

REPORT ON PERCUSSION DRILLING PROGRAM  
ON "A" CLAIM

OMINECA MINING DIVISION

CAPOOSE LAKE AREA

125° 13' - 53° 175'  
N.T.S. 93F 6E

OWNER AND OPERATOR:

GRÄNGES EXPLORATION AKTIEBOLAG  
1060 - 1055 West Hastings Street,  
Vancouver, British Columbia  
V6E 2E9

Dated at Vancouver, B.C.  
June 27, 1978

By:  
H.H. Shear (P. Eng.)

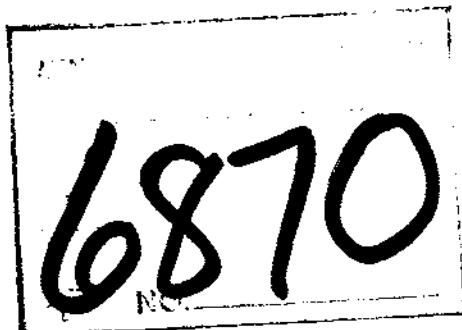


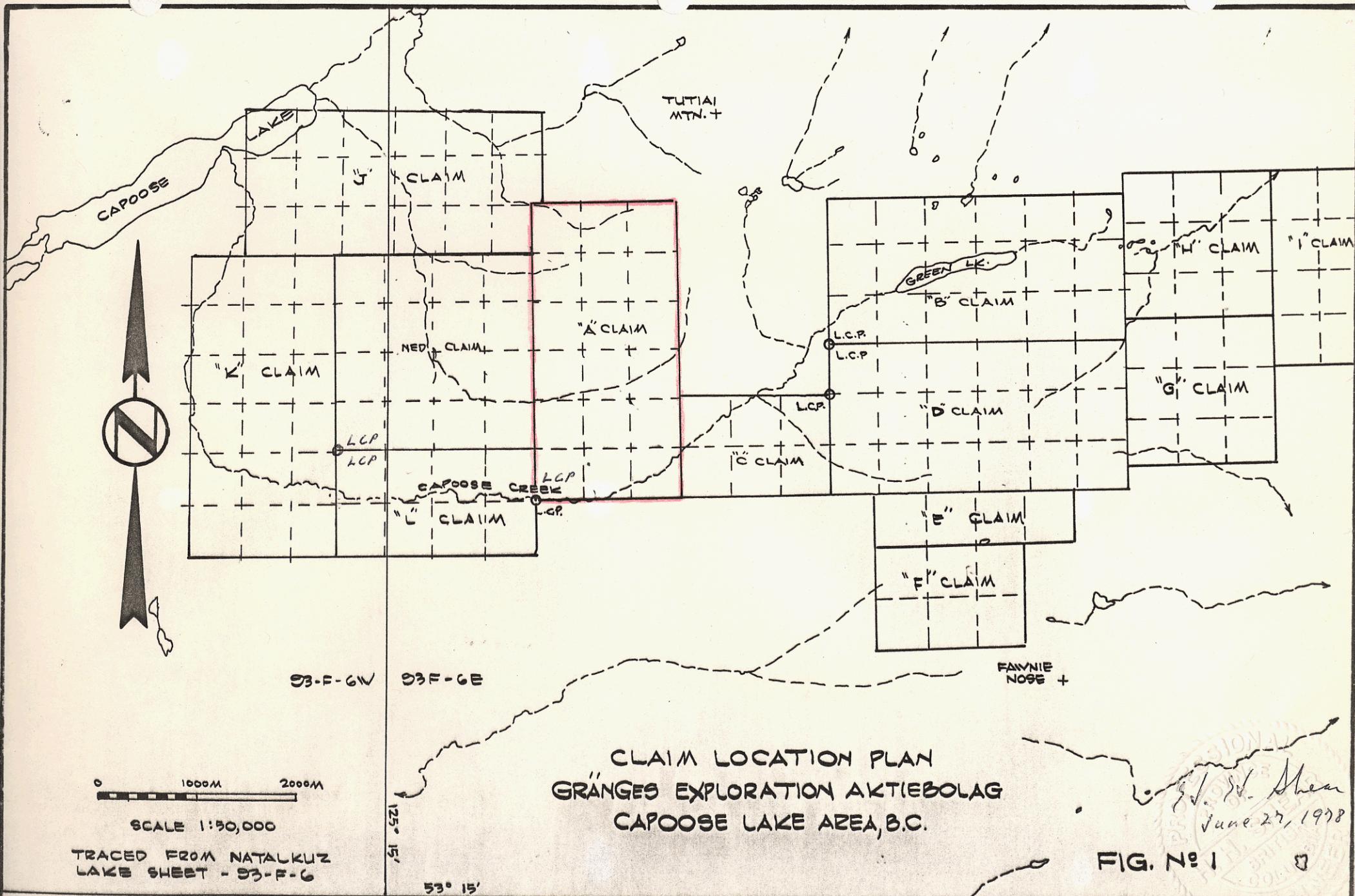
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ENCLOSURES

