

Drilling Report on GENIE #1 Mineral Claim

Greenwood Mining Division

N.T.S. 82E/9W
Cord. 49° 33' 20" N
 118° 21' 30" W

Owner: E. V. McDougall
Grand Forks, B. C.

Operator: Falconbridge Nickel Mines Ltd.
700 - 1112 West Pender Street
Vancouver, B. C. V6E 2S1



July 8, 1979

J. Wilson

J. J. McDougall

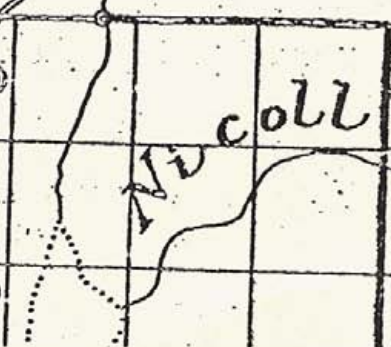
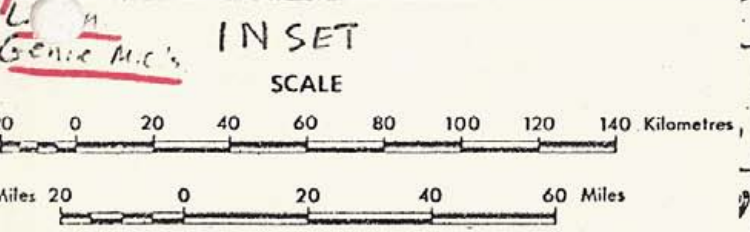
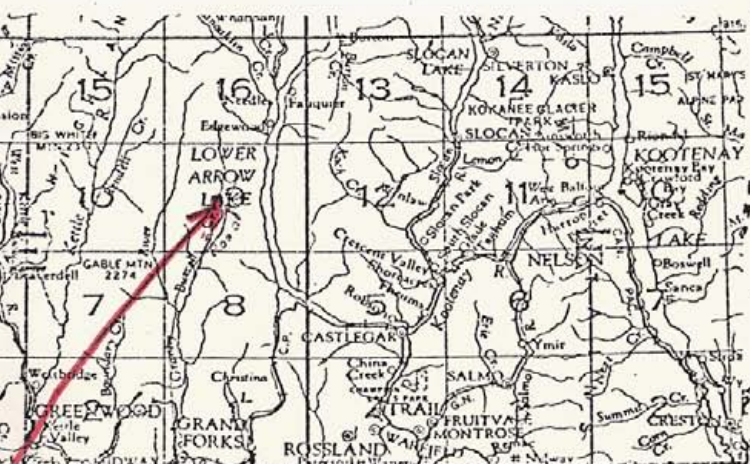
