

5949

1976 ASSESSMENT REPORT

TITLE Diamond Drilling Report
Bell Molybdenum Property

CLAIMS R 1-5, G 1-5, G 8-9,
FUBAR 1-4.

COMMODITY Mo

LOCATED 6 miles East-South-East of Alice Arm, B.C.
Longitude ~~78~~⁷⁸ 00' W Latitude ~~45~~⁴⁵ 30' N
SKEENA MINING DIVISION NTS 103P/6~~WE~~

55° 27' N

BY KENT E. CARD

FOR Climax Molybdenum Corporation B.C. Ltd.

Work Period July 6, 1976 to July 23, 1976

103P/6E

R

Department of
Mines and Petroleum Resources
ASSESSMENT REPORT

NO. 5949 MAP _____

August 18, 1976

Vancouver Office

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DDH 76-1

DDH 76-2

ILLUSTRATIONS

#1	FIGURE 1 - Location & Claim Map	in pocket
#2	FIGURE 2 - Diamond Drill Hole Location Map	in pocket

GENERAL STATEMENT

During July 1976, 1647 feet of diamond drilling was completed on the Bell Molybdenum Property located in the Skeena Mining Division.

The southwest zone of this property, situated within a lobe of hornfelsed sedimentary strata protruding from beneath a volcanic lava flow, was tested for possible intrusive rock and MoS_2 mineralization.

LOCATION AND ACCESS

The Bell Molybdenum Property is located at an elevation of 2500 feet, 6 miles East-South-East of the Town of Alice Arm, B.C. Approximate coordinates for the center of the property are $45^{\circ} 30'$ ⁵⁵ North and $78^{\circ} 00'$ W. $\sim 129^{\circ} 30'$

The claims are accessible from the seaboard townsite of Kitsault by a $4 \frac{1}{2}$ mile road, a 1 mile boat trip across Clary Lake and a $\frac{3}{4}$ mile Bombardier trail over hilly, boggy terrain.

PREVIOUS WORK

The R4, G1, G8, G9, mineral claims make up the southwestern portion of a large group of claims initially staked by Mastodon-Highland Bell Mines Ltd. in 1965. Bell Molybdenum Mines Ltd. was formed in 1966, and a program of surface trenching, sampling, mapping, and geochemical surveying was completed over this area in the Fall of 1970.

Climax Molybdenum Corporation of British Columbia Limited optioned the property in 1975. During the summer months the property was restaked using the Modified Grid System and geologically remapped in preparation for a diamond drill program in 1976.

DIAMOND DRILLING PROGRAM

The Diamond Drilling Contract was awarded to D.W. Coates Enterprises Limited of 256A Simpson Road, Richmond, B.C. for a minimum of 8,000 feet of BQ Core (1 7/16" diameter).

Drilling commenced on July 6, 1976 and the second drill hole was completed on July 23, 1976 giving a total of 1647 feet of drilling in two holes.

Volcanic lava, buried overburden (underneath the lava) hornfelsed greywacke, acid dykes, and basic dykes were encountered in the holes. Mineralization included pyrrhotite, pyrite, molybdenite, and minor amounts of scheelite and magnetite.

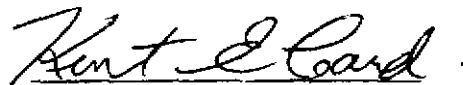
Results of this portion of the program are represented by the logs appended to the Report.

DDH 76-1 is located on R #4 mineral claim.

DDH 76-2 is located on R #4 mineral claim.

Drill core has been split and the remaining half is stored at a camp 3/4 mile East of the Drill Hole locations.

August, 1976


Kent E. Card

STATEMENT OF QUALIFICATIONS

K.E. Card - BSc Geology - University of B.C. 1968

AMAX Exploration, Inc. - May 1, 1968 - Exploration Geologist

Climax Molybdenum Corporation of B.C. Ltd. - June 1, 1970

Underground exploration geology detailed work at Hudson
Bay Mtn Molybdenum Deposit, Smithers, B.C. 1970-1974

Conducted diamond drill program and detailed geological
work at former British Columbia Molybdenum Mine, Kitsault,
1974.

TABLE I

CLAIM STATUS

<u>Claim Name</u>	<u>Record Number</u>	<u>Exiry Date</u>	<u>Group</u>
R #1 (9 units)	99	July 24,1977	-
R #2 (9 units)	100	July 24,1977	Green
R #3 (4 units)	101	July 24,1977	-
R #4 (6 units)	102	July 24,1977	Red
R #5 (9 units)	103	July 24,1977	-
G #1 (4 units)	104	July 24,1976	Red
G #2 (3 units)	105	July 24,1977	Green
G #3 (4 units)	106	July 24,1977	Green
G #4 (3 units)	107	July 24,1977	Green
G #5 (6 units)	108	July 24,1977	Green
G #8 (12 units)	111	July 24,1976	Red
G #9 (4 units)	112	July 24,1976	Red
FUBAR 1 (6 units)	116	Aug. 8,1977	Red
FUBAR 2 (9 units)	117	Aug. 8,1976	Red
FUBAR 3 (3 units)	166	Oct. 22,1976	Green
FUBAR 4 (6 units)	167	Oct. 22,1976	Red

APPENDIX I

APPENDIX I
ASSESSMENT DATA

PERIOD OF WORK - July 6, - July 23, 1976

SUMMARY OF WORK - 1647 Feet of Diamond Drilling,
D.W. Coates Enterprises Ltd. * \$33,694.30

* Applicable portion of Coates Invoice No.s 1010,1015,1018 covering DDH #1 and DDH #2.

We wish the above work applied as 7 years assessment work on the following claims.

G 1 (4 units) @100/unit	\$4,400
G 8 (12 units) "	13,200
G 9 (4 units) "	4,400
FUBAR 4 (6 units) "	6,600
	<u>\$28,600</u>

CONTRACT BCK-10

DRILLING SERVICES AGREEMENT

THIS AGREEMENT, made this 26th day of May, 1976, between CLIMAX MOLYBDENUM CORPORATION OF BRITISH COLUMBIA, LIMITED, a Delaware corporation qualified to do business in British Columbia (hereinafter referred to as the "COMPANY"), OF THE FIRST PART, and D. W. COATES ENTERPRISES LTD., 256A Simpson Road, British Columbia (hereinafter referred to as the "DRILLING CONTRACTOR"), OF THE SECOND PART:

W I T N E S S E T H:

That in consideration of the mutual covenants and agreements herein contained the parties hereto covenant and agree each with the other as follows:

1. The DRILLING CONTRACTOR shall furnish all material and perform all of the following work:
 - a. Diamond drilling at the COMPANY's Bell and Patsy Creek properties which are situated approximately 90 air miles northeast of Prince Rupert, British Columbia, Canada.
 - b. The COMPANY estimates a minimum of 8,000 feet of diamond drilling will be required in a series of at least ten (10) holes of a maximum length of about 1,500 feet measured from top of casing.