(Located at the back of the Report)

Percussion Drilling and Magnetometer &  
Geological Survey on the "A" Claim (figure 2)  
Scale 1:5000



## INTRODUCTION

The "A" Claim is located 467 km north northwest of Vancouver, B.C., and 115 Km southwest of Vanderhoof, B.C. It lies along the western edge of the Fawnie Range and is centered approximately 4 km southeast of the eastern end of Capoose Lake. Slopes are moderate but gradually get steeper towards the northeast corner of the claim which lies above timberline near Tutiai Mountain. Elevations range from 1295 meters along the western boundary to 1610 meters at the northeast corner.

Access to the "A" Claim was provided by a winter tractor road, the Capoose Lake Road, completed in March 1978. This road is currently being up-graded to accommodate 4 wheel drive vehicles. Access is from Vanderhoof via the Plateau Mills' Kluskus-Ootsa logging road. Granges' Capoose Lake road leaves the Kluskas-Ootsa road at kilometer 142.3, trends westerly several kilometers through a pass in the Fawnie Range and then proceeds northerly to the claim block. The "A" Claim is 20 kilometers from the Kluskus-Ootsa road via the Capoose road.

The "A" Claim consists of 18 units staked 6 units north and 3 units east from the legal corner post. The claim was located in September, 1975, for Granges Exploration Akteibolag, who is the owner and operator. During the 1976 season a geochemical soil survey for copper, molybdenum and silver was completed over the entire claim with sample collection on a 100 x 100 meter grid. Anomalous values in copper were disclosed. In addition, an I.P. survey was completed which disclosed several anomalous areas. No outcrops occur within the areas of interest. No work was done on the "A" Claim in 1977.

From March 31st through to April 3rd, 1978, seven percussion drill holes totalling 396.24 meters were completed on the "A" Claim. Hole diameter was two inches.

DESCRIPTION OF RESULTS

The purpose of the percussion drilling program was to determine if significant mineralization was causing the anomalies mentioned above. Appendix A contains the logs and drill records (assays) of the individual holes. The location of the holes relative to claim boundaries are shown on Figure 2, enclosed in the back of this report.

Holes 17 to 21 encountered biotite quartz diorite belonging to the Capoose Batholith. Holes 22 and 23 intersected highly pyritized rhyolitic tuff belonging to the Takla Group. Thus, the contact between the Capoose Batholith and Takla Group occurs between holes 21 and 22.

Assay results were totally negative. The best 3 meter section of MoS<sub>2</sub> assayed 0.005% and that for copper, 0.02%. The assaying was done by Acme Analytical Laboratories, Burnaby, B.C.

No further work on the "A" Claim is warranted at this time.

STATEMENT OF COSTS:

Labour: March 31st to April 3rd, 1978 (4 days)

H. Shear	4 x \$84.34/day.....	\$ 337.36
D. Pasco	1 x \$82.01/day.....	82.01
	3 x \$78.73/day.....	236.19
T. Kleman	1 x \$69.93/day.....	68.93
	3 x \$65.75/day.....	<u>197.25</u>

\$921.74

Percussion Drillint Contract (L. Spence  
Enterprises and Percussion Drilling, Ltd.)

