REPORT

DIAMOND DRILLING -

ROSS GROUP "2

FT. STEELE MINING DIVISION

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	Department of Mines and Petroleum Resources ASSESSMENT REPORT NO. <u>5900</u> MAP

Allen Geological Engineering Limited 601-325 HOWE STREET, VANCOUVER 1, B.C.

July 10, 1976.

Mr. R. H. Stanfield Galloway, B.C.

Dear Sir:

Re:

Cost Statement

"ROSS GROUP #2.

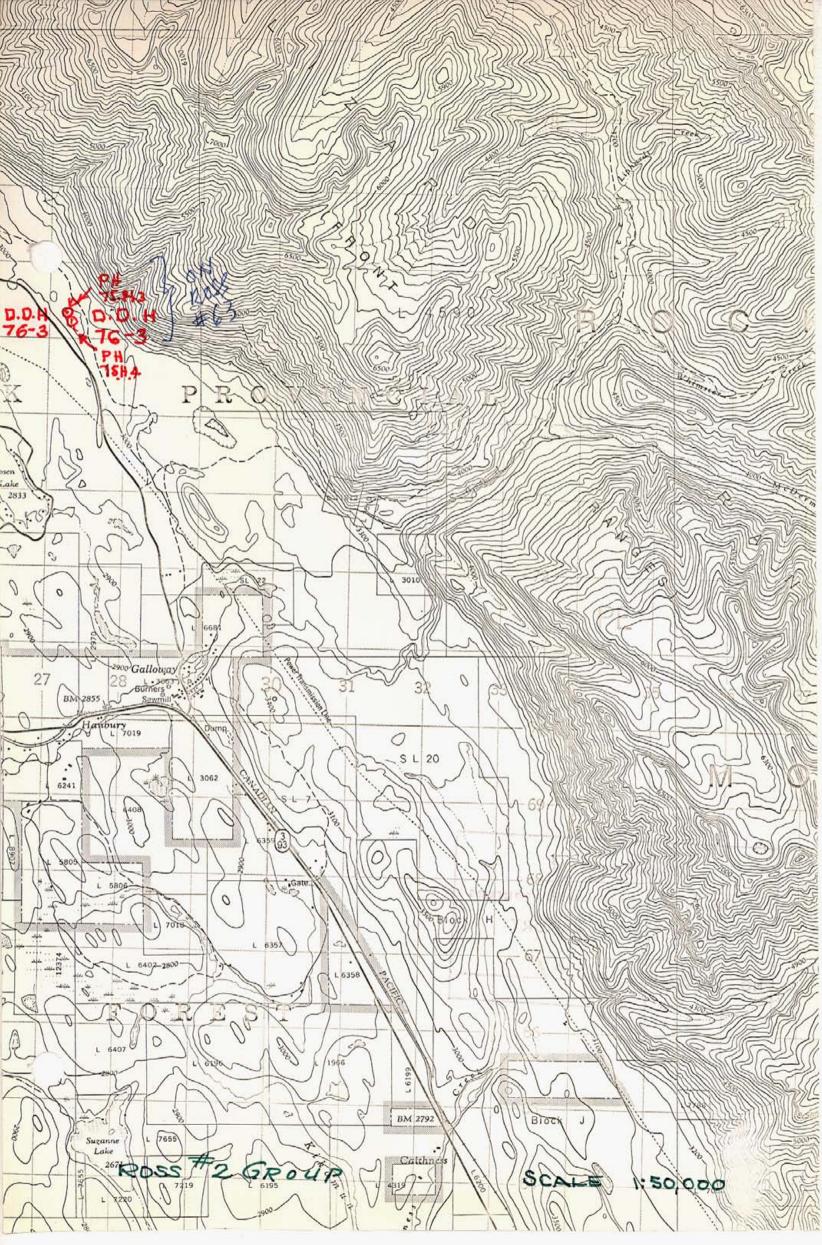
1.	Wescore Drilling Ltd., as per statement:	\$	21,414.50	
2.	R.H. Stanfield Churn Drilling, Overall costs including, prepartion, truck, cat., and room and board, @ \$10.00 per foot:	\$	2,580.00	
3.	Allen Geological Engineering Ltd., as per statement:	\$	500.00	
4.	A.C. H.D.16 tractor, 24 hours @ \$35.00 per hour:	\$	840.00	
5.	Tractor operator, 32 hours @ \$5.00 per hour:	\$	160.00	
6.	Tractor swamper, 32 hours @ \$4.00 per hour:	\$	128.00	
7.	Room and board: Tractor operator, 4 days @ \$10.00 per day: Tractor swamper, 4 days @ \$10.00 per day: Two Diamond Drillers, 21 days @ \$20.00 per day:	\$ \$ 	40.00 40.00 420.00	_
	 Overall costs including, prepartion, truck, cat., and room and board, @ \$10.00 per foot: Allen Geological Engineering Ltd., as per statement A.C. H.D.16 tractor, 24 hours @ \$35.00 per hour: Tractor operator, 32 hours @ \$5.00 per hour: Tractor swamper, 32 hours @ \$4.00 per hour: Room and board: Tractor operator, 4 days @ \$10.00 per day: Tractor swamper, 4 days @ \$10.00 per day: 	\$	26,122.50	

