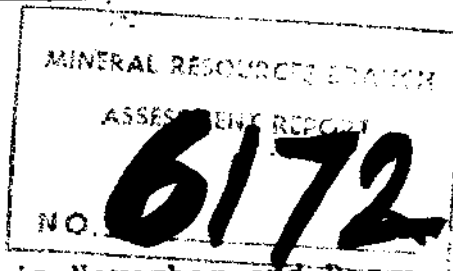


FENTON CLAIMS
TSALIT MOUNTAIN PROJECT
HOUSTON, BRITISH COLUMBIA



PERCUSSION DRILLING

GEOCHEMICAL RESULTS

Twelve percussion holes were drilled in November and December to an average of 150 feet depth, for a total of 1790 feet drilled. The holes were spotted

5370m

- a) to give a cross section of the unknown geology along the road
- b) to test the IP, EM and geochemical anomalies, and
- c) emphasis was placed on other holes in or near the swamp while the track mounted drill could work on frozen ground. This filled in on otherwise unknown and inaccessible area.

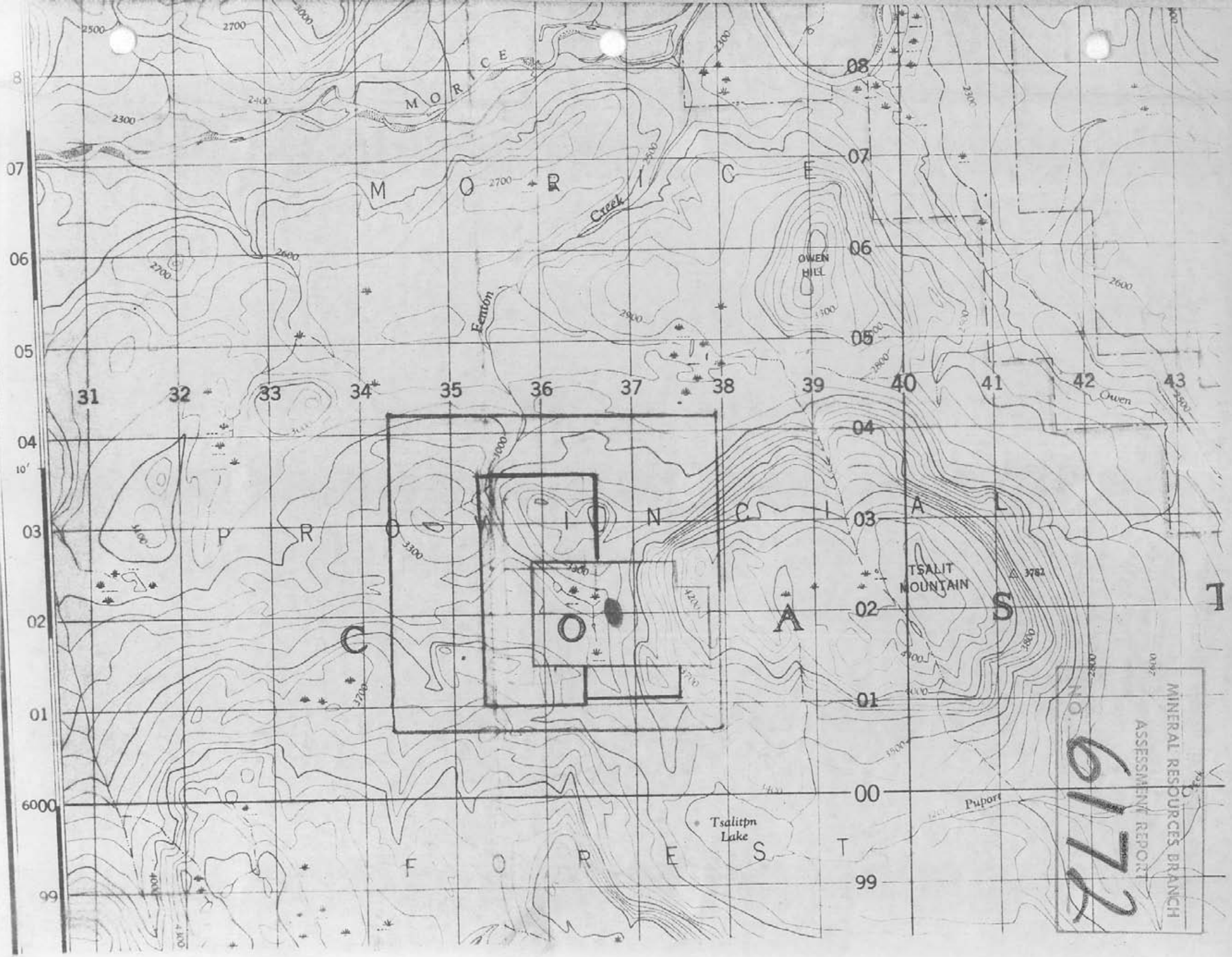
The other holes spotted could be reached readily in the summer. The drill sludges were split to about 1/16th in the field and the 5 lb sample sent to Min-En Laboratories in North Vancouver where they were run by geochemical assay for Cu, Pb, Zn, Ag, Hg, As, Mn and Cd.