- c. 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 DRILLING CONTRACTOR shall be carefully marked in ten-foot intervals and placed in receptacles furnished by the COMPANY.
- d. 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 DRILLING CONTRACTOR does not, under such conditions, guarantee to drill to a pre-determined depth, and in the event that it becomes necessary to abandon the hole, the COMPANY agrees to pay for such uncompleted holes at the rates herein specified for all footage completed.
- e. The DRILLING CONTRACTOR shall perform the work as a continuous programme, unless otherwise requested by the COMPANY from time to time, diligently and in a workmanlike manner and all workmanship and materials incorporated in the work are to be of the best quality for the purpose and use intended.
- f. The COMPANY may at any time, in its sole discretion, change the inclination and length of any or all of the drill holes described hereinabove, and it may add or delete holes from the work, provided that the COMPANY does not diminish materially the estimated minimum footage. The COMPANY shall give the DRILLING CONTRACTOR advance notice of such changes in the work. Standby time awaiting instructions from the COMPANY shall be charged to the COMPANY at the rates set forth in Exhibit A.

- g. The minimum work schedule shall consist of two (2) ten-hour shifts, six (6) days per week.
 - h. The DRILLING CONTRACTOR shall furnish to the COMPANY daily drilling operation reports in a form satisfactory to the COMPANY.
 - i. The DRILLING CONTRACTOR shall prevent accumulation of waste material or rubbish and shall clean up drill sites to the satisfaction of the COMPANY upon completion of work at each site. This shall be done at no charge to the COMPANY.
 - j. The DRILLING CONTRACTOR shall furnish room and board for all his employees on the work.
 - k. The DRILLING CONTRACTOR shall furnish a vehicle for personnel transportation between Cleary Lake and the Kitsault townsite, a tractor capable of moving camp and drilling equipment across swampy terrain, and a vehicle (Bombadier) for general transportation in the vicinity of camp and drill site.
 - l. The DRILLING CONTRACTOR shall prepare drill sites and trails between drill sites and camp.
 - m. The DRILLING CONTRACTOR shall prepare drill and equipment in units that can be transported by a Jet Ranger helicopter.
2. The COMPANY shall supply at no cost to the DRILLING CONTRACTOR, the following only:
- a. Transportation of drill and ancillary equipment from the dock at Alice Arm to the first drill site (and campsite) on the Bell property; from the last drill site (and campsite) on the Bell property to the Patsy Creek location; from the Patsy Creek location to the dock at Alice Arm.

- b. Although DRILLING CONTRACTOR is responsible for moving drill equipment between drill sites on the Bell property, if extreme conditions are encountered, COMPANY will provide helicopter assistance. The determination of what constitutes extreme conditions must be mutually agreed upon by DRILLING CONTRACTOR and COMPANY.
 - c. One boat on Cleary Lake for transportation of personnel across lake. DRILLING CONTRACTOR must maintain boat.
3. The COMPANY shall supply at cost to the DRILLING CONTRACTOR, diesel fuel and gasoline at the proposed drill sites. Cost does not include price of transportation from Kitsault to the drill sites.

4. Payment

The COMPANY shall pay the DRILLING CONTRACTOR for the due performance of the work at the rates and bases set forth in Exhibit A.

The DRILLING CONTRACTOR shall present invoices to the COMPANY semi-monthly and payment shall be made by the COMPANY as follows:

- a. Eighty-five percent (85%) thereof within thirty (30) days after the date such approved invoice is presented;
and
- b. On completion of the entire work and one (1) day after all liens and rights have expired, the balance due under this Agreement.

5. Compliance with Law

The DRILLING CONTRACTOR shall observe fully and comply with all statutes, laws, by-laws, ordinances and regulations of any competent authority for the time being in force relating or applicable to the work or the performance of the DRILLING CONTRACTOR's obligations hereunder including, but not limited to, Workmen's Compensation and Unemployment Insurance, and Provincial Mining Regulations.

6. Indemnity

The DRILLING CONTRACTOR agrees to save, indemnify and hold the COMPANY harmless from and against any and all claims, demands, suits and actions of anyone not a party to this Agreement including without limitation the DRILLING CONTRACTOR's employees, agents and licensees for loss injury, damage or liability of any kind whatsoever arising directly or indirectly out of the DRILLING CONTRACTOR's performance of this Agreement.

7. Insurance

The DRILLING CONTRACTOR shall take out and maintain during the life of this Agreement comprehensive general liability, including contractual liability, and comprehensive automobile liability insurance. Minimum amounts required are:

a. Comprehensive General Liability:

Bodily Injury:	\$ 500,000 each person
	\$1,000,000 each accident
Property Damage:	\$ 500,000 each accident

b. Comprehensive Automobile Liability:

Bodily Injury:	\$ 500,000 each person
	\$1,000,000 each accident
Property Damage:	\$ 500,000 each accident

If the DRILLING CONTRACTOR should fail to take out and maintain such insurance, the COMPANY may do so and all costs and expenses in respect thereto shall be paid to the COMPANY forthwith. The DRILLING CONTRACTOR shall provide to the COMPANY a certificate evidencing the existence of such insurance coverage before commencement of the work hereunder. Such certificate shall provide that such insurance shall not be cancelled without at least ten (10) days' notice to COMPANY.

8. Liens

The DRILLING CONTRACTOR shall pay and satisfy as and when the same become due, all claims against the DRILLING CONTRACTOR which might constitute or give rise to a lien of any of the property, real or personal, of the COMPANY, and keep said property free of liens, and in default thereof, the COMPANY may pay the same without the prior consent of the DRILLING CONTRACTOR and deduct the same from the moneys payable to the DRILLING CONTRACTOR hereunder.

9. Conditions of Work

The DRILLING CONTRACTOR acknowledges that prior to the execution hereof, it has not examined the site of the work but is experienced in diamond drilling operations in remote locations similar to the site of the work. The payment provisions of this Agreement have been submitted to the COMPANY based upon the experience of the DRILLING CONTRACTOR who agrees to waive any claim or additional compensation if the conditions under which it will be obliged to operate or which in any manner affect the work hereunder are not as expected.

10. Termination

If the DRILLING CONTRACTOR fails to perform any of its obligations hereunder or commits any act of bankruptcy, the COMPANY may forthwith terminate this Agreement and payment to the DRILLING CONTRACTOR will be made after the completion of the whole work and for only that part of the work completed by the DRILLING CONTRACTOR in accordance with this Agreement, less the mobilization fee described in paragraph B-1, Exhibit A.

11. Independent Contractor

In the performance of all work under this Agreement, the DRILLING CONTRACTOR shall be an independent contractor. The DRILLING CONTRACTOR shall not employ on the work any unfit person or anyone not skilled in the work assigned to him.

12. Confidential Information

The DRILLING CONTRACTOR shall not divulge or use any information concerning drilling results or permit access to, or examination of, the drill core by any person not specifically authorized by the COMPANY and this provision shall survive the termination of completion of work under this Agreement for a period of ten (10) years.

13. Other Contractors

The COMPANY may award other contracts for additional work at its Bell, Patsy Creek or Kitsault properties. The DRILLING CONTRACTOR shall cooperate fully with such other contractors and carefully fit its own work to that provided under the other contracts as may be requested by the COMPANY. The DRILLING CONTRACTOR shall not commit nor permit any act which will interfere with the performance of work by any other contractor.

