rk. Rk is								
		shattered but only slightly sheared with qtz & "mafic	<u>"</u>							ļ
		min. between frags & in veinlets up to 2 mm. Py								
		mainly in veinlets < 5% as diss. grains. Qtz veins						 		
		absent, veinlets rare. Occasional zones of argillic								
		alteration . In areas of strongest shearing, sheared						 		
	ļ	zones develop as banded veins with qtz & "mafics".								
	<u> </u>	41.1-41.8 Buff rk gradually diminishes in abundance						 		
	ļ	last appearing down hale as scattered frags in brecci	a.						ļ	ļ
1.0	76.5			***		-		 		<u> </u>
41.8	56.7	GREY SILICEOUS ROCK			ļ			 ·	<u> </u>	ļ
		Mainly massive white to med gy f.g. shattered or				<b></b>		 	<del> </del>	ļ
ļ	ļ	brecciated siliceous rk. Shearing rare or absent.				<del>                                     </del>				
	L	No qtz veins, few veinlets. Py only ≤1%, diss. Rk				<b></b>		 		ļ
		appears silicified. Occasional fractures with py "pain	nt"			-			<del> </del>	
	<del> </del>					<del> </del>	<u>_</u>	 	<del> </del>	<b></b>
	(5.1			<del> </del>		+		 	<del></del>	ļ
56.7	63.4	BUFF/GREEN SILICEOUS ROCK			ļ	<del>                                     </del>		 	<u> </u>	<u> </u>
		As above (26.7-41.8) but more pale greenish-gy rk			<b> </b>	<del>                                     </del>		 	<del> </del>	<del> </del>
		along with buff, salmon &gy. Less py, less silicificate less "mafic" etc. Numerous areas af argillic alt'n &	tion,			+		 ·	<del> </del>	<b> </b>
		less "maile" etc. Numerous areas al argillic alt'n &	Aetutera	) 	<b> </b>	+		 	<b></b>	<b></b>
	<del> </del>							 	<del> </del>	<b> </b>
L	I				<u> </u>	11		 		

Sheet No..3.....

METRES			<del>,</del>	,		<del> </del>		<del>,</del>	·	· · · · · · · · · · · · · · · · · · ·		
METRES Toot	age	Description	Sample		tage	Tanath						
from	to		No.	from	to	Length						
63.4	73.8	GREEN SILICEOUS ROCK										
		63.4-68.0 Rk as above but mainly light green with										
		minor bull rock.										
		68.0-71.6 As above but darker green & less siliceo	ıs.									
		More mafic material. Py absent. Rk may be volcanic.										
		71.6-73.8 Pale green rk as above-becoming more			<u> </u>							
		fragmental in texture below 73.2			<u> </u>							
		Transmontar In Volume Dollar ()12		<u> </u>	<b>†</b>	†	<del></del>		<del> </del>	<del>                                     </del>		
				<del>                                     </del>	<del> </del>	+						
73.8	83.4	FRAGMENTAL ROCK		<del>                                     </del>	<del> </del>	+		<b></b>		<del> </del>		<del> </del>
		Greenish-gy to med gy tuff. Variably altered breccis	+ 0 4		·	+						
		etc, as above, but generally less altered & silicif	ed	<u> </u>	<del> </del>			<u> </u>	1	<b>†</b>		<u> </u>
			icu .			+		<u> </u>	<del> </del>	<del> </del>	<del> </del>	<u> </u>
	<del> </del>	down hole. 73.8-75.9 Pale greenish-gy rk. Similar to above but			ļ	+		<b></b>	<del> </del>	<del>                                     </del>		<b></b>
				<del> </del>	<del> </del>	<del> </del>		<u> </u>	<del> </del>	<del> </del>	<del> </del>	<u> </u>
	<del> </del>	fragmental texture much more pronounced. Occas. qtz			<b> </b>	<del> </del>			<b></b>	<del></del>	ļ	
and the second second		veins 4 mm-2cm @ 20°c.a.		<del> </del>	<del> </del>			<u> </u>		ļ		<u> </u>
	ļ	75.3-75.6 Qtz vein 40°c.a. Qtz + f-spar.				<del></del>			ļ			
	ļ	75.9-80.5 Med gy tuff. less altered.		<b></b>	ļ		-		ļ			
	ļ	80.5-83.4 Greenish-gy altered tuff as above.										ļ <u> </u>
					<u> </u>							
					ļ	ļ	······································					<u> </u>
83.4	84.0	GREY SILICEOUS ROCK										
		Med gy banded f.g. siliceous rk. Foliation 45°c.a.										
	ļ	ry clots, diss5%.										
84.0	ECH		· 	1 1	<u> </u>					1		
				1								
							***************************************					
					1							
						1				<u> </u>		
					<del>                                     </del>	1						
	<b>†</b>			<b> </b>	<del> </del>	<del>  </del>						ļ
					<b>†</b>	<del>                                     </del>						
	<del>                                     </del>			<del> </del>	<del> </del>	+			<del> </del>			
<u> </u>	L					JI			L	l	l	