Yours very truly,

ALLEN GEOLOGICAL ENGINEERING LTD.

afrest allen' Per:

ALFRED R. ALLEN



		DIAMOND DRILL RECORD	PROPERTY	R. H. Star 3.Q. Wire	field		HOLE N	10.76-3 y 28th. 1976	·/····································
	LATITUDE	ELEVATION 2,900' BEARING DEP	тн1967'	STARTED	May 1st.				
•	DEPARTURE	SECTION DIP.		ore Drill	ng Ltd.	LO GG	ED BOYLA	ASSAYS	
	DEPTH FEET	FORMATION	SAI	MPLE FROM	то	WIDTH		ASSAYS	
	0-16	Overburden			1				
	16-42	Black argillite, fine grained and banded, flat, minor pyrite							
	42-90	Black argillite, fine grained and banded pyrite and pyrrhotite							•
	90-422	Black argillite, fine grained and banded							
	422-464	Black argillite, fine narrow diorite dykes							
	464-492	Black argillite, minor pyrite and pyrrhotite							
	492-659	Black argillite, minor pyrite and pyrrhotite							
	659-730	Black argillite, minor pyrite and pyrrhotite				·			
	730-758	Black argillite, several stringers of quartz-siderite, chalcopyr	ite, pyrite						
	758-972	Black argillite, banded, dip steeper, pyrrhotite							
•	972-1075	Black argillite, slightly contorted, pyrite in blebs							
	1075-1316	Black argillite, slightly contorted, pyrite and pyrrhotite				<u> </u>			
	1316-1601	Black argillite, pyrite and pyrrhotite stringer and dissemination	15						
	1601-1675	Black argillite, pyrite and pyrrhotite							
	1675-1700	Black argillite, quartz-siderite vein up to 3", pyrite, pyrrhotite	, chalcopyr	ite					
. LTD.	1700-1750	Black argillite, quartz-siderite veins							
-PRESS	1750-1875	Black argillite, quartz-siderite veins, pyrite, pyrrhotite and sph	alerite						
II NE R	1875-1943	Light grey argillite, minor fracture							
WESTERN MINER-PRESS LTD.	1943-1967	Light grey argillite, contorted, pyrite			-			•	
WEST		End of Hole							

•	CLAIM NO	DIAMOND DRILL	RECORD	PROPERTY	R. H.	Stanfie	l d Churn	4 [']	HO Bit	LE NO7	5-H-3 •	
	LATITUDE	ELEVATION 2,900'	BEARING	DEPTH 163		TARTEDAU	<u>gust 12</u> t	h.197	O COMPLETED	August	2 2 nd. 19	75
•	DEPARTURE	SECTION	DIP Vertical	DRILLED BY	R. H	. St anf i	eld	. LOGG	ED BOG	L. al	In	
	DEPTH FEET	FORMATION			SAMPLE NO.	FROM	то	WIDTH		ASSAY	<u>5-249</u>	<u> </u>
• •	0-7	Overburden	· · · · · · · · · · · · · · · · · · ·									
	7-12	Argillite, pyrite										
	12-37	Argillite, pyrite, pyrrhotite						<u> </u>				
	37-68	Argillite, black	•								·	
ана. Стала стала ста Стала стала стал	63-97	Argillite, water	·					 				
	97-101											
	101-125	Quartzite						•				
	1 2 5-136											
	136-163	Black argillite, minor pyrrhotite										
•												
-		End of Hole		· · ·								
ó												
SS LT								 				
₩ ESTERN MINER-PRESS LTD									·····			
M MINE		· · · · · · · · · · · · · · · · · · ·										<u> </u>
STERN AN DA F							l					
S TT												