14. Company Work

The work under this Agreement may be in an area adjacent to COMPANY operations. The DRILLING CONTRACTOR shall cooperate fully with the COMPANY and fit its own work to that of the COMPANY. The DRILLING CONTRACTOR shall not commit nor permit any acts which will interfere with the performance of work by the COMPANY.

15. Assignments

The DRILLING CONTRACTOR shall not assign nor subcontract all or any of its interest in or rights under this Agreement without the prior written consent of the COMPANY and any attempt to do so shall render this Agreement voidable at the option of the COMPANY.

16. Notices

Any written notice to be given to COMPANY hereunder may be given by delivery or by prepaid, registered post addressed to Mr. E. W. Peiker, Jr., Climax Molybdenum Corporation of British Columbia, Limited, 13949 W. Colfax Avenue, Golden, Colorado 80401, and to DRILLING CONTRACTOR at its above address; and if mailed, it shall be deemed to have been given within twenty-four (24) hours after the date of mailing.

17. Time is of the essence in this Agreement. The DRILLING CONTRACTOR shall commence work on or about July 5, 1976. Estimated completion date is October 15, 1976. Notwithstanding the foregoing, the terms of this Agreement shall control generally work done by the DRILLING CONTRACTOR for the COMPANY in the vicinity of Kitsault during the period June 1, 1976, to May 31, 1977.

18. Force Majeure

If either the COMPANY or the DRILLING CONTRACTOR is delayed or hindered in or prevented from the performance of any term, covenant or agreement herein contained by reason of Acts of God, the public enemy, governmental order, strikes, or any cause beyond its reasonable control, then the performance thereof shall be excused for a period equivalent to the period of actual delay, hinderance or prevention; provided, that such party takes all reasonable steps to minimize the delay, hinderance or prevention.

19. Successors

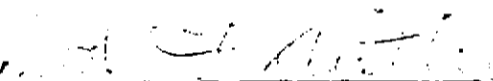
This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns, but this does not authorize assignment by the DRILLING CONTRACTOR without consent of the COMPANY.

20. Entire Agreement

This Agreement incorporates all prior representations and agreements of the parties and constitutes the entire agreement with respect to the work. No reference shall be made to nor claim based upon any statement, understanding or agreement whether oral or written not contained herein.

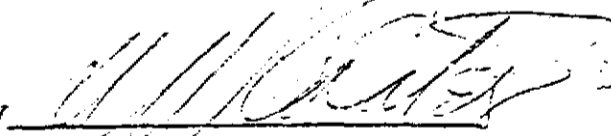
IN WITNESS WHEREOF, the parties hereto have executed these presents the day and year first above written.

CLIMAX MOLYBDENUM CORPORATION OF
BRITISH COLUMBIA, LIMITED

By 

Title W. F. Distler
Vice President

D. W. COATES ENTERPRISES LTD.

By 

Title Pres

EXHIBIT A
to
DRILLING SERVICES AGREEMENT _____

A. Diamond drilling with Longyear #38 or equivalent; footage rate to be charged to COMPANY as follows:

1. For drilling overburden:

<u>Length</u>	<u>Unit Price Per Foot</u>
0 feet to 25 feet	\$14.00
25 feet to 50 feet	\$15.00
50 feet to 100 feet	\$17.70
Greater than 100 feet	\$42.20 per hour

2. For drilling any vertical or angle hole:

<u>Length</u>	<u>Unit Price Per Foot</u>	
	<u>NQ</u>	<u>BQ</u>
0 feet to 500 feet	\$14.20	\$13.95
500 feet to 1000 feet		\$14.60
1000 feet to 1500 feet		\$15.85

B. Extra items to be charged to COMPANY:

1. Mobilization and demobilization, which includes the transportation of drill equipment, supplies and personnel, from the DRILLING CONTRACTOR's warehouse to the dock at Alice Arm, and from the dock at Alice Arm to the DRILLING CONTRACTOR's warehouse. The COMPANY agrees to supply barges, etc., to move the drill equipment from Northland's barge at the dock at Alice Arm to the dock at Kitsault and return from the dock to Northland's barge at no cost to the DRILLING CONTRACTOR. The COMPANY agrees to supply trucks, a helicopter, etc., to aid in the mobilization-

demobilization from and to the dock at Kitsault at no cost to the DRILLING CONTRACTOR. Mobilization-demobilization, lump sum. \$ 6,600.00

The COMPANY further agrees that the movement of the DRILLING CONTRACTOR's men, equipment and supplies from the dock at Kitsault to the first drill site including the setting up at first drill site and teardown and return from last drill site to the dock at Kitsault would be performed on the follow-

- | | | |
|----|--|----------|
| | ing basis, labor, per man hour. | \$ 15.50 |
| 2. | Cementing or hole stabilization, per hour | \$ 42.20 |
| | Waiting for cement to set would be charged on a standby basis (max. 8 hours/day). | \$ 26.50 |
| 3. | Reaming charges, per hour, plus \$0.80 per foot reamed to cover wear and tear on casing. | \$ 42.20 |
| 4. | Surveying: down-the-hole surveys shall be completed by DRILLING CONTRACTOR using COMPANY-supplied surveying instruments, per hour. | \$ 40.50 |
| 5. | Standby when caused or ordered by COMPANY, per hour | \$ 33.00 |
| 6. | Wedging: if at the request of COMPANY, a hole is to be deflected to a new bearing or inclination and the hole could otherwise be continued on the original bearing or inclination without deflection, the cost of such deflection shall be, per hour | \$ 42.20 |
- plus the cost of cement, packer, wedges, and all drilling equipment lost in the hole if deflection is unsuccessful. After deflection has been accomplished, regular footage rates shall apply for the deflected hole.

7. Casing of overburden over 100 feet shall be,
per hour. \$ 42.20
8. Recovering pipe or casing, at request of COMPANY,
shall be charged, per hour. \$ 40.50
9. Travel Time: should the time required for the drill
crew to travel from camp to drill site and return
exceed 30 minutes per shift, the time greater than
30 minutes per shift shall be charged, per hour . . . \$ 26.50
10. It is understood that the hourly rate used for
cementing, reaming, surveying, standby, wedging,
casing or overburden, recovery of pipe or casing,
and travel time includes the labor of a two-man
crew, supervision, machine, and equipment rental.
11. Moving: the cost of moves between drill sites shall
be borne by the DRILLING CONTRACTOR, but should
moves between holes exceed 20 man-hours, the excess
above 20 man-hours shall be charged, per man hour . . \$ 15.50
12. Water lines: The DRILLING CONTRACTOR shall be paid
only for the time required to install and remove that
part of the water line which exceeds 1,200 lineal
feet or 250 vertical feet at any one drill site,
per man hour. \$ 15.50
Additional time spent on operation and maintenance
of any water line which exceeds 1,200 lineal feet
or 250 vertical feet any one drill site, per hour . . \$ 15.50
13. Construction and dismantling of DRILLING CONTRACTOR's
camp shall be charged, per man hour \$ 15.50
14. Pipe or casing left in hole at request of COMPANY:
- | | |
|-------------|-------------|
| <u>N</u> | <u>B</u> |
| \$9.25/foot | \$6.40/foot |

15. Pipe or casing left in hole by DRILLING CONTRACTOR: COMPANY pays fifty percent (50%) of rates given in subparagraph 13, above.
16. Material or consumables chargeable shall be at the delivered cost plus fifteen percent (15%). Chargeable consumables are defined as bits, rods, and other equipment used while hourly rate is in force (paragraph B-9) but not including materials consumed because of driller error. Used bits, rods and other equipment shall be charged at a depreciated rate.
- Bits, rods, casing shoes, and other equipment consumed during normal drilling are not chargeable. Cement and mud are chargeable under both conditions.
17. All-terrain personnel carrier will be provided at \$600 per month and \$7.50 per hour operating time.
18. Tractor for moves is charged, per hour operating time. \$ 16.00
19. Pick-up truck is provided at no extra cost. However, if COMPANY wishes to use truck, its use will be charged, per hour. \$ 6.50
20. Should the cost of diamonds, or drill pipe exceed five percent (5%) of the cost on February 29, 1976, the schedule of footage rates would be adjusted to compensate for such increases.

