

REPORT 77-#125-#6244
DIAMOND DRILLING

SUNBEAM GROUP

FORT STEELE MINING DIVISION

Held By

R.H. STANFIELD

127A

Allen Geological Engineering Limited

203-2025 Bellevue
West Vancouver, B.C. V7V 1B9

926-2089
985-3409

6244

April 28, 1977.

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

Dear Sir:

Re: Cost Statement

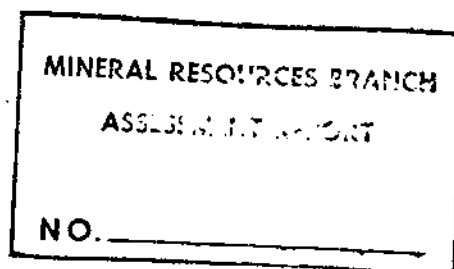
"SUNBEAM GROUP"

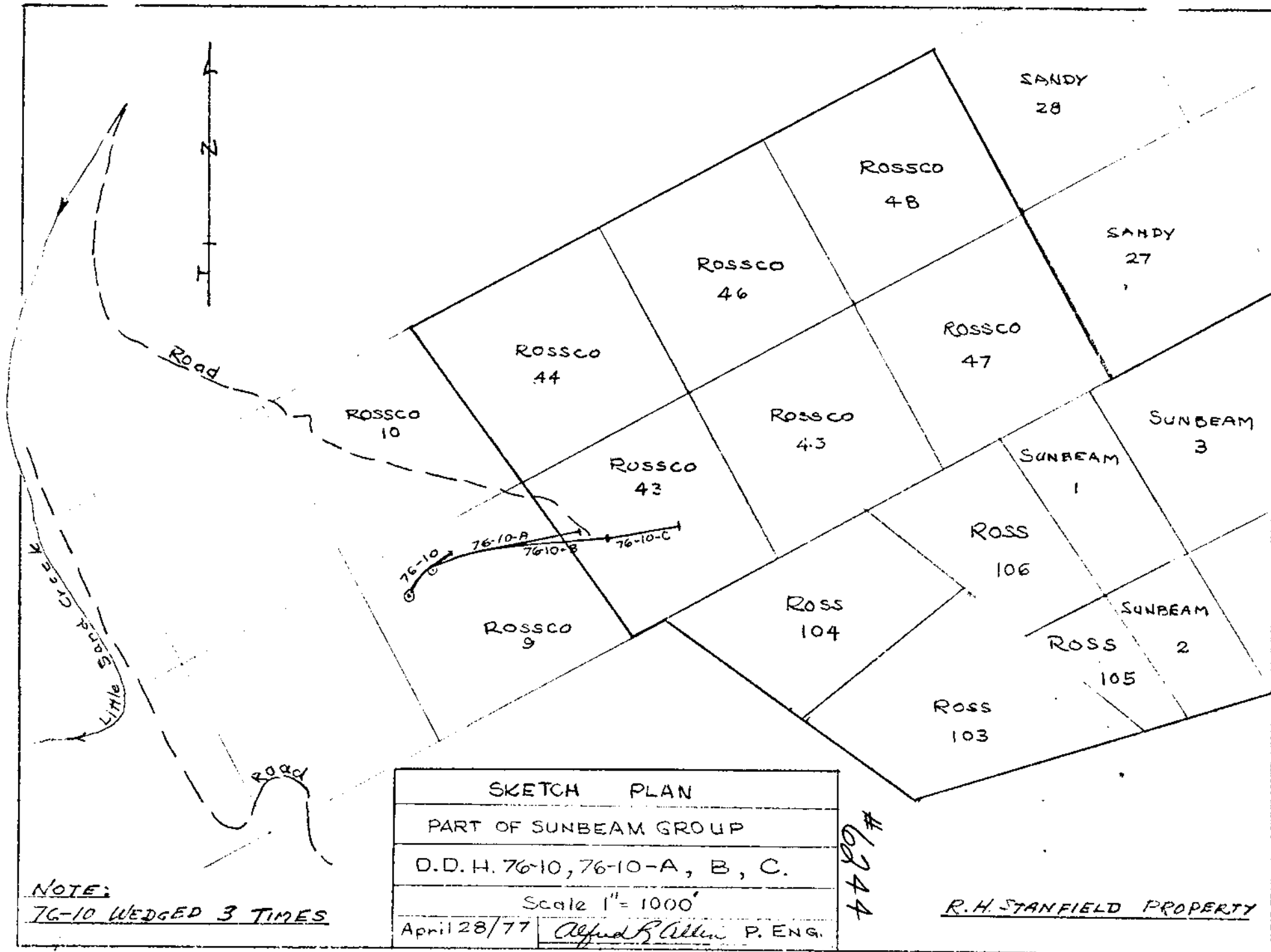
Wescore Drilling, as per invoice #091	\$27,033.84
and as per invoice #094	17,230.04
	<hr/>
	\$44,263.88

Yours very truly,

ALLEN GEOLOGICAL ENGINEERING LTD.