1300 feet x \$2.95/foot.....\$	3835.00
J.D. 450 rental $\frac{4}{31} \times \$1500.00/$ month. ....	193.55
	\$ 4,028.55

Groceries: (Total costs for 32 day period)

\$1102.68 x $\frac{4}{32}$ .....\$	137.83
	\$ 137.83

Accommodation:

Atco Trailer rental - \$706.20/month x $\frac{4}{31}$ .....\$	91.12
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3 kw Generator rental - \$180.00/month x $\frac{4}{31}$ .....	23.23
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Propane (\$68.00 for 32 days) \$68.00 x $\frac{4}{32}$ .....	8.50
	\$ 122.85

Transportation:

Chev 4x4 lease to purchase \$238.61/month x $\frac{4}{31}$ .....\$	30.79
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Gasoline (costs for 32 day period) \$148.60 x $\frac{4}{32}$ .....	18.56
	\$ 49.93

Assays (Acme Analytical Laboratories Ltd.)

Cu and Mo - 121 samples x \$7.75...\$	937.75
	\$ 937.75

Sample Preparation and Handling

Sample Preparation Shack (used for 6305 feet of drilling) \$290.45 x $\frac{1300}{6305}$ .....\$	59.89
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Drying oven and sample pans (used for 5420 feet of drilling) \$355.42 x $\frac{1300}{5420}$ .....	85.25
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Plastic bags and vials \$451.63 x $\frac{121}{1000}$ .....	54.64
	\$ 199.78

Miscellaneous supplies

\$54.17 x 1300.....\$ 11.17 \$ 11.17  
6305

TOTAL EXPENDITURE FOR "A" CLAIM.....\$ 6.409.02

Respectfully submitted,

SV SV Shear  
June 27, 1978

H.H. Shear, (P. Eng.)

STATEMENT OF QUALIFICATIONS

Name: Henry Herbert Shear

Profession: Exploration Geologist

Education: B. Sc. -- Geological Engineering (1959);  
B. Sc. -- Mining Engineering (1960), both  
from University of Arizona

Professional  
Associations: Member of the Association of Professional  
Engineers of British Columbia

Member of The Canadian Institute of Mining  
and Metallurgy

Experience: 4 years -- Field Geologist with various companies  
in British Columbia

1 year -- Exploration Manager for General  
Resources Ltd. in Australia

7 years -- Consulting Geologist and Project  
Manager including 4 years with  
Quintana Mineral Corp.

1 year -- Project Geologist with Giant Mascot  
Mines, Ltd.

May, 1976, to present -- Project Geologist with  
Granges Exploration AB

H. H. Shear  
June 27, 1998

APPENDIX A



**GRANGES EXPLORATION AB**  
**CANADIAN DIVISION**  
**DIAMOND DRILL LOG**  
*Percussion*

Property ... Cape Rose ... Project No. 70113 ... Depth ... 200' + 60.96m Date Began ... Mar. 31, 1973 ...  
Hole No. ... P.7.3-17 ... Co ord. ... 75 ... Horizontal Length ... 0 ... Date Completed Mar. 31, 1973 ...  
Sheet No. ... 1 ... Direction ... - ... Drilled By ... Spence Drilling ...  
Claim No. ... "A" claim ... Elevation ... Angle ... Vertical ... Logged By ... H. Shear ...

FOOTAGE	DESCRIPTION	ALTERATION		E.V. ✓ REC'D CALC'D.
		FROM	TO	
0-20	Casing; bedrock at $\approx$ 18'			
20-200	Biotite quartz diorite  minor: mag., chl., ser.(musc?), br. bio., cal. Trace: py  tr. ab.: 90-100  No values expected			



**GRANGES EXPLORATION AB**  
**CANADIAN DIVISION**  
**DIAMOND DRILL RECORD**  
*Percussion*

Property ... Cape Rose ... Project No. 70113 ... Depth ... 200' - 60.96 m. Date Began ... Mar. 31, 1978 ...  
Hole No. ... P-78-17 ... Co ord. ... 7.5 ... Horizontal Length ... 0 ... Date Completed Mar. 31, 1978 ...  
Sheet No. ... 1 ... 6E ... Direction ... - ... Drilled By. Spence Drilling  
Claim No. ... "A" claim ... Elevation ... Angle ... vertical ... Logged By. H. Shear ...



**GRANGES EXPLORATION AB**  
**CANADIAN DIVISION**  
**DIAMOND DRILL LOG**  
*percussion*



**GRÄNGES EXPLORATION AB**  
**CANADIAN DIVISION**  
**DIAMOND DRILL RECORD**  
*Percussion*

Property ... Camp 95E ..... Project No. 70113 ..... Depth .. 150' - 45.72 m. Date Began .. Mar. 31, 1978 ..  
Hole No. .... P78-18 ..... Co ord. .... 9.5 ..... Horizontal Length .... 0 ..... Date Completed Mar. 31, 1978 ..  
Sheet No. .... 1 ..... 5+25E ..... Direction ..... - ..... Drilled By .. Spence Drilling.  
Claim No. .... "A" claim ..... Elevation ..... Angle .. vertical ..... Logged By. .... H. Shear.