The samples were ground to -80 mesh then reduced by nitric and perchloric acids and read on the Atomic Absorption machine. Hg was flameless and As by Colorimetric Method. The values for each metal have been plotted on the E-W drill sections attached. Background, threshold and anomalous values as listed below and have been colour coded on the sections.

GEOCHEMICAL VALUES PPM

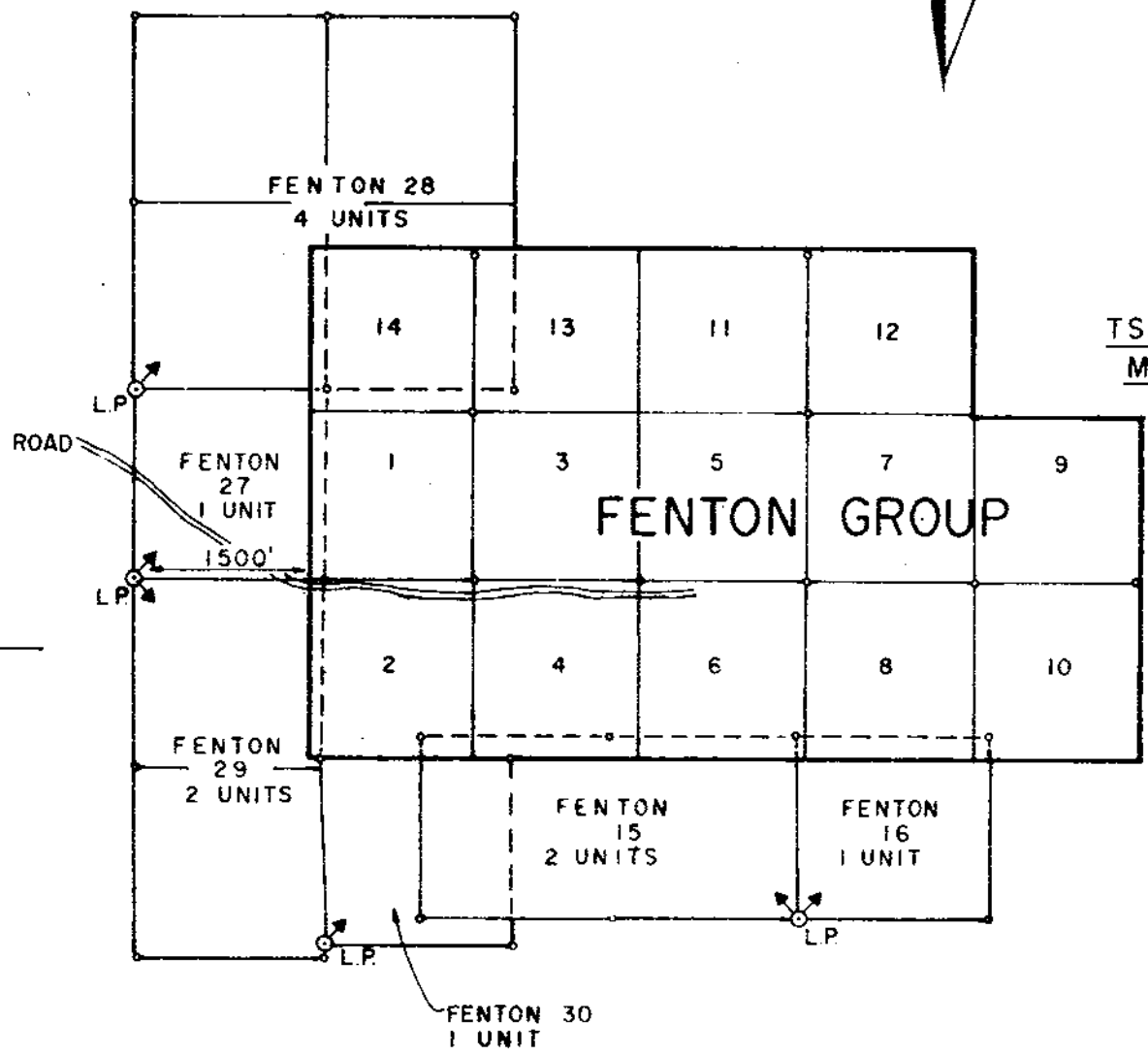
METAL	BACKGROUND	THRESHOLD	ANOMALOUS
Copper	20	40	60 PPM
Lead	22	40	60
Zinc	50	100	150
Silver	0.6	1.1	1.6
Mercury	35	65	100
Arsenic	6	10	15
Manganese	300	500	750
Cadmium	0.2	0.4	0.6