INITIALING:



 COMPANY



 DRILLING CONTRACTOR

APPENDIX IV

DIAMOND DRILL LOGS

BELL MOLYBDENUM PROPERTY

DIAMOND DRILL LOG

HOLE NO. 76-1

PAGE 1

DATE July 20/76

Dip -90°

LOGGED BY K.E. Card

FOOTAGE

ROCK DESCRIPTION

0 - 285 Lava flows; intermediate to basic (phonolitic) locally vesicular, some containing amygdules of zeolite.

285 - 377 Boulders of non-hornfelsed greywacke, averaging 6"-8" in diameter. Also contains minor amounts of fine sandy clay dispersed between boulders.

377 - 470 Compacted sandy silt - most of which was competent enough to core. Composition: appears to have been derived from dark grey greywacke, as the above mentioned boulders.

470 - 472 Mixed silt and boulders. Many of the boulders in this area show stronger thermal metamorphism than those at 285-377.

472 - 482 No core. Rods jammed - abandoned hole.

END
Conclusions - bedrock not reached

Kent E Card
August 21, 1976

BELL MOLYBDENUM PROPERTY

DIAMOND DRILL LOG

HOLE NO. 76-2

PAGE 1

DATE July 29, 1976

Dip -90°

LOGGED BY Kent E. Card

FOOTAGE

ROCK DESCRIPTION

0 - 102	Vesicular lava flow with some amygdules mostly zeolites.
102 - 104	Medium grey silty clay
104 - 158	Non-hornfelsed dark grey greywacke boulders (buried overburden)
158 - 160	Fine grained - medium grained sand, of same composition as above mentioned boulders
160 - 169	Medium grey - dark grey silty clay (avg particle size is between clay and silt size). Bedding is at 65° to C.A.
169 - 170	Boulders as at 104-158
170 - 1154 END	Bedrock: Intensely bleached, fractured, altered hornfels sedimentary rock.

Kent E Card
August 21, 1976

DATE JULY 26/76

LOGGED BY KE CARD

DEPTH	ROCK COMP.	ALTERATION							MINERALIZATION							TEXTURE			ROCK TYPE	
		FeS ₂	Sil	Ser	Arg	Chl	Feld	REC	Mo	WO ₃	Mag	FeOx	Pb,Zn	CaF ₂ MnCO ₃	Pyrrh	PbCo ₃	Mix Size	PHENO Type		PHENO Size(mm)
170-180	3	0	3					9.4							7	7				
190	2	"	"					8.6							"	"				
200	3	"	"					9.3							"	"				
210	3	"	"					8.4							"	"				
220	4	"	"					8.8							"	"				
230	3	"	"					9.0							"	"				
240	3	"	2					10.7							"	"				
250	3	"	2					9.8							"	6				
260	3	"	2					9.4							6	"				
270	2	"	2					8.7							6	"				
280	2	"	3					9.4							7	"				
290	2	"	3					9.0							6	"				
300	2	6	3					9.5							8	"				
310	2	5	2					10.4							6	"				
320	2	5	2					11.5							6	"				
330	2	6	4					9.3							7	"				
340	4	6	3					9.2							7	5				
350	3	6	2					10.0							7	"				
360	3	4	2					9.6							5	"				
370	2	3	2					10.0							6	"				
380	2	"	2					9.5							4	6				
390	4	"	2					10.2							"	"				
400	5	4	2					9.6							"	"				
410	6	5	2					9.9							"	"				
420	5	4	2					10.1							"	"				
430	4	4	2					9.6							5	"				
440	5	7	2					9.8							7	"				
450	5	5	2					10.0							6	"				
460	4	6	3					10.0							5	"				
470	2	3	3					9.5							6	"				
480	3	10	3					9.5							6	"				
490	4	5	3					9.1							5	"				
500	4	4	2					9.7							4	"				
510	3	4	2					10.2							4	4				
520	4	4	2					9.7							5	4				
530	4	5	3					10.0							5	4				
540	4	5	3					9.8							5	4				
550	5	4	3					9.8							5	6				
560	5	5	3					10.1							6	4				
570	4	5	2					10.1							4	4				
580	3	5	3					10.2							5	4				
590	5	3	2					10.2							4	3				
600	4	3	2					9.8							4	4				
610	5	3	2					9.8							3	4				
620	5	3	2					9.9							3	4				
630	6	3	3					9.9							2	2				
630-640	4	3	2					9.6							2	5				

VERY HARD,
GLASSY

DATE July 29/76

LOGGED BY KE CARD

DEPTH	ROCK COMP	ALTERATION							MINERALIZATION							TEXTURE			ROCK TYPE	
		FeS ₂	Sil	Ser	Arg	Chl	Feld	REC	Mo	WO ₃	Mag	FeOx	Pb,Zn	CoF ₂ MnCO ₃	Rim	Bl. etc.	MINUTE -SIZES	PHENO Type		Size(mm)
65	4	5	2				112								6	4				
66	3	3	3				88								3	2				
67	4	3	3				96								3	3				
68	3	3	4				98								3	4				
69	4	3	3				104								4	5				
70	3	2	2				90								3	4				
71	3	2	2				101								4	4				
72	2	2	3				98								2	2				
73	4	2	4				98								2	2				
74	4	2	4				99								2	2				
75	3	2	3				110								2	3				
76	?	2	4				92								2	4				
77	A	2	1				95								2	5				
78	4	2	1				114								2	4				
79	3	2	2				81								2	5				
80	2	2	1				89								2	4				
81	3	2	1				97								2	5				
82	2	2	1				116								2	4				
83	3	4	2				102								5	4				
84	2	2	2				94								3	4				
85	2	2	2				90								2	4				
86	2	2	1				101								2	4				
87	2	2	1				91								5	5				
88	2	1	1				91								2	3				
89	3	1	2				110								2	?				
90	3	1	2				90								2	3				
91	2	1	2				95								1	3				
92	2	1	1				92								1	3				
93	2	1	1				103								1	3				
94	A	1	1				100								1	3				
95	2	1	1				108								1	4				
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106	2	1	3				112								1	3				
107	3	1	1				104								1	3				
108	2	1	1				78								1	4				
109	2	1	1				89								1	5				
110	2	1	1				76								1	5				
111	2	1	1				100								1	3				

APPENDIX III

CONTRACTOR INVOICES

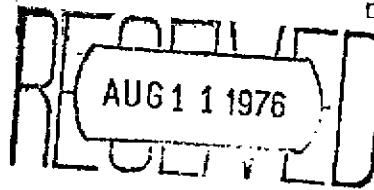
D.W. COATES ENTERPRISES LTD.