Per Alfred R. Allen P.Eng.
Alfred R. Allen





NOTE:
76-10 WEDGED 3 TIMES

SKETCH PLAN	
PART OF SUNBEAM GROUP	
D.D.H. 76-10, 76-10-A, B, C.	
Scale 1" = 1000'	
April 28/77	Alfred B. Allen P. ENG.

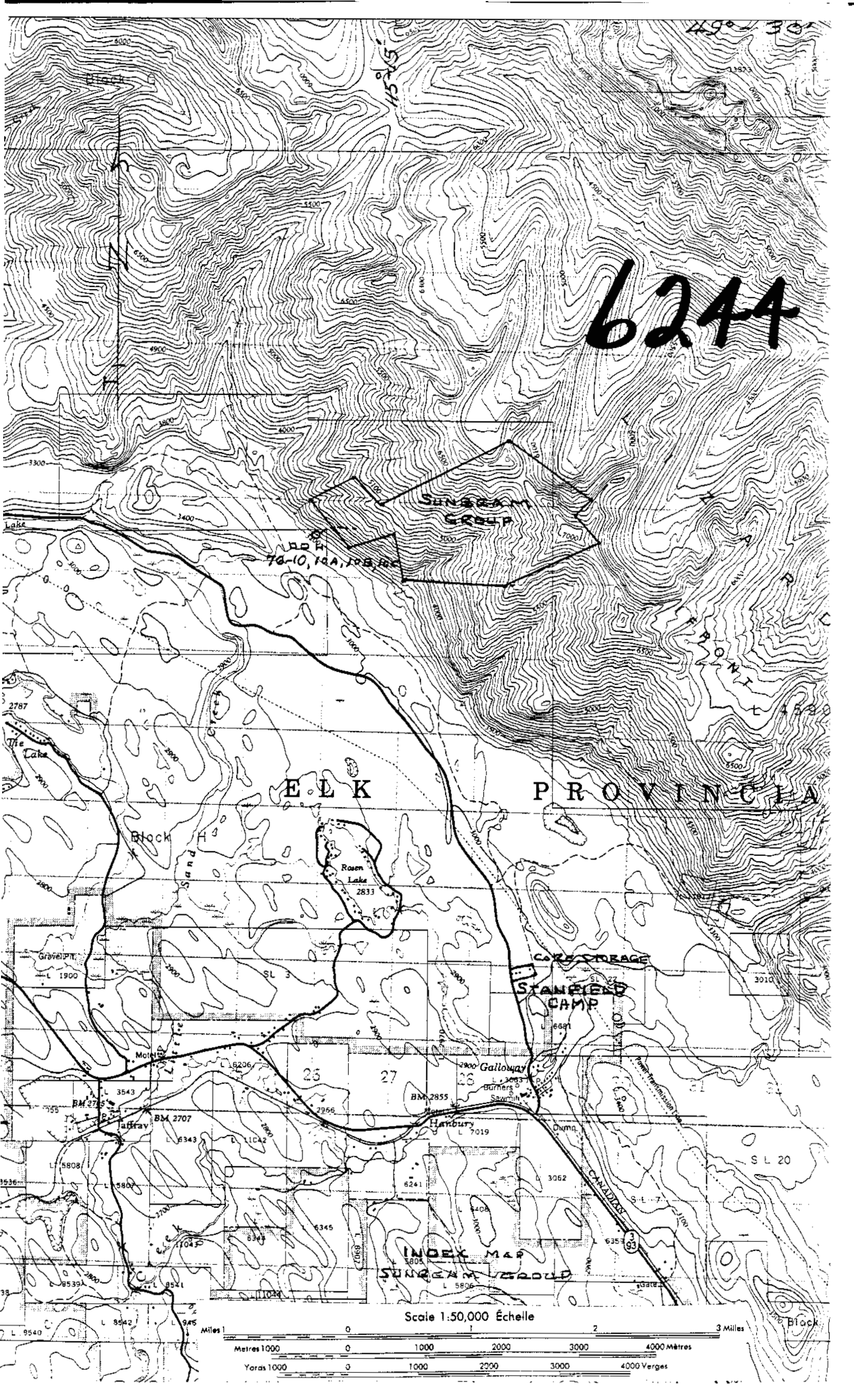
#6744

R.H. STANFIELD PROPERTY

49° 30'