MAP 1 - TOPOGRAPHIC SURVEY



MINERAL RESOURCES BRANCH
ASSESSMENT REPORT
61772

126°55'



TSALIT
MTN.

NEW CLAIMS FENTON GROUP TSALIT MTN. PROJECT OMINECA M.D.	
Drawn: R B S.	Date: Nov 1976
Scale: 1" = 1500'	

RE: Fenton 1-14, 15-16, 27-30
Mineral Claims

1976 Billings

#682 - Nov.	18	\$ 3,899.22
#686 Dec.	3	5,384.72
#687	3	1,861.80
#688	16	<u>5,654.76</u>
		\$16,800.50

COSTS:

Cariboo Lath Co.Ltd. -Mob	\$ 1,112.50	
Tamaraw Industries-Drilling	7,698.15	
Tamaraw Industries - Demob	1,112.50	
Hamlin Logging Co. 200.		
	<u>126.</u>	326.00
B. & E. Enterprises		<u>96.00</u>
		\$10,345.15
C.Torres- driller - camp expenses		<u>247.38</u>
		10,592.53
K.Hansen-Driller helper wages	560.	
	520.	
	<u>520.</u>	
		<u>1,600.00</u>
	TOTAL	<u>\$12,192.53</u>

This Agreement made the 20 day of Oct , 1976

BETWEEN:

STOKES EXPLORATION MANAGEMENT CO. LTD. a body corporate, having an office at ste. 713-744 W. Hastings St. in the city of Vancouver in the province of British Columbia; For or on behalf of British Newfoundland Exploration Ltd. (hereinafter called the client)

OF THE FIRST PART

AND:

TAMARAW INDUSTRIES LTD. a body corporate, duly incorporated under the laws of the province of British Columbia, and having an office at 1777 Prestwick Drive, in the city of Vancouver, in the Province of British Columbia: (hereinafter called the contractor)

OF THE SECOND PART

WHEREAS:

- A. The client requires that a program of percussion drilling be performed on the mining claims controlled by the client, in the Fenton area of the Houston, B.C. (the property)
- B. The contractor undertakes to perform the program of percussion drilling for the consideration and on the terms and condition hereinafter stated.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the promises, covenants and agreement hereinafter set forth, the parties hereto covenant, agree, represent and promises as follows;

R 12
CO

AGREEMENT TO DRILL

(1) Subject to the terms and condition of this agreement and base on the warranties and representation herein contained, the contractor agrees to carry out a program of percussion drilling on the said property under the direction of the client, commencing on or about *Oct 25 1976* and the client agrees to pay for this program of percussion drilling.

(2) The contractor warrants that, on or about *Oct 25 1976*

(a) It will be ready, willing, and able to conduct a percussion drilling program on the terms outlined in this agreement, and

(b) It shall conduct the drilling program in the workman like manner in accordance with good field practice established in British Columbia.

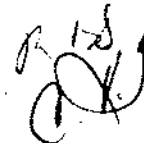
EQUIPMENT FOR DRILLING

(3) The contractor agrees to provide one tract mounted self-propelled drill outfit, together with all the necessary associated equipment, spare parts and labor required to carry out the said drilling program.