**GRANGES EXPLORATION AB**  
**CANADIAN DIVISION**  
**DIAMOND DRILL LOG**  
*Percussion*

Property ... C.R.P.0054..... Project No. 70113... Depth ... 200' - 60,96m Date Began . MAR. 31, 1928...  
Hole No. ... P.78-19..... Co ord. .... 3 + 605..... Horizontal Length ..... 0..... Date Completed .. Apr. 1, 1928...  
Sheet No. .... 1 ..... 9E ..... Direction ..... - ..... Drilled By.. SPEAR DRILLING...  
Claim No. .... "A" ..... Elevation ..... Angle ..... vertical ..... Logged By. .... H. S. Bear....



**GRÄNGES EXPLORATION AB**  
**CANADIAN DIVISION**  
**DIAMOND DRILL RECORD**  
*Percussion*

Property . Copper..... Project No.. 70113 .. Depth .. 200' - 60.96 .. Date Began . Mar. 31, 1978  
Hole No. . P78-19 .. Co ord. .... 3 + 605 .. Horizontal Length .. 0 .. Date Completed . Apr. 1, 1978  
Sheet No. .... ! ..... 9E ..... Direction .. - .. Drilled By. Spence Drilling  
Claim No. .... "A" .. Elevation .. Angle .. vertical .. Logged By. H. Shear



**GRANGES EXPLORATION AB**  
**CANADIAN DIVISION**  
**DIAMOND DRILL LOG**  
*Percussion*

Property ... Cappoose ..... Project No. ... 70113 ..... Depth ... 200' - 60.96m Date Began ... Apr. 1, 1973 .....  
Hole No. ... P78-20 ..... Co ord. .... 2.5 ..... Horizontal Length ... 0 ..... Date Completed Apr. 1, 1973 .....  
Sheet No. .... 1 ..... 97.75E ..... Direction ..... - ..... Drilled By.. Spence Drilling ..  
Claim No. .... "A" ..... Elevation ..... Angle ..... Vertical ..... Logged By. .... H. Shear ..



**GRANGES EXPLORATION AB**  
**CANADIAN DIVISION**  
**DIAMOND DRILL RECORD**  
*Percussion*

Property ... Capoose ..... Project No... 70113 ..... Depth ... 200' - 60.98 m. Date Began ... April, 1938  
 Hole No. ... P78-29 ..... Co ord. .... 2.5 ..... Horizontal Length ... 9 ..... Date Completed ... Apr. 1, 1938  
 Sheet No. .... 1 ..... 9 + 75E ..... Direction ... - ..... Drilled By ... Spence Drilling  
 Claim No. .... "A" ..... Elevation ..... Angle ... vertical ..... Logged By ... H. Shear



**GRANGES EXPLORATION AB**  
**CANADIAN DIVISION**  
**DIAMOND DRILL LOG**  
*Percussion*

Property ... Capoose ..... Project No... 70113 ... Depth ... 150' - 45.72m. Date Began .. Apr. 1., 1978 ...  
Hole No. ... P.78-21 ..... Co ord. ... 11.25 S ..... Horizontal Length ... 0 ..... Date Completed Apr. 2., 1978 ...  
Sheet No. .... 1 ..... 11.450 E ..... Direction ..... Drilled By. Spence Drilling.  
Claim No. .... "A" ..... Elevation ..... Angle ..... Vertical ..... Logged By. H. Sheppard.



**GRÄNGES EXPLORATION AB**  
CANADIAN DIVISION  
**DIAMOND DRILL RECORD**  
*Percussion*

Property ... Copeose ..... Project No. 70113 ..... Depth ... 150' = 45.72 m. Date Began ... Apr. 1, 1978 .....  
 Hole No. ... P.7.8-21 ..... Co ord. ... 1+255 ..... Horizontal Length ... 0 ..... Date Completed ... Apr. 2, 1978 .....  
 Sheet No. ... 1 ..... 11 + 50 E ..... Direction ... - ..... Drilled By ... Spence Drilling .....  
 Claim No. ... "A" ..... Elevation ... ..... Angle ... Vertical ..... Logged By ... H. Shear .....