115° 45'

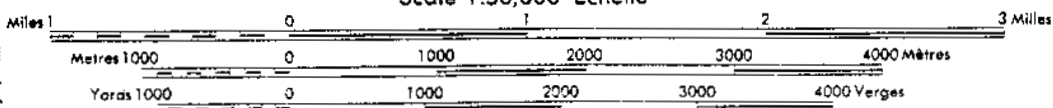
6244



ELK PROVINCIAL

INDEX MAP
SUNBEAM GROUP

Scale 1:50,000 Échelle



CLAIM NO. Rossco. 43

DIAMOND DRILL RECORD

PROPERTY R.H. Stanfield

HOLE NO. 76-10-B

LATITUDE ELEVATION 1000 BEARING 88° DEPTH 3734 STARTED Oct. 1/76 COMPLETED Dec. 29/76

DEPARTURE SECTION DIP -40° DRILLED BY Wescore Drilling Co. Ltd. LOGGED BY *Alfred P. Allen*

DEPTH FEET	FORMATION	SAMPLE NO.	FROM	TO	WIDTH	ASSAYS			
2200-3045	Plug drilled - same A,								
3045-3070	A, finely banded								
3070-3095	A, Pyrrhotite in blebs. Pyrite and pyrrhotite in veinlets								
3095-3110	A, Brecciated, black, carbonaceous, minor chalcopyrite								
3110-3169	A, Black, fine-grained, pyrrhotite, minor chalcopyrite								
3169-3217	A, " " " banded cross-bedding								
- 3265	A, Light & dark grey banded, quartz-siderite veinlets pyrrhotite, minor pyrite and chalcopyrite								
- 3385	A, Very fine-grained, banded, pyrrhotite and chalcopyrite in small blebs and veinlets. Sulphides vuggy with some manganese sooty staining.								
- 3430	A, attitude 30 degrees to hole								
- 3480	A, same, pyrrhotite with some chalcopyrite, cross-bedding								
- 3628	A, fine-grained-pyrrhotite								
- 3668	A, 10" quartz with pyrite and wall rock. Dip 30° to hole								
3668-3734	A, Same, some chalcopyrite with the pyrrhotite								
	END OF HOLE 76-10-B								
	"A" denotes argillite								

'TO

R. H. Standfield,
Suite 260,
355 - 4th Ave., S. W.,
CALGARY, ALBERTA.

INVOICE NUMBER

091



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

PROJECT	P.O. NO.	TERMS NET	INVOICE DATE	
Galloway		7 days	November 5, 1976	
DETAILS		HOURS OR FOOTAGE	RATE	AMOUNT
Diamond Drilling				
Hole # 76 - 10 - B				
Wedging		36	24.70	889 20
		124	35.40	4389 60
1 BQ Hole Plug		1	134.30	134 30
2 BQ Wedges		2	499.27	998 54
Survey Tests		13	35.40	460 20
3 BQ Wedge Bits - \$1560.00 minus 30%				1092 00
Drilling BQ				
2200' - 2500'		300	14.90	4470 00
2500' - 3000'		500	15.90	7950 00
3000' - 3380'		380	17.50	6650 00
		TOTAL		<u>\$27033 84</u>
MINUS:				
200 gallons purple diesel		200	.515	103 00
60 gallons purple gas		60	.524	31 44
		TOTAL		<u>\$134 44</u>
			TOTAL \$	26899 40

CORE DRILLING
SURFACE AND UNDERGROUND

MINE AND EXPLORATION DRILLING
DAM AND FOUNDATION TESTING

Member of the Canadian Diamond Drilling Association

TO

R. H. Standfield,
 Suite 260,
 355 - 4th Ave., S. W.,
 Calgary, Alberta.

INVOICE NUMBER

094



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

PROJECT	P.O. NO.	TERMS NET	INVOICE DATE
Galloway		7 days	December 22, 1976
DETAILS	HOURS OR FOOTAGE	RATE	AMOUNT
Diamond Drilling			
Hole # 76 - 10 - B			
Drilling BQ			
3380' - 3500'	120	17.50	2100 00
3500' - 3734'	234	20.00	4680 00
3673' - 3930' - #76-10-C	257	20.00	5140 00
Survey Tests	21	35.40	743 40
1 BQ Hole Plug	1	134.30	134 30
2 BQ Wedges	2	499.27	998 54
Wedging	97	35.40	3433 80
	TOTAL		\$17230 04
<u>MINUS:</u>			
300 gallons purple diesel	300	.515	154 50
50 gallons purple gas	50	.524	26 20
100 lbs. propane	100	15.00	15 00
	TOTAL		\$195 70
TOTAL \$			17034 34

CORE DRILLING
 SURFACE AND UNDERGROUND

MINE AND EXPLORATION DRILLING
 DAM AND FOUNDATION TESTING



WESCORE DRILLING LTD.