GUARANTEED FOOTAGE

(4) The client guarantees a minimum of *2000* feet of percussion drilling in a series of vertical holes of a minimum depth of *50* feet and a maximum depth of *200* feet. All measurement are to be measured from the top of the casing.

(5) If the holes of a greater depth than *200* feet are ordered by the client such drilling shall be performed only upon such condition, and such rates, and such times as may be agreed upon between parties prior to the commencement of such drilling.



SCHEDULE OF RATES

(6) The parties agree that the schedule of rates for percussion drilling with drill bits 2" or 2½" in dia. is as follows:

Depth of hole	Rate
0 to 300	\$3.50

The above footage prices are based on measurement from the top of the casing.

(7) The operating cost of sinking of an outside casing 3" in diameter is \$3.50 per foot.

FIELD COST . DOWNTIME. TRAVELLING. AND WAITING

(8) The contractor agree that all operating expenses of labor, bit wear, casing, drill rods, and other expenses incidental to and incurred in the drilling process shall be for the contractors account, except as hereinafter provided.

(9) The field cost incurred by the contractor in the drilling program shall mean all direct labour at the rate of \$12.00 per man hour for the first eight hours and machine and equipment rental at \$35.00 per operating hours per machine to a maximum of eight hours.

(10) All labour rates quoted herein are based on 7 day work week, statutory holidays excepted.

(11) Labour charges ^{+ MAINTENANCE CHARGES} will not be charged to the client when the operation is suspended due to the drilling breakdown, personnel disruption, lack of proper equipment or statutory holidays.

(12) Labour charges for delays due to standby for demobilization, standby and waiting for orders from the clients resident engineer, or authorized representatives, will be for the client account at a rate of \$12.00 per man hour and \$35.00 per machine hour to a maximum of 8 hours.

R 12
C 12

(13) The clients agree to pay for the footage drilled in abandoned holes, the tools and casing left in the hole, provided that the loss of the hole is not due to the negligence of the contractor, or its employee.

Samples

(14) While drilling, the contractor, under the direction of the client, shall take samples with an electrically driven splitter over 10 ft. increment, all samples are to be carefully marked in a container provided by the client and delivered to the client at the drill site.

WATER

(15) The contractor agrees to provide suitable equipment capable of pumping water 2000 ft. horizontally and through a maximum lift of 200 ft. all moving, laying, dismantling and maintenance of any pumping equipment and water lines shall be for the contractors accounts.

(16) The cost of any additional pumping equipment required for pumping or supplying water in tanks if any are for the clients accounts.

(17) The parties agree that the movement of drilling equipment and supplies from the contractors place of business at Vancouver B.C. to the property situated in Fenton, Houston, B.C. and return will be for the clients accounts at a sum dependent on the freight charges at the time of shipment. *quoted at \$1.35 per loaded mile.*

(18) The parties hereby agree that the movement of the contractors personnel from Vancouver to the drill site and return will be for for the contractors account.

(19) The cost of moving between holes, including tearing down, dismantling machinery, site preparation and setting up shall be for the contractors accounts subject to paragraph 20.

(20) It is agreed that when moves between drill sites exceed 2 man hours of labor and 1 machine hour, the client will pay the contractor the field cost for such moves.

(21) If during mobilization, demobilization, inclement weather, lack of personnel, equipment breakdown or other factors beyond the control of the client, drilling operation is temporarily suspended, the contractor will not charge the client for machine rental, or *labour charges*

(22) It is mutually agreed that if the hole drilled immediately prior to any move does not reach a depth of ⁵⁰300ft. the cost of moving to the next hole shall be paid by the clients accounts.

(23) The cost of labour, room and meals for the contractors drill crew at the drill site due to any delay caused by weather or by the client during the move in will be for the clients accounts.

(24) If traveling from the drill site to the drill camp and return exceeds one hour per man day, the client will reimburse the contractor for all traveling time in excess of one ^{hour} per man day at the rate of \$12.00 per man hour.

CAMPS

(25) The clients agrees to provide board and lodging for the contractor.

FUEL

(26) The contractor agrees to provide all fuels and oils for the drilling operations, *in the footage charge*

(27) Freight and transportation of fuels and oils from the nearest supplier to the drill site will be for the clients accounts.

RBS
Cvd

DAILY REPORTS

(28) The contractor will deliver to the clients representatives daily reports summarizing the daily performances materials used and extraordinary occurrences.