Sheet No. 4.....

					्रमु <b>क</b> .									
Co-Ords:		K. L. DAUGHTRY	& ASSOCI	ATES LTD	•				Hole	No. DD	75-1			
Azimuth:	1120	Diamond :	Drill Rec	ord			Property: The Agnes & Jennie Mining Co. Ltd							
Dip: -62	,	Drill Type & Size: NQ					Location: Table Mtn., 8 mi. SE Cassiar.							
Elevatio	n: 1200 N	Dip Tests:					Date Started:							
Length: 94.8							Date Completed: Logged By: K. L. Daughtry, P. Eng.							
Section: Purpose:		Note: See DD 75-2 for detailed rock descriptions.					Date Lo							
METRIS From	to	Description	Sample No.	Foo from	tage   to	Lengt	h							
0	3,0(?)	OVERBURDEN				1								
3.0(?)	5.8(?)													
		Pale greenish-gy speckled siliceous rock.			<del> </del>		<u> </u>							
<b>5.</b> 8	11.0	GREY SILICEOUS ROCK						:						
		Light to med-gy sheared & brecciated siliceous rk.  Occas q5z veinlets 2.5 cm qtz vein @ 9.6 @ 30°c.a.												
11.0	20.6	QUARTZ VEIN STOCKWORK & BRECCIA				1								
		Stockwork as in DD 75-2 but less breccia. Rk is highly sheared fragmental.			<u> </u>									
			<b> </b>	ļ	<b>_</b>	<del> </del>	<b></b>			<b></b>	<b> </b>			

					01	1		
		32.8-33.2		 	L			
		Mineralized as in DD 75-2 @ 25.3. Brecciated from	 					
32.3	33.2	QUARTZ VEIN						
		above, (5.8-11.0) Quartz veins @ 28.2-28.5 & 28.7						
		Sheared, brecciated & foliated silicified rk as						

GREY SILICEOUS ROCK

Sheet No.1.....