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

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

AGREEMENT ENTERED INTO THIS 1 st DAY OF AUGUST, 1976.

BETWEEN:

R. H. Standfield,
Suite 260,
355 - 4th Ave. S. W.,
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 consideration 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:

1. 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 associated equipment, industrial diamonds and labour, to complete the work specified by the Company at the following rates for drilling in bedrock, for holes of a depth up to Three Thousand (3,000) feet.

DRILLING RATES:

3. Footage Charges:
BQ

0 - 500 feet	\$10.80 per foot
500 - 1000 feet	11.90 per foot
1000 - 1500 feet	12.90 per foot
1500 - 2000 feet	13.90 per foot
2000 - 2500 feet	14.90 per foot
2500 - 3000 feet	15.90 per foot
3000 - 3500 feet	17.50 per foot
3500 - 4500 feet	20.00 per foot

NQ

0 - 500 feet	\$12.00 per foot
500 - 1000 feet	13.15 per foot
1000 - 1500 feet	14.15 per foot
1500 - 2000 feet	15.25 per foot
2000 - 2500 feet	16.40 per foot
2500 - 3000 feet	17.50 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 \$ 13.75 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:

4. It is agreed that Field Cost shall be interpreted here and hereinafter to mean all labour, at the rate of Ten dollars and seventy cents (\$10.70) per man hour; pipe and casing lost or left in holes; diamond loss; materials and supplies consumed in work; machine and equipment rental, Fourteen Dollars (\$14.00) per hour.

CAVES:

5. In the event that cavities or loose and caving materials are encountered of a nature as to prevent the successful completion of any holes, 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 the hole on the instructions of the Company's Engineer, the Company agrees to pay the Contractor for such pipe or casing at prevailing 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:

7. The Contractor 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.

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 objectionable 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

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:

- 14. During the course of the work, the Contractor shall at all times keep the Company's premises free from accumulation 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.

MATERIALS:

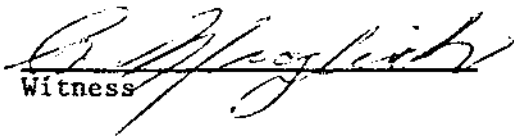
- 15. Any mud, cement, chemicals and soluble oils will be charged at cost plus 10%.

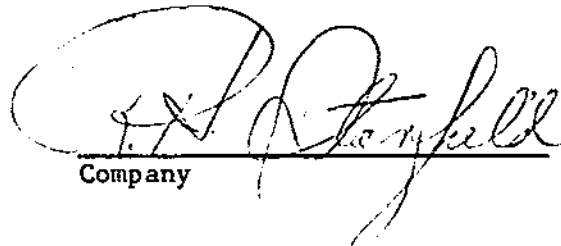
CAMP:

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

PAYMENT OF WORK:

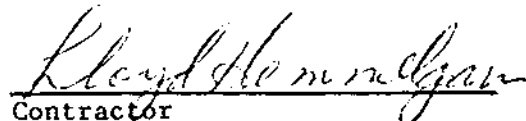
- 17. The Company agrees to pay the Contractor, in Canadian funds, the above prices. Invoices will be submitted twice monthly. The Company agrees to pay the above mentioned Invoices within Seven (7) days of the date account rendered. The Contractor will not be liable for minimum footages or any other terms of this agreement until payment is received for any outstanding invoices.
- 18. This agreement may be altered only by written consent of both parties hereto.
- 19. Time is of the essence in this Agreement.


Witness


Company

WESCORE DRILLING LIMITED


Witness


Contractor

Allen Geological Engineering Limited

601-325 HOWE STREET, VANCOUVER 1, B.C.

Office 682-0747 Residence 942-0227

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

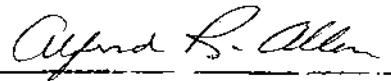
MASc Geological Engineering 1941

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.



ALFRED R. ALLEN