SECURITY

(29) The contractor will not release any information on drilling result nor permit access to any cuttings to any persons other than the clients accredited representatives, except upon the specific permission of the duly authorized officials of the clients.

(30) The representatives of the client shall, at all times have access to the work in progress.

(31) It is agreed that the contents of this agreement will remain confidential between management of the client and the contractor.

LABOUR

(32) The number of employees will be minimum of 2 and the normal working hours shall be one shift of 8 hrs. per shift per day, but in the event that the contractor or driller request a longer day, the contractor shall discuss and arrange with the clients field representatives for the longer schedule.

(33) 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 on the job or anyone not skilled in the work assigned to him.

(34) Any employees of the contractor who are objectionable or unsatisfactory to the client or who resign, are dismissed or transferred, shall be removed from the work and replaced by an employee satisfactory to the client at the contractors expenses.

R.S.
C.D.

PAYMENT FOR DRILLING

(35) The contractor will submit invoices for all time at the field cost and footage drill every 7 days and the clients agrees to pay the contractor in canadian funds at the stated prices herein with in 30 days from the date that the account was rendered. Interest at the rate of 1 $\frac{1}{2}$ % per month shall be charged on overdue accounts.

AGENTS AND SUBCONTRACTORS

(36) The contractors shall not engage any agent or subcontractor to perform any of the work, without the clients written consent.

INSURANCE

(37) Throughout the continuance of the drilling operations the contractor agrees to maintain the following insurance.

(a) Employers liability insurance covering each employee engaged in drilling operation in an amount not less than \$500,000.00 where such employee is not covered by workmens compensation.

(b) Comprehensive public liability and property damage covering all operation under the agreement to an amount not less than \$500,000.00 in respect of any one accident.

(c) The contractor shall furnish to the client upon request from time to time evidence of compliance with this section.

INDEMNITY

(38) The contractor shall indemnify and save harmless the client from all claims for loss, demands, cost damages, actions, suits, or other proceedings, arising from the contractors operation on the drill site, *and related operations*

NOTICE

(39) Any notice required or permitted to be given by prepaid post addressed to the client or addressed to the contractor at the addresses herein given and given as aforesaid any notice shall be deemed to have been given 48 hrs. following each posting. This notice may be waived by either party or its authorized representative, operating on the drill site.

ENVIROMENT AND CONSERVATION

(40) The contractor shall at all time, keep the site of any drilling and camp areas from accumulation of waste materials rubbish or garbage and upon the completion of the work, shall removed all tools, scaffolding, surplus materials, rubbish and garbage and leave the working and campsite in a clean condition. The contractor shall observe and comply with all applicable federal laws, regulations and orders relating to prevention of forest fires and sanitation in the bush, and safety.

ENTIRE AGREEMENT

(41) This agreement contains the whole agreement between the contractor and the client in respect with the percussion drilling program contemplated hereby and there are no warranties, representation, terms conditions, collateral agreement expressed, implied or statutory, other than those expressly set forth in this agreement.

VARIATION OF AGREEMENT

(42) This agreement may be altered only by the written consent of both parties.

(43) This agreement shall enure to the benefit of and be binding upon the respective successors and assigned of the parties.

In witness whereof the seals of the client and the contractor
have hereunto been affixed in the presence of thier duly
authorized officer the day and the year above written.

per *Conrad D. ...*
TAMARAW INDUSTRIES LTD.

per *R. S. ...*

R.S.
C. D.

CARIBOO LATH CO. LTD.

P. O. BOX 647 • 100 MILE HOUSE, B.C. • VOK 2E0 • TEL. 395-2872

INVOICE

Date Nov 4 19 76
 To British New Soundland
 Address 1/2 Stokes Exploration Management
 City Suit 713-744 - West Hastings Id
Van B.C. V6C-1A5-

ACCOUNTS PAYABLE IN 15 DAYS, INTEREST CHARGED ON OVERDUE ACCOUNTS

DATE	DESCRIPTION	CHARGES	CREDITS	BALANCE
Oct 30/76	53043		1725. ²⁵	
				}
Nov 23/76		1000.00		
		12.50		
Oct Dec 16/76		187.50		
				1725. ²⁵

PAY LAST AMOUNT IN BALANCE COLUMN

STATEMENT

Form 105

100 mile to Hazelton				
1113 miles @ 1/35 =	12000			
4 km unloading	1525.25			
	100.00			
				1725.25

750 @ 135 = 1012.50
 1112.50

SOLD TO British New Soundland
1/2 Stokes Exploration Management
 SHIPPED TO Suit 713-744 - West Hastings Id
 ADDRESS Van B.C. VIA V6C-1A5-

DATE	NOV 30/76
CUSTOMER'S ORDER	
SALESMAN	
FOR	

CARIBOO LATH CO. LTD.
 P. O. Box 647
 100 Mile House, B.C.
 VOK 2E9

53043

NOV 30/76

TAMARAW INDUSTRIES LTD.