ETRES	tage		Sample	Foo	tage	1	T	1		1	T
from	to	Description	No.	from	to	Length	1				
33.2	33.8	BRECCIA ZONE									
		Similar to DD 75-2 @ 26.1	~								
33.8	45.1	GREEN & GUFF SILICEOUS ROCK				+	 <del>                                     </del>				
		As in DD 75-2									
1: 5 4	52.6	GREY SILICEOUS ROCK									
45.1	53.6	As before but brecciated.				+	 <del> </del>	-			
		AS before but brecefated,	•			1	1	<del> </del>		<del> </del>	<del>                                     </del>
53.6	55.2										
	ļ	Qtz-carbonate breccia veins at high angle to core.		-			 <del> </del>	ļ	<u> </u>	ļ	
55.2	76.5	GRAY/GREEN SILICEOUS ROCK	~			+	 <del> </del>	<del> </del>	<del> </del>		<del> </del>
		Similar to above GREEN & BUFF rock but mainly light				1					
		gy in colour & brecciated.									
76.5	80.3	FRAGMENTAL ROCK				-	 <del> </del>		<u> </u>	<b> </b>	<del> </del>
10.5	00.5	Light greenish-gy fragmental rk.				<u> </u>	1			<del> </del>	<del> </del>
	1	Tigiro Bronzon by Transmonour Ing			-	1				<u> </u>	<b>†</b>
80.3	81.4	GREEN FRAGMENTAL ROCK									
	<u> </u>	Med-green, massive fragmental rk.				-	<b>_</b>		<b></b>		
81.4	84.1	CARBONATE ZONE				+				<u> </u>	<del> </del>
		Rusty carbonated zone-poor recovery. Rk appears									<u> </u>
		similar to that above & below.				1					
84.1	87.2	ALTERED FRAGMENTAL				-	 		ļ		<u> </u>
<u> </u>	0742	Highly altered frag. rk. Carbonate & argillic alterat	tion.					<u> </u>	1		
87.2	90.8		<del></del>			<b>_</b>	 				
	<del> </del>	Mainly med greenish-gy massive andesitic flow (?)rk.					 <del> </del>	<u> </u>	<del> </del>	ļ	ļ
		88.8-89.9 Altered as above.	<del></del>			+	<del> </del>	<del> </del>		<del> </del>	<u> </u>
90.8	92.4	ALTERED FRAGMENTAL									
	ļ	Light greenish-gy altered frag.					 ļ <u>.</u>				
92.4	93.7	CARBONATE VEIN/BRECCIA ZONE				<u> </u>	 <b></b>	<u></u>			
93.7	94.8	GREY SILICEOUS ROCK								I	

94.8 EOH

Sheet No...2

Co-Ords:	K. L. DAUCHTRY & ASSOCIATES LTD.	Hole No.DD 75-3
Azimuth: 166°	Diamond Drill Record	Property: The Agnes & Jennie Mining Co. Ltd
Dip: -45 <sup>6</sup>	Drill Type & Size: NQ	Location: Table Mtn., 8 mi. SE Cassiar, Liard M.D.
Elevation: 1200 M	Dip Tests:	Date Started:
		Date Completed:
Length: 51.5		Logged By: K. L. Daughtry, P. Eng.
Section:		Date Logged: December 1, 1975

Purpose: Note: See DD 75-2 for detailed rock descriptions.

METRES TOO	age-		Sample	Foot	tage	T41				T	
From	to	Description	No .	from	to	Length					
0	7.3(?)	OVERBURDEN									
						<u> </u>					
7•3	8.4	PALE GREEN SILICEOUS ROCK		<b> </b>	<b> </b>				ļ		
8.4	18.6	GREY SILICEOUS ROCK									
18.6	23.5	QUARTZ VEIN STOCKWORK									
23.5	24.7	QUARTZ VEIN									
		Mineralized as in DD 75-2@25.3. Bandin g@ 50°c.				ļ					
24.7	25.1	GREY SILICEOUS ROCK									
		Brecciated.				<b> </b>					
25.1	51.5	GREEN/BUFF SILICEOUS ROCK									
51.5	EOH										
			l	<u></u>	<u> </u>		 L	l	<u></u>	<u> </u>	

Sheet No......................

TOTAL COSTS INCURRED (see cancelled cheques below)...\$21,247.47

## Note:

A dispute arose between the drill contractor and ourselves, so the contract (E) was suspended and not followed, The drilling stopped at a footage less than that shown in the contract, therefore the higher cost/ M drilled.

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PATE 4/12/75
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Floor	ria 🕽	BANK	Pende 1090 \ Vanco	R & THURLOW VEST PENDER UVER, B.C.	BRANCH,	•	NO. 2/10/75	-
PAY TO	ORDER OF	W	ight	Dull	ing o	Add.	12000	
BUNA DF		True	Rue 1	housan		(THE TO	DO LARS	
				AGNES &	JENNIE MII	NING COM	Mr. L TD " " " " ()	
			• • •	1942 X	mat ha		195	
		*		Mr. aria			/	
	* ·		7.5.5 4 F 15	80.2	150		*•000 P 500000*•	

# The Agnes & Tennie Mining Co. Ltd.

203 - 1209 EAST FOURTH STREET, NORTH VANCOUVER, B.C., V7J 1G8 (604) 985-1233

-CORE STORAGE LOCATION:

3061 Plymouth Drive North Vancouver, B. C.

-Total Metres Drilled:

201.6 M

-Total cost/M drilled

\$105.39/M

Kristian Ross

The Agnes & Jennie Mining Co. Ltd.