256A SIMPSON ROAD
RICHMOND, B.C.
V6X 2P9

INVOICE NO.: 1010

JOB NO.: 272

DATE: July 21/76



Climax Molybdenum Corp.
of British Columbia Ltd.
13949 West Colfax Avenue
Golden, Colorado 80401

RE: Kitsault Area Drilling

PERIOD: July 5 - 15, 1976

Drilling Detail	\$10,062.75
Transportation	7,852.50
Reaming	1,214.00
Standby	396.90
Travel Time	119.25
Nodwell Rental	200.00
Drilling with Mud	413.66
Other Charges	250.78
	<u>\$20,516.94</u>

K.C.C.

Drilling Detail

Hole#	Size	From	To	Footage	Rate	Amount
1	BQ	0	3	3	\$14.00	\$ 42.00
1	BQ	3	343	340	13.95	4743.00
1A	NQ	0	3	3	14.00	42.00
1A	NQ	3	300	297	14.20	4217.40
1A	BQ	300	373	73	13.95	1018.35
				<u>716</u>		<u>\$10,062.75</u>

Transportation

(a) Lump Sum

Mobilization - 50% x \$6600.00 \$3300.00

(b) Labour & Equipment

Date	Memo	ManHrs.	Tractor	Pickup	Nodwell
July 6	Hauling equipment to job site	22	1	1	-
July 7	Hauling equip. to job site	50	5	2	3
July 8	" " " " "	50	9	1	5
July 9	Hauling equip. & setup camp	55	8	1	6
July 10	" " " " "	65	-	-	-
July 11	Finished setting up camp	6	-	-	-
July 12	Making road to drill	10	3	-	-
		<u>258</u>	<u>26</u>	<u>5</u>	<u>14</u>

Labour: 258 hours @ \$15.50 \$3999.00
 Tractor: 26 hours @ 16.00 416.00
 Pickup: 5 hours @ 6.50 32.50
 Nodwell: 14 hours @ 7.50 105.00

\$4552.50

Rel.

\$7852.50

Reaming

(a) Labour & Equipment

<u>Date</u>	<u>Hole#</u>	<u>Memo</u>	<u>Hours</u>
July 11D	1	Ream through core	2
July 12D	1	Ream through core	4
July 14D	1A	Changed to BQ	3
July 14N	1A	Changed to BQ	1
July 15N	1A	Reamed casing 300'-370'	7
			<hr/>
			17

Labour & Equipment: 17 hrs. @ \$42.20

\$717.40

(b) Materials

<u>Date</u>	<u>Hole#</u>	<u>Memo</u>	<u>Amount</u>
July 11D	1	1 BQ core bit H 319	\$235.95
July 15N	1A	1 BW casing shoe	147.18
			<hr/>
			\$383.13
		Plus 15%	57.47
		Plus Casing Usage: 70' @.80/foot	56.00
			<hr/>

\$496.60

\$1214.00

R.L.C.

Standby

<u>Date</u>	<u>Memo</u>	<u>Hours</u>
July 12N	Wait for mud	8
July 13D	" " "	4
		<hr/>
		12

Labour & Equipment: 12 hrs. @ \$33.00/hr.

\$396.00

Travel Time

<u>Date</u>	<u>Memo</u>	<u>Hours</u>
July 11D	Travel to & from drill	$\frac{1}{2}$
July 11N	" " " " "	$\frac{1}{2}$
July 12D	" " " " "	$\frac{1}{2}$
July 13D	" " " " "	$\frac{1}{2}$
July 13N	" " " " "	$\frac{1}{2}$
July 14D	" " " " "	$\frac{1}{2}$
July 14N	" " " " "	$\frac{1}{2}$
July 15D	" " " " "	$\frac{1}{2}$
July 15N	" " " " "	$\frac{1}{2}$
		<hr/>
		$4\frac{1}{2}$

Labour: $4\frac{1}{2}$ hours @ \$26.50/hr.

\$119.25

Nodwell Rental

July 6 to July 15 - 10 days @ \$600.00/ma.

\$200.00

R.C.C.

Drilling with Mud

22 Bags Quik Gel @ \$9.65

\$212.30

22 Bags Quik Trol @ 6.70

147.40

\$359.70

Plus 15%

53.96

\$413.66

Other Charges

1 BQ Overshot Assembly

\$258.78

(Lost in Lake while moving with helicopter)

R.C.

INVOICE

D.W. COATES ENTERPRISES LTD.

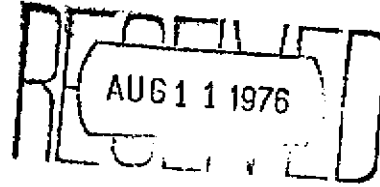
256A SIMPSON ROAD
RICHMOND, B.C.
V6X 2P9

INVOICE NO.: 1018

JOB NO.: 272

DATE: Aug 5/76

Climax Molybdenum Corp.
of British Columbia Ltd.
13949 West Colfax Avenue
Golden, Colorado 80401



RE: Kitsault Area Drilling
PERIOD: July 5 - 15, 1976 Adjustment

Hole # 1 - Field Cost	\$ 1529.38
Drilling Detail Adjustment	(4785.00)
Other Charges	(258.78)
	<u><u>\$ (3514.40)</u></u>

Rec.

Drilling Hole #1

Labour & Materials

<u>Date</u>	<u>Memo</u>	<u>Hrs.</u>
July 11D	Cased to 3', cored to 207'	10
July 11N	Cored to 325'	7
July 12D	Cored to 329'	2
July 13D	Cored to 343'	4
		<u>23</u>

Labour & Equipment: 23 hrs. @ \$42.20/hr. \$970.60

Materials

1 BW casing shoe	\$147.18	
Rod & corebarrel rental: 343' @ .80/foot	274.40	
Reaming shell rental: 343' @ .20/foot	68.60	
Other equipment (hoses, tools, etc.) 343' @ .20/ft.	68.60	\$558.78
		<u>\$1529.38</u>

Drilling Detail Adjustment

<u>Hole #</u>	<u>Size</u>	<u>From</u>	<u>To</u>	<u>Footage</u>	<u>Rate</u>	<u>Amount</u>
1	BQ	0	3	3	\$14.00	\$ 42.00
1	BQ	3	343	340	13.95	4743.00
						<u>\$(4785.00)</u>

Other Charges

1 BQ overshot assembly (credit)

\$(258.78)

R. C. C.

256A SIMPSON ROAD

256A SIMPSON ROAD

RICHMOND, B.C.

V6X 2P9

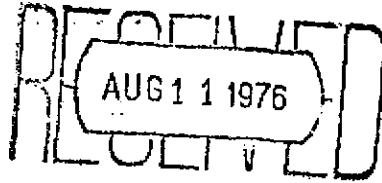
JOB NO.