1777 PRESTWICK DR., VANCOUVER, B.C., V5P 2E3

Dec. 13, 1976

Stokes Exploration Management Co. LTD.
STE-713-744 W Hasting St.
Vancouver, B.C. V6C 1A5

I N V O I C E

P D H 2	- - - - -	150 ft.
P D H 3	- - - - -	150 ft.
P D H 4	- - - - -	150 ft.
P D H 5	- - - - -	150 ft.
P D H 6	- - - - -	150 ft.
P D H 7	- - - - -	90 ft.
P D H 8	- - - - -	150 ft.
P D H 9	- - - - -	150 ft.
P D H 12	- - - - -	100 ft.
P D H 13	- - - - -	200 ft.
P D H 14	- - - - -	150 ft.
P D H 17	- - - - -	<u>200 ft.</u>

TOTAL FOOTAGE DRILLED- 1790 ft. @ \$3.50 = \$6265.00

Mobilization:

Man Hours	- - - - -	8	- - - - -	96.00
Machine Time	- - - - -	4	- - - - -	140.00

Man Hours Used To Clear Roadslide:

Man Hours	- - - - -	10	- - - - -	120.00
Machine Time	- - - - -	2	- - - - -	<u>70.00</u>

TOTAL CARRIED FORWARD - - \$6691.00

*Pat Dec 21/76
207585*

TAMARAW INDUSTRIES LTD.

1777 PRESTWICK DR., VANCOUVER, B.C., V5P 2E3

Page -2-

TOTAL BROUGHT FORWARD - - - - - \$6691.00

Demobilization:

Man Hours - - - - -	8 - - - - -	96.00
Machine Time - - - - -	4 - - - - -	140.00

Supplies Lost On P D H 12:

10 Pcs. 1½" x 10 ft. Drill Rod @ \$58.25	-	582.50
9 " 1½" x 8" Coupling @ \$16.80	-	153.20
1 Pc. 1½" x 2½" Bit @ \$35.45	-	35.45

GRAND TOTAL - - - - - \$7698.15

R. W. Hamblin
Box 343,
Houston, B.C.

December 14, 1976.

SEMCO,
#713 - 744 West Hastings Street,
Vancouver, B.C.

RE: TSALIT-BRINEX JOB

To power saw rental - 2 weeks
Assistance in obtaining drill
parts, expenses in relaying
messages, gas, etc. driving out
to drill site.

For services

\$200.00

R. W. HAMBLIN

[Handwritten scribbles and marks in the bottom right corner]



HAMBLIN LOGGING & CONSTRUCTION

LOGGING ROADS HIGHWAY CONSTRUCTION EXCAVATING
LOGGING CONTRACTS
EQUIPMENT RENTALS TO LOGGING - MINING CONSTRUCTION

Phone 845-7768
P.O. Box 37
Houston, B.C.
V0J 1Z0

INVOICE NO. **556**

SOLD TO Semco 744 West Hastings Vancouver, B.C. Attention: Mr. Ron Stokes Date: January 4, 1977 Machine Labour		SHIPPED TO SEMCO		Your Order No.		Our Order No.		Salesman					
HRS.		HRS.		Description of Work		RATE		PER		AMOUNT			
3½				Lobed to move drill from Mile 26 Morice River Rd. to Hamblin Logging yard		36 00		hr		126 00			
<i>Ad Jan 11/77</i> <i>OK</i> <i>AKS</i> <i>T. Smith</i>										TOTAL		126 00	