## GRANGES EXPLORATION AB

CANADIAN DIVISION

## ~~DIAMOND DRILL LOG~~

## Percussion

Property ... Coproc. S.C. ..... Project No. ... 70113 ..... Depth ... 200' - 60.96 m. Date Began. Apr. 2, 1978 .....  
Hole No. ... P.78-22 ..... Co ord. .... 1.5 ..... Horizontal Length ..... 9 ..... Date Completed Apr. 2, 1978 .....  
Sheet No. .... 1 ..... 13 + 25 E ..... Direction ..... - ..... Drilled By. Spacco Drilling .....  
Claim No. .... "A" ..... Elevation ..... Angle ..... vertical ..... Logged By. .... H. Shaeff .....



**GRANGES EXPLORATION AB  
CANADIAN DIVISION**

**DIAMOND DRILL RECORD**

*Percussion*

Property ... Cap. 0046 ..... Project No. 7.0113 ..... Depth .. 200' - 6.0.26.m. Date Began .. Apr. 2, 1978.....  
Hole No. .... P78-22 ..... Co ord. .... 1.5 ..... Horizontal Length ..... 0 ..... Date Completed .. Apr. 2, 1978.....  
Sheet No. .... 1 ..... 13 + 25.E. Direction ..... — ..... Drilled By.. Specia. Drilling.....  
Claim No. .... "A" ..... Elevation ..... Angle ..... Vertical ..... Logged By. .... H. Shear.....



**GRANGES EXPLORATION AB**  
**CANADIAN DIVISION**  
**DIAMOND DRILL LOG**

Property ... C. & P. G. & E. .... Project No. 70113 ... Depth ... 200' - 60.96 m Date Began ... Apr. 3, 1978  
 Hole No. ... P.72-23 ... Co ord. ... 0 + 505 ... Horizontal Length ... 0 ... Date Completed Apr. 3, 1978  
 Sheet No. ... 1 ... 14 + 50 E ... Direction ... - ... Drilled By ... Spence Drilling  
 Claim No. ... "A" ... Elevation ... Angle ... Vertical ... Logged By ... H. Shear



**GRANGES EXPLORATION AB  
CANADIAN DIVISION**

**DIAMOND DRILL RECORD**

*Percussion*

Property ... Capoose ..... Project No., 70113 ... Depth ... 200' - 60.96 m. Date Began, Apr. 2, 1978  
Hole No. ... P7.8-2.3 ..... Co ord. .... 01.505 ... Horizontal Length ... 0 ..... Date Completed, Apr. 3, 1978  
Sheet No. .... 1 ..... 14150E ... Direction ..... - ..... Drilled By, Spence Drilling  
Claim No. .... "A" ..... Elevation ..... Angle ..... vertical ..... Logged By, H. Shear



**GRANGES EXPLORATION AB**  
**CANADIAN DIVISION**  
**DIAMOND DRILL LOG**  
*Percussion*

Property . . . C. & P. G. S. . . . . Project No. . . 70113 . . . Depth . . . 200' - 60.96 m Date Began . . . Apr. 2, 1978 . . .  
 Hole No. . . . P.73-23 . . . . . Co ord. . . . 0 + 505 . . . . Horizontal Length . . . 0 . . . . Date Completed Apr. 3, 1978 . . .  
 Sheet No. . . . 1 . . . . . 14T 50E . . . Direction . . . . . Drilled By . . . Spence Drilling . . .  
 Claim No. . . . "A" . . . . . Elevation . . . . . Angle . . . Vertical . . . . Logged By . . . H. Shager . . .



**GRANGES EXPLORATION AB**  
CANADIAN DIVISION  
**DIAMOND DRILL RECORD**  
*Percussion*

Property ... Gap 005.C. .... Project No. 70113. .... Depth ... 200' - 60.96 m. Date Began. Apr. 21, 1978.  
Hole No. ... P78-23. .... Co ord. ... 04505. .... Horizontal Length ... 0. .... Date Completed. Apr. 31, 1978.  
Sheet No. ... 1. .... 14450E. .... Direction. .... - .... Drilled By. Spence Drilling  
Claim No. ... "A". .... Elevation. .... Angle. .... vertical. .... Logged By. H. Shear