**BETWEEN:** 

THE AGNES JENNIE MINING COMPANY LTD.

a body corporate duly incorporated under the laws of
the Province of British Columbia, and having its head
office at

(hereinafter called the Company)

AND:

WRIGHT DRILLING LTD., a body corporate duly incorporated under the laws of the Province of British Columbia and having its Registered Office at Suite 305 - 186 Victoria Street, Kamloops, British Columbia

(hereinafter called the Contractor)

#### WHEREAS:

A. The Company has requested the Contractor to complete a minimum ONE THOUSAND feet of drilling and related services as hereinafter set forth on the property of the Company in the CASSIAR AREA OF BRITISH COLUMBIA

\*B. The Contractor has agreed to do the said Diamond drilling and to perform the related services requested upon the terms, conditions and provisos hereinafter contained:

NOW THEREFORE THIS Agreement witnesseth that in consideration of the payment of the amounts stipulated herein and mutual promises and covenants herein contained, it is understood and agreed by and between the parties as follows:

## 1. SCHEDULE OF RATES - CORING

The Company hereby employs the Contractor to drill a series of bore holes on the said property using a NQ core barrel producing a core of approximately 1-7/8 inches . The Company agrees to pay the Contractor on a footage basis for all drilling according to the following schedule of rates:

Coring	From	To	Price/foot	
	0' 500'	350 1000'	\$21.00 N/A	
Overbur	đen		· · · · · · · · · · · · · · · · · · ·	- <b>-</b>
	0' 25' 50 plus	25' 50'	\$21.00 \$21.00 Field cost	•

#### 2. TRANSPORTATION AND MOVES

A. It is agreed that the moving of drill and camp equipment, supplies and personnel to the transport discharge point and return from the transport loading point, shall be the Company's account at a lump sum of <u>included in footage price</u> with seventy-five percent (75%) payable upon completion of the move in and the remaining twenty-five (25%) payable upon completion of the minimum footage.

B. In the event access to the drilling area cannot be realized with the Contractor's truck, moving from the truck discharge point to the drilling area will be for the Company's account at the specified labour rate. C. The Contractor agrees to erect a suitable camp for the purpose of providing room and board for personnel associated with the drilling operation. Erection and dismantling of the camp will be for the Company's account at the specified labour rate.

D. It is agreed that moves between drill sites shall be at the agreed labour rate. Moving time shall be from the time of completion of pulling to set - up time at the next drill site. No machine rental charge will be made unless the rig is used to move itself.

#### 3. WATER SUPPLY

If the source of water supply is at a greater distance than two thousand (2000) feet from the drilling site, or over three hundred (300) feet vertical lift, the Contractor will be paid the extra cost of supplying water to the drill site in addition to the other contract charges.

#### 4. MUD AND ADDITIVES:

If ever required to help penetrate the overburden and or aid in core recovery, would be supplied at cost on the job site plus ten percent. Time spent mixing mud and stabilizing the hole would be charged on a field cost basis.

## 5. REAMING CASING AND CEMENTING:

If ever necessary to help prevent cave-ins, would be performed on a field cost basis.

# 6. DIRECTIONAL AND CONTROLLED DRILLING

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.

# 7. SECURITY

The Contractor will not give out any information regarding drill results or access to any person other than to the Company's representative.

#### 8. BOARD AND LODGING

The Contractor agrees to provide board and lodging for its own men at its own expense, and to provide meals to a limited number of the Company's representatives at the rate of N/A per meal.

The Company agrees on fly-in jobs that all transportation and expediting costs be charged to the Company's account.

#### 9. CORE BOXES

It is mutually agreed, that if requested, core boxes would be supplied on the job site at cost, plus ten percent (10%).