H HAMBLIN LOGGING & CONSTRUCTION

LOGGING ROADS HIGHWAY CONSTRUCTION EXCAVATING
LOGGING CONTRACTS
EQUIPMENT RENTALS TO LOGGING MINING CONSTRUCTION

Phone 845-7740
P.O. Box 37
Houston, B.C.
V0J 1Z0

INVOICE NO. **556**

Semco		RECORDED					
744 West Hastings							
Vancouver, B.C.							
Attention: Mr. Don Stokes							
Date	Your Order No.	Our Order No.		Salesman			
January 4, 1977							
Machine Labour				Terms			
HRS.	HRS.	Description of Work			RATE	PER	AMOUNT
3 1/2		Lobed to move drill from Mile 26 Morice River Rd. to Hamblin Logging yard			36 00	hr	126 00
		<i>Ad 9 Jan 11/77</i> <i>CH 5868</i>			<i>OK</i> <i>RMS</i> <i>T. Smith</i>		
TOTAL						126 00	

TAMARAW INDUSTRIES LTD.

1777 PRESTWICK DR., VANCOUVER, B.C., V5P 2E3

January 10, 1977

Stokes Exploration Management Co. Ltd.
Rm. 713 - 744 W. Hastings St.
Vancouver, B.C.

I N V O I C E

Demobilization from Huston B.C. to Vancouver, B.C.
(both loading and unloading with total mileage
of 750.)

Total \$1112.50

*pd Jan 6/77
ch 5863*

TAMARAW INDUSTRIES LTD.

1777 PRESTWICK DR., VANCOUVER, B.C., V5P 2E3

Dec. 13, 1976

Stokes Exploration Management Co. LTD.
STE-713-744 W Hasting St.
Vancouver, B.C. V6C 1A5

I N V O I C E

P D H 2	- - - - -	150 ft.
P D H 3	- - - - -	150 ft.
P D H 4	- - - - -	150 ft.
P D H 5	- - - - -	150 ft.
P D H 6	- - - - -	150 ft.
P D H 7	- - - - -	90 ft.
P D H 8	- - - - -	150 ft.
P D H 9	- - - - -	150 ft.
P D H 12	- - - - -	100 ft.
P D H 13	- - - - -	200 ft.
P D H 14	- - - - -	150 ft.
P D H 17	- - - - -	200 ft.

TOTAL FOOTAGE DRILLED- 1790 ft. • \$3.50 = \$6265.00

Mobilizations:

Man Hours	- - - - - 8	- - - - - 96.00
Machine Time	- - - - - 4	- - - - - 140.00

Man Hours Used To Clear Roadslide:

Man Hours	- - - - - 10	- - - - - 120.00
Machine Time	- - - - - 2	- - - - - 70.00

TOTAL CARRIED FORWARD - - \$6691.00

*pd Dec 21/76
#5855*

TAMARAW INDUSTRIES LTD.