1015

212

DATE: August 5/76

Climax Molybdenum Corp.
of British Columbia Ltd.
13949 W. Colfax Ave.
Golden, Colorado 80401



RE: Kitsault Area Drilling

PERIOD: July 16 - 31, 1976

Drilling Detail	\$34,474.10
Reaming Casing & Hole Reducing	3,595.62
Drilling with Mud	583.17
Travel Time	410.75
Moving, Setting Up & Tearing Down	1,975.00
Nodwell Rental	(200.00)
	<u>\$40,838.64</u>

R.C.C.

Drilling Detail

<u>Hole#</u>	<u>Size</u>	<u>From</u>	<u>To</u>	<u>Footage</u>	<u>Rate</u>	<u>Amount</u>
1A	BQ	373	493	120	\$13.95	\$1674.00
2	NQ	0	3	3	14.00	42.00
2	NQ	3	230	227	14.20	3223.40
2	BQ	230	500	270	13.95	3766.50
2	BQ	500	1000	500	14.60	7300.00
2	BQ	1000	1154	154	15.85	2440.90
3	NQ	0	7	7	14.00	98.00
3	NQ	7	231	224	14.20	3180.80
3	BQ	231	500	269	13.95	3752.55
3	BQ	500	1000	500	14.60	7300.00
3	BQ	1000	1107	107	15.85	1695.95
				<u>2381</u>		<u>\$34,474.10</u>

K.C.C.

Reaming Casing & Hole Reducing

(a) Labour & Equipment

<u>Date</u>	<u>Hole#</u>	<u>Memo</u>	<u>Hours</u>
July 16D	1A	Ream casing 370' - 470'	5
July 16N	1A	Ream casing 470' - 480'	2
July 16N	1A	Tried pulling casing & rods	5
July 17D	1A	Pull casing	6
July 20D	2	Reduce to BQ	2
July 24D	2	Pulled NQ rods	2
July 26D	3	Reduce to BQ	2
July 29D	3	Tried to pull casing	2
July 30D	3	Backed off casing	2
			<u>28</u>

Labour & Equipment: 28 hrs. @ \$42.20 \$1181.60

(b) Materials

<u>Date</u>	<u>Hole#</u>	<u>Item</u>	<u>Amount</u>
July 16D	1A	2 BW casing shoe @ \$147.18	\$294.36
July 16N	1A	4 10' NQ drill rods @ 61.90	247.60
July 16N	1A	1 BQ outer core barrel	57.00
July 16N	1A	1 BQ reaming shell	221.80
July 24D	2	1 2' NW casing @ 9.25/ft.	18.50
July 24D	2	1 NW casing shoe	198.97
July 30	3	3 2' NW casing @ 9.25/ft.	55.50
		9 10' NQ drill rods @ 61.90	557.10
		1 BW casing shoe	147.18
		1 NW casing shoe	198.97
		1 Sub BW casing to NQ rod	35.30
			<u>2032.28</u>
		Plus 15% x 1958.28	<u>293.74</u>
			<u>2326.02</u>

K.E.E.

(b) Materials Cont'd

Balance Fwd:	\$2326.02	
Plus Casing usage charge: 110' @ .80/ft.	88.00	\$2414.02
		<u> </u>
		<u>\$3595.62</u>

Drilling with Mud

22 bags quik gel @ \$9.65	\$212.30	
44 Bags quik trol @ 6.70	294.80	
	<u>507.10</u>	
Plus 15%	76.07	\$583.17
		<u> </u>

Travel Time

<u>Date</u>	<u>Memo</u>	<u>Hours</u>
July 16	Travel to & from drill	1
July 17	" " " " "	1/2
July 18	" " " " "	1
July 19	" " " " "	1
July 20	" " " " "	1
July 21	" " " " "	1
July 22	" " " " "	1
July 23	" " " " "	1
July 24	" " " " "	1
July 25	" " " " "	1
July 26	" " " " "	1
July 27	" " " " "	1
July 28	" " " " "	1
July 29	" " " " "	1
July 30	" " " " "	1
July 31	" " " " "	1

Labour: 15 1/2 hrs. @ \$26.50/hr 15 1/2
\$410.75

R.E.C.

Moving, Setting Up & Tearing Down

Labour & Equipment

<u>Date</u>	<u>Memo</u>	<u>ManHrs.</u>	<u>Tractor</u>
July 17D	Teardown on hole # 1A	16	-
July 18D	Move & setup on Hole #2	34	-
July 19D	Finished setup hole #2	16	-
		<u>66</u>	<u>-</u>
	Less Coates Ent. Portion	20 46	- -
July 24D	Teardown on Hole #2	24	-
July 28D	Move & setup on Hole #3	14	-
		<u>38</u>	<u>-</u>
	Less Coates Ent. Portion	20 18	- -
July 30D	Teardown & move to Hole #3	34	7
July 31D	Teardown & move to Hole #3	36	6
		<u>70</u>	<u>13</u>
	Less Coates Ent. Portion	20 50	- 13
		<u>114</u>	<u>13</u>
	Labour: 114 hrs. @ \$15.50/hr.		\$1767.00
	Tractor: 13 hrs. @ 16.00/hr.		208.00
			<u>\$1975.00</u>