# 10 STANDBY

It is agreed that standby, dip testing, delay time or other time which the Contractor's crews are performing services for the Company, not otherwise covered herein, shall be performed at a field cost basis.

# 11 HELICOPTER PROJECTS

The Company agrees that on helicopter jobs they will supply all fuels and transportation cost from truck discharge point to drill sites at no cost to the Contractor.

#### 12. DRILLING SITES

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

#### 13. CAVES

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

In the event it becomes necessary to resort to cementing, reaming of casing or mud circulation in bedrock, the Company agrees to reimburse the Contractor at field cost.

Wherever pipe or casing is lost or left in a hole on the instruction of the Company's engineer, the Company agrees to pay the Contractor for such pipe or casing at cost, f.o.b. drill site.

# 14. TRACTOR

If required, the Contractor will supply at the Company's cost a tractor for the construction and maintenance of access roads, drill site preparation and cleanup and the moving of the diamond drill.

# 15. FIELD COST

It is agreed that the hourly rate shall be interpreted here and hereinafter to be <u>Forty Dollars</u> per hour, per drill outfit. It is also agreed that the Contractor shall include in the hourly rate the cost of supplying a regular two man drill crew, supervision and maintenance as required, drilling machinery and associated equipment, fuels, and board and lodging for the drill crew.

In the event labour over and above the regular two man crew and supervision are required, the Contractor agrees to supply such additional labour at the rate of <u>Fifteen Dallors</u> per man per hour.

It is further agreed and understood that when the Contractor is working at the field cost rate, the cost of pipe or casing lost or left in the hole, diamond articles and materials and supplies consumed in the work shall be for the Company's account at cost, plus 10%

# 16. PAYMENT

The Company agrees to pay the Contractor, in Canadian funds the above prices. Payment to be made within 15 days of the date of the account rendered. Invoices shall be submitted twice monthly.

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#### 17. COMPENSATION AND INSURANCE

The Contractor agrees that the men employed by him in the performance of this Contract shall be fully covered under Worker's Compensation laws according to the Province of British Columbia and will keep such men covered and will pay the assessment required and will protect the Company from any action arising therefrom, excluding however, claims arising out of any negligent act or omission of the Company, its servants or agents

negligent act or omission of the Company, its servants or agents.

The Contractor shall, at his own cost, maintain Liability and

Property damage insurance in the amount of five hundred thousand

(500,000.00) dollars.

The Contractor carries an all perils insurance policy limited to \$20,000.00 per drilling outfit at his own cost. The Company agrees that additional insurance cost incrued for flying or barging of equipment will be to their account.

# 18. RIGHT OF ENTRY AND REMOVAL OF EQUIPMENT.

Company will provide at its own expense, all rights of way, both ingress and agress, and the peaceable possession of all real property that may be required in connection with said work including real property upon which all necessary temporary buildings and other facilities may be erected, or placed, and will save the Contractor harmless from any and all damages, claims, demands, costs or charges of whatsoever kind or character incident to the occupation and use of said real property.

Upon completion of such work by the Contractor, the Contractor shall have the right to remove, within a reasonable length of time, all temporary buildings and other fixtures, trade fixtures, machinery, equipment, appliances and facilities furnished by and placed upon such real property by Contractor.

#### 19. LIENS

The Contractor shall be responsible for and will pay promptly all costs and charges, incurred by itself for labour, machinery, tools and supplies used in completing the work hereunder so that no lien or other such charge relative to the Contractor, may be registered against the Company or the property.

#### 20. FORCE MAJEURE

Neither party to the agreement shall be liable for any loss or damage caused by reason of strikes, acts of God, action of the elements, or any other causes beyond its control.

#### 21. LAWS APPLICABLE

This agreement shall be interpreted and any dispute arising hereunder shall be determined in accordance with the laws of the Province of British Columbia.

#### 22. ASSIGNMENTS

This agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors and assignees, provided, however, that the same shall not be assignable by either party until the consent in writing of the other shall have first been had and obtained thereto.

IN WITNESS THEREOF, this agreement has been executed by the parties hereto the day and the year first herein written.