•		B THES DIAMOND DRILL		ROPERTYR. H.	C		OLE NO. 75-H-4
	LATITUDE	ELEVATION			ARTED Novembe	- 20/75 COMPLET	ED November 28/75
	DEPARTURE	SECTION	DIPVertical	RILLED BY R. H. S	tasfield	LOGGED BY	Lik alline
	DEPTH FEET	FORMATION		SAMPLE NO.	FROM TO		ASSAYS
	0-8	Overburden					
	8-43 42-6 0	Argillaceous quartsite Quartsite					
		Argillite, black, minor pyrite					
	90-95						
		End of Hole					
				· ·			
•			·				
s LTD	202						
+PRES	v z						
	STAN DARD FORM NO. 502		····				
Z Z Z Z Z	NDAR		<u>.</u>				
S K	STA	·	·				4

WESCORE DRILLING LTD.

CORE DRILLING SURFACE AND UNDERGROUND MINE AND EXPLORATION DRILLING DAM AND FOUNDATION TESTING

BOX 760, INVERMERE, B.C. (604) 342-9932

BETWEEN:

R. H. Standfield, #2627 125 - 9th Ave. S. E., Calgary, Alberta

(hereinafter referred to as "the Company")

AND:

Wescore Drilling Ltd., P. O. Box 760, Invermere, B. C.

(hereinafter referred to as "the Contractor")

WHEREAS the Company wishes to have performed certain surface diamond drilling on mining properties in the Galloway area of British Columbia, AND WHEREAS the Contractor in considereation of payments hereinafter contained, undertakes to do the said diamond drilling.

NOW THEREFORE THIS AGREEMENT WITNESSETH that the parties mutually covenant and agree as follows:

GUARANTEED FOOTAGE:

- The Company guarantees a minimum of four Thousand (4,000)
 feet of surface diamond drilling in a series of holes to a maximum depth of Three Thousand (3,000) feet.
- 2. The Contractor guarantees to sink with standpipe and/ or bore by diamond drill, the specified minimum footage, recovering NQ Wireline core approximately 1 7/8 inches in diameter, and BQ Wireline core approximately 1 7/16 inches, and to supply forthwith One (1) surface drill outfit along with the necessary assoicated equipment, industrial diamonds and labour, to complete the work specified by the Company at the following rates for drilling bedrock, for holes of a depth of up to Three Thousand (3,000) feet.

DRILLING RATES:

3. Footage Charges:

BQ

0 - 1000 feet	\$ 9.65	per	foot
1000 - 1500 feet	10.65	per	foot
1500 - 2000 feet	12.30	per	foot
2000 Member of the Sanadian Diamond Drilling	Association 10	per	foot
2500 - 3000 feet	14.60	per	foot

NQ

0	- 500	feet	\$10.75	per	foot
500	-1000	feet	11.75	per	foot
1000	-1500	feet	12.65	per	foot
1500	-2000	feet	13.50	per	foot
2000	-2500	feet	14.60	per	foot
2500	-3000	feet	15.70	per	foot

The Contractor agrees that all its labour, diamond wear and loss, and all other operating expenses, except as hereinafter provided, shall be at its own cost and expenses and its own account.

Schedule of Rates for Casing in Overburden:

0 - 150 feet

\$12.50 per foot

Casing of overburden greater than One Hundred and Fifty (150) feet will be charged to the Company at Field Cost, plus 10% from the collar of the hole.

FIELD COST:

CAVES:

- 4. It is agreed that Field Cost shall be interpreted here and hereinafter to mean all labour, at the rate of nine dollars and seventy cents (\$9.70) per man hour; pipe and casing lost or left in holes; diamond loss; materials and supplies consumed in the work; machine and equipment rental, Ten Dollars (\$10.00) per hour.
- 5. 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 the footage completed in such holes at the rate herein specified.

In the event it becomes necessary to resort to cementing, wedging of the hole, reaming, casing, or mud circulation in bedrock or overburden, the Company agrees to reimburse the Contractor for such operations at field Cost, plus 10%.

Wherever pipe or casing is lost, or is left in a hole on the instructions of the Company's Engineer, the Company agrees to pay the Contractor for such pipe or casing at prevailling market prices, f.o.b. drill site.

The Company agrees to pay the Contractor the Cost of diamond set casing shoe bits in addition to the cost of any casing left in the hole.

- TESTS:
- 6. The Contractor, when instructed to do so, shall take any Clinometer dip tests or other tests desired by the Company. The Contractor's charge for such tests shall be at field Cost.

WATER SUPPLY:

 The Constractor agrees to supply, at its own expense, water up to a distance of Fifteen Hundred (1500) feet lateral and/or Two Hundred (200) feet vertical lift.

- 2 -

The Company will reimburse the Contractor at Field Cost the extra cost of supplying water to the drill in excess of those distances stated or for heating water.

TRANSPORTATION AND MOVES: 8.

(a) It is agreed that the moving of the drill and equipment, supplies and personnel, from the Contractor's warehouse to the Initial drill site, and return from the final drill site to the Contractor's warehouse shall be charged to the Company at no charge.

(b) It is agreed that when moves between drill sites cost in excess of thirty-two (32) man hours of labour, the Company will pay the Contractor at Field cost, plus 10% for such moves, after the cost of the first thirty-two (32) man hours.

(c) Moving shall be interpreted to include tearing down, dismantling machinery, moving, securing timber, transportations, site preparation, laying waterlines and setting up.

(d) It is understood and agreed that should tractors be used for moving, tractor rental shall be paid by the Company.

(e) The Company agrees to provide access roads suitable for two wheel vehicle travel to the drill sites and agrees to cut and level drill sites in advance of the drilling operation, at no cost to the Contractor.

WAITING TIME FOR ORDERS:

9. It is understood and agreed that time lost waiting for orders from the Company's Resident Engineer, or Representative, shall be charged to the Company at Field Cost, plus 10%.

CORE:

10. The drilling shall be conducted 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 delivered to the Company at the drill site and carefully marked and placed in receptacles to be furnished by the Company.

SECURITY: 11. The Contractor will not give out any information regarding drill results or permit access to any drill core, to any person other than the Company's accredited representatives except upon specific permission of responsible officials of the Company.

DISCIPLINE: 12. The Contractor, shall at all times, enforce strict discipline and maintain good order among its employees, and shall not retain on the work any unfit person or anyone not skilled in the work assigned to him. Any employee of the Contractor, who is objectionalbe or unsatisfactory to the Company shall be removed from the work and replaced by an employee satisfactory to the Company.

INSURANCE:

13. THE CONTRACTOR shall maintain such insurance as will protect it from all claims and damage for personal injury, including death

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- 3 -

resulting therefrom, and from claims for property damage arising from the operation under this Contract in an amount sufficient to release the Company of any liability in this respect. A certificate of such insurance coverage shall be delivered to the Company prior to commencement of the Contract. THE CONTRACTOR shall be responsible for the payment of any

assessments for Workmen's Compensation, Holiday Pay, Canada Pension, Unemployment Insurance, Sales Taxes, or other applicable charges relative to its own labour and supplies purchased.

POLLUTION:

During the course of the work, the Contractor shall at all 14. times keep the Company's premises free from accumlation of waste material or rubbish and upon completion of the work, shall remove all tools, scaffolding, surplus materials and rubbish, and leave the premises in a clean condition. The Contractor shall observe and comply with all applicable Federal and Provincial laws, regulations and orders relating to the prevention of forest fires and sanitation in the bush.

15. Any mud, cement, chemicals and soluble oils will be charged at cost plus 10%.

Company to supply camp and provide meals and lodging for 16. the Contractor's crew at no charge to the Contractor.

The Company agrees to pay the Contractor, in Canadian funds, 17. the above prices. Invoices will be submitted twice monthly. The Company agrees to pay the above mentioned Invoices within Seven (7) days of the date account rendered. The Contractor will not be liable for minimum footages or any other terms of this agreement until pa ment is received for any outstanding invoices.

This agreement may be altered only by written consent of 18. both parties hereto.

Time is of the essence in this Agreement. 19.

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Witness

Company

WESCORE DRILLING LIMITED

MATERIALS:

CAMP: PAYMENT OF WORK: R. H. STANFIELD Ste. # 260., 355 - 4th. Avenue S.W. CALGARY, Alberta.

INVOICE NUMBER

WESCORE DRILLING LTD.

BOX 760, INVERMERE, B.C. (604) 342-9932

PROJECT	P.O. NO.	TERMS NET	INVOICE DAT	E	
Galloway		7 days	May 8,	1976	
DETAILS	· · · · · · · · · · · · · · · · · · ·	HOURS OF FOOTAGE		AMOUNT	
Diamond Drilling					
Hole # 76-2					
Coring 273' - 350'		77'	9.65	743 0.)5
Cementing & Drilling out Cement	ан Сайтаа Сайтаа	12 hrs.	19.70	236.40	0
Hole # 76-3					
Drilling Overburden 0' - 16'	#/ cgn10	16'	12.50	200.00	0
Coring 16' - 710'	0811.	694'	9.65	6697.10	.0
		4	TOTAL	••• <u>••••</u> 7876.5	5
Minus	_				
20 gals. purple Gas @ 52.4 per ga	1			10.48	
Helper - 64 hrs. @ 5.50 per hour				352.00	_
			MINUS		8
the second s					
	~				
	÷				
164 46					
1 + 28/" 101 - 101	N				
CH.# 228/26 1,51401		l			
10			TOTAL \$	7514.07	7

CORE DRILLING SURFACE AND UNDERGROUND MINE AND EXPLORATION DRILLING DAM AND FOUNDATION TESTING

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INVOICE NUMBER

R. H. STANFIELD

Ste. # 260.,

355 - 4th. Avenue S.W.

CALGARY, Alberta.



BOX 760, INVERMERE, B.C. (604) 342-9932

PROJECT	P.O. NO.	TERMS NET	INVOICE DATI	
Galloway		7 days	May 22,	1976
DETAILS		HOURS OR FOOTAGE	RATE	AMOUNT
Diamond Drilling Hole # 76-3				
Coring 710' - 1000' 1000' - 1500' 1500' - 1660'		290' 500' 160'	9.65 10.65 12.30 TOTAL	2798 50 5325 00 <u>1968 00</u> 10091 50
Minus				
90 gals. purple Disiel @ 51.5 pe 20 gals. purple Gas @ 52.4 per ga	-			46.3 10.48
Helper - 86 hrs. @ 5.50 per hour			MINUS	473.00
CHEQUE # 174 JUNE 3/96. # 9,561.67				
		A	TOTAL \$	9561.6

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CORE DRILLING SURFACE AND UNDERGROUND MINE AND EXPLORATION DRILLING DAM AND FOUNDATION TESTING

INVOICE NUMBER

R. H. Stanfield, Ste. # 260, 355 - 4th. Avenue S.W. Calgary, Alberta.



INVERMERE, B.C. (604) 342-9932

PROJECT				S NET	INVOICE DATE			
(Galloway		7 da	ays	June 5, 1	976		
•	DETAILS			HOURS OR FOOTAGE	RATE	AMOUNT		
]	Diamond Drilling							
	Moving - Longyear 44 and setting 25-A to 76-4 and settin Hole # 76-3		and	28 hrs.	19.70	551.	60	
(Coring BQ 1660' - 1967'	4,425	70	307' 4 hrs.	12.30 19.70	3776. 78.		
	Dip test tubes and acid		- L	-		20.		
H	Hole # 76-4							
(Casing Overburden 0'-20'			. 20'	12.50	250.	00	
. (Coring NQ 20' - 180'			160'	10.75	1720.	00	
	20' N Casing					205.		
	1 N Casing Shoe			2 h	10 70	287.		
	Cementing - Drilling out cement			3 hrs.	19.70 TOTAL	<u> </u>		
	Cheque # 18. JUNE 14/76. # 6432.09							
(Minus Hedper - 60 hrs. @ 5.50 per hour 90 gals, purple Disiel @ 51.5 pe Vitaulic Couplings and fittings 30 gals, purple Gas @ 52,4 per g	r gal				330. 46. 123. 15.	0(35 44 72	
					TOTAL \$	6432.	09	

CORE DRILLING SURFACE AND UNDERGROUND MINE AND EXPLORATION DRILLING DAM AND FOUNDATION TESTING

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Allen Geological Engineering Limited 601-325 HOWE STREET, VANCOUVER 1, B.C.

June 17th. 1976.

R. H. Stanfield, Ste. # 260., 355 - 4th. Avenue S.W. CALGARY, Alberta.

> Examination of Re:

> > Ross Group # 2

Fees:

\$500.00

affre R. aller

July 10, 1976.

I, Alfred R. Allen, certify that:

I am a graduate of the University of British Columbia and hold the following degrees therefrom:

BASc Geological Engineering 1939

MASc Geological Engineering 1941

I am a member of the Association of Professional Engineers of the Province of British Columbia.

I have practised my profession as a consulting engineer for the past thirty years.

This report is based upon work on the property by the writer. I hold no interest in the properties or securities of R. H. Stanfield or any of his companies or subsidiary, nor do I expect to receive any directly or indirectly.

alfun S. aller-

ALFRED R. ALLEN