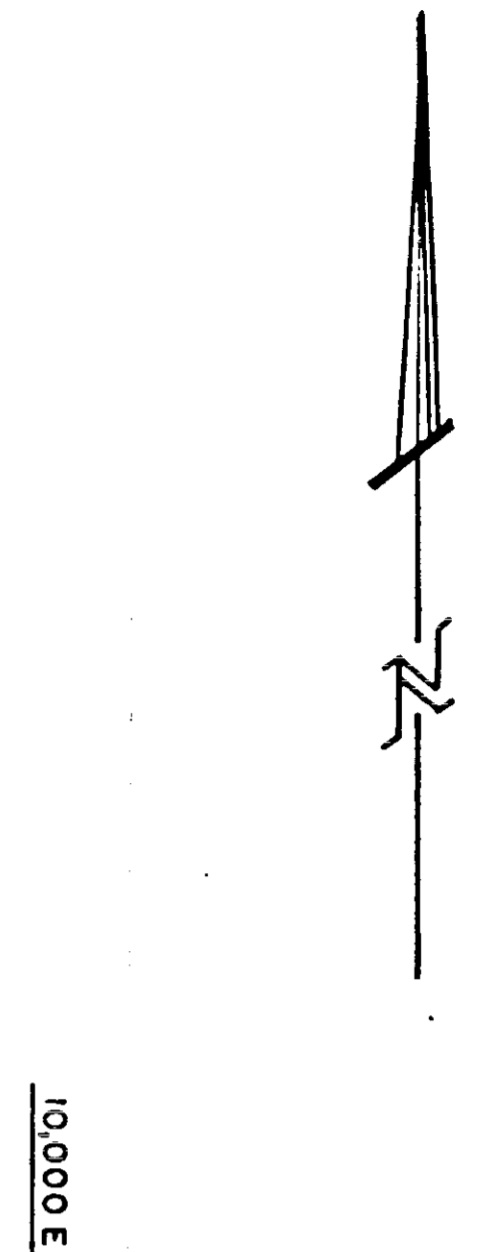
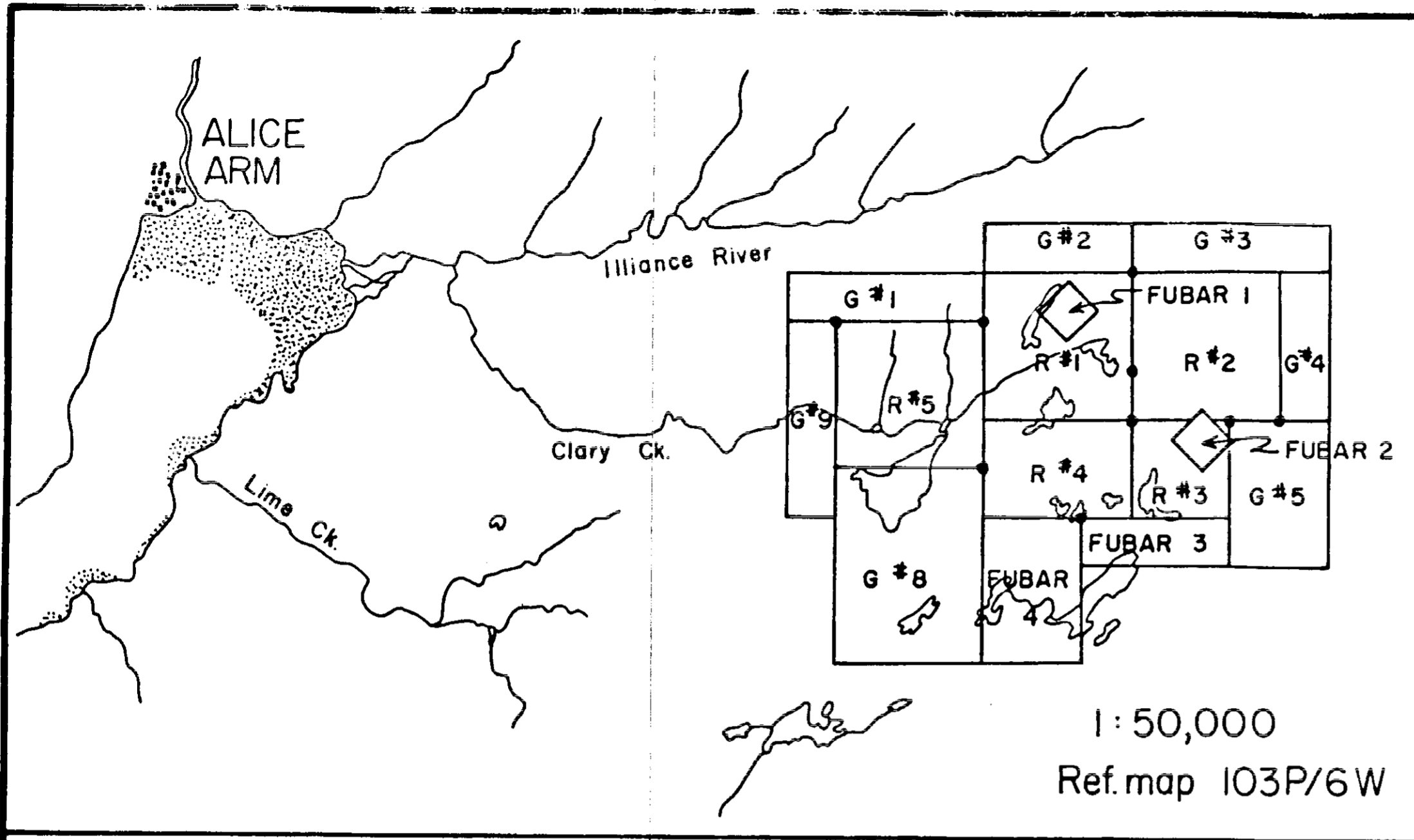
Nodwell Rental

Credit re July 6 - 15/76

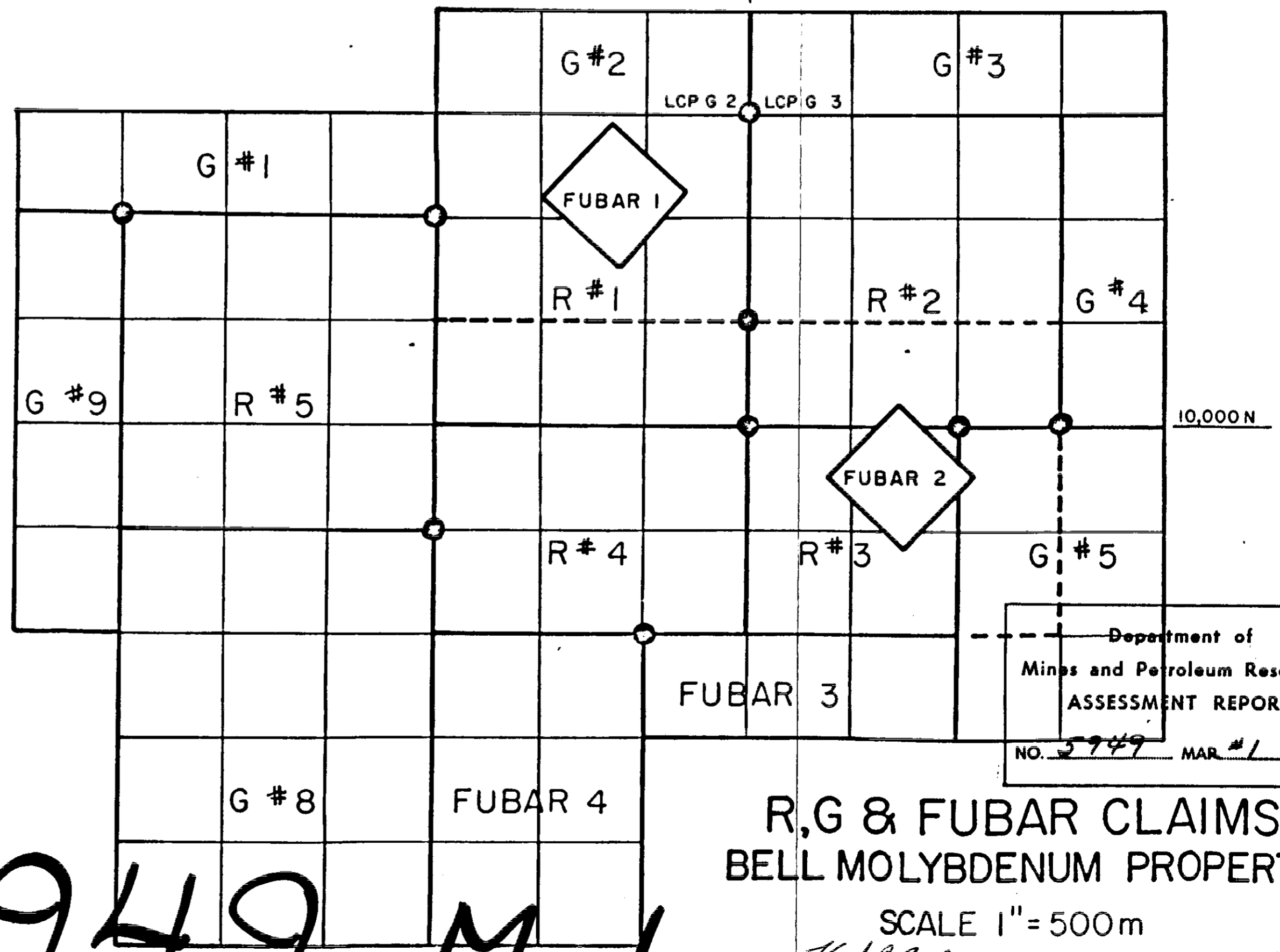
\$(200.00)

(Tractor U.S.)