1777 PRESTWICK DR., VANCOUVER, B.C., V8P 2E3

Page -2-

TOTAL BROUGHT FORWARD - - - - - \$6691.00

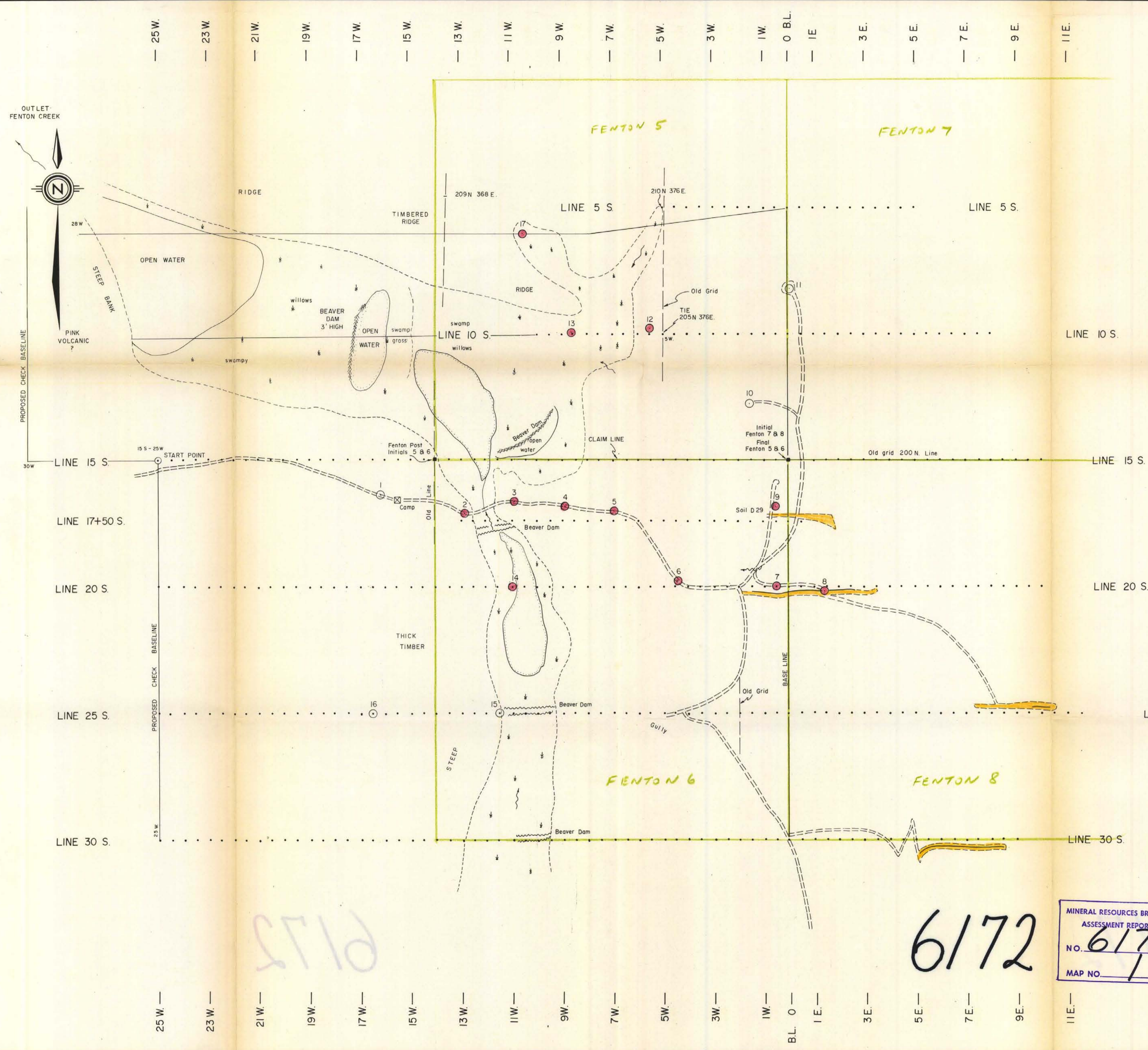
Demobilization:

Man Hours - - - - -	8 - - - - -	96.00
Machine Time - - - - -	4 - - - - -	140.00

Supplies Lost On P D H 12:

10 Pcs. 1 $\frac{1}{2}$ " x 10 ft. Drill Rod @ \$58.25 -	582.50
9 " 1 $\frac{1}{2}$ " x 8" Coupling @ \$16.80 -	153.20
1 Pc. 1 $\frac{1}{2}$ " x 2 $\frac{1}{2}$ " Bit @ \$35.45 -	35.45

GRAND TOTAL - - - - - \$7698.15



PERCUSSION HOLE	DEPTH TO BEDROCK	DEPTH DRILLED	REASONS FOR DRILLING
2	14'	150'	Road x section & geochem.
3	13'	150'	Road x section & geochem.
4	20'	150'	Road & geochem.
5	20'	150'	Road & possible geochem.
6	10'	150'	Road & centre of branch of E.M. Anomaly.
7	10'	90'	E.M. & I.P. Anomaly near Trench C.
8	10'	150'	E.M. Anomaly & I.P. & geochem.
9	20'	150'	Centre I.P. Anomaly (off E.M.)
12	8'	100'	Edge of swamp close to fault & geochem.
13	17'	200'	Swamp geochem. & unknown geology
14	28'	150'	Swamp geochem. & unknown geology.
17	8'	200'	Swampy, fault & unknown geology.

- LEGEND**
- Road or attempted trench
 - Bedrock exposed
 - Proposed Percussion Hole
 - Drilled Percussion Hole

2710

6172

MINERAL RESOURCES BRANCH
ASSESSMENT REPORT
NO. 6172
MAP NO. 1

STOKES EXPLORATION MANAGEMENT CO. LTD.

FENTON CLAIMS
HOUSTON, B.C.

TOPOGRAPHIC SURVEY

ELEVATIONS BY THOMMEN ALTIMETER
DATUM AT CAMP ASSUMED 3329'

DATE: JULY, 1976	DRAWN: ALTAIR	SCALE: 1" = 200'
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