R.E.C.



CLAIM	RECORD NO.	DATE OF RECORD	L.C.P. LOCATION		UNITS	CLAIM CONFIGURATION
			LATITUDE	DEPARTURE		
R#1	99	7/24/75	10,000.37	10,001.13	9	3N/3W
R#2	100	"	"	"	9	3N/3E
R#3	101	"	"	"	4	2S/2E
R#4	102	"	"	"	6	2S/3W
R#5	103	"	8,355.07	5,115.02	9	3N/3W
G#1	104	"	13,264.52	5,087.70	4	1N/4W
G#2	105	"	14,903.28	9,999.88	3	1N/3W
G#3	106	"	"	"	4	1N/4E
G#4	107	"	10,000.17	14,900.31	3	3N/1E
G#5	108	"	10,016.88	13,267.93	6	3S/2E
G#8	111	"	8,355.07	5,115.02	12	4S/3W
G#9	112	"	13,278.31	190.67	4	4S/1W
FUBAR 1	116	8/8/75	11,664.45	9,985.57	6	2N/3W
FUBAR 2	117	"	"	"	9	3S/3E
FUBAR 3	166	10/22/75	6,883.72	8,392.58	3	1S/3E
FUBAR 4	167	"	"	"	6	3S/2W



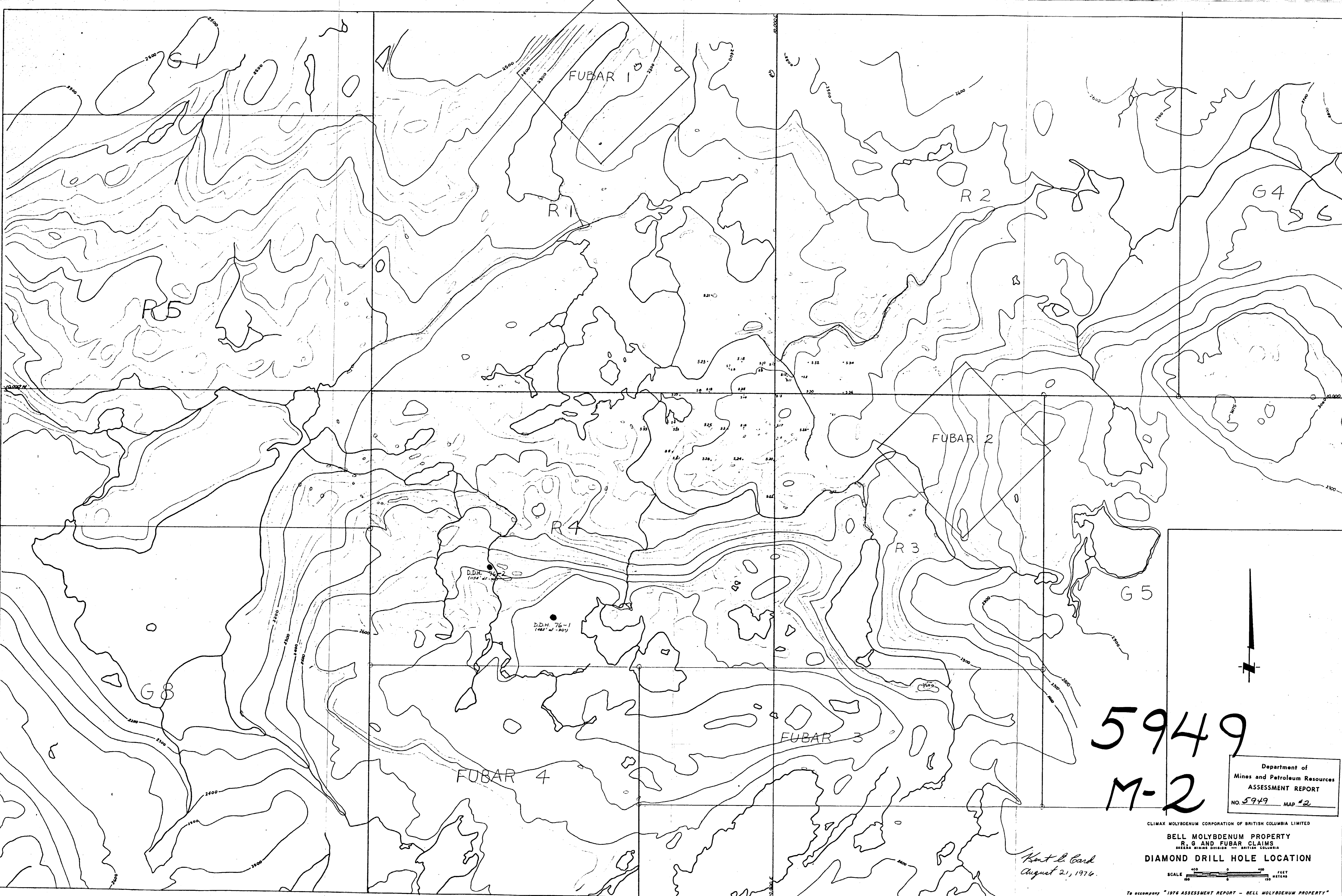
CLIMAX MOLYBDENUM CORPORATION OF BRITISH COLUMBIA LIMITED
BELL MOLYBDENUM PROPERTY
R, G AND FUBAR CLAIMS
SKEENA MINING DIVISION - BRITISH COLUMBIA
LOCATION AND CLAIM MAP

To accompany "1976 ASSESSMENT REPORT - BELL MOLYBDENUM PROPERTY"
by: K. E. Gard. Aug. 1976

5949 M-1

R, G & FUBAR CLAIMS
BELL MOLYBDENUM PROPERTY

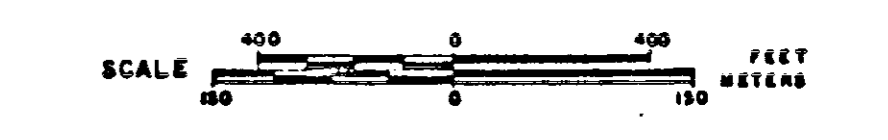
SCALE 1" = 500m
Kent E. Gard
August 21, 1976
Drn. by D.D. 1/16/76



5949
M-2

Department of
Mines and Petroleum Resources
ASSESSMENT REPORT
NO. 5949 MAP #2

CLIMAX MOLYBDENUM CORPORATION OF BRITISH COLUMBIA LIMITED
BELL MOLYBDENUM PROPERTY
R, G AND FUBAR CLAIMS
SKEENA BASIN DIVISION - BRITISH COLUMBIA
DIAMOND DRILL HOLE LOCATION



*Kent & Card
August 21, 1976.*

To accompany "1976 ASSESSMENT REPORT - BELL MOLYBDENUM PROPERTY"
By: K. E. Card. Aug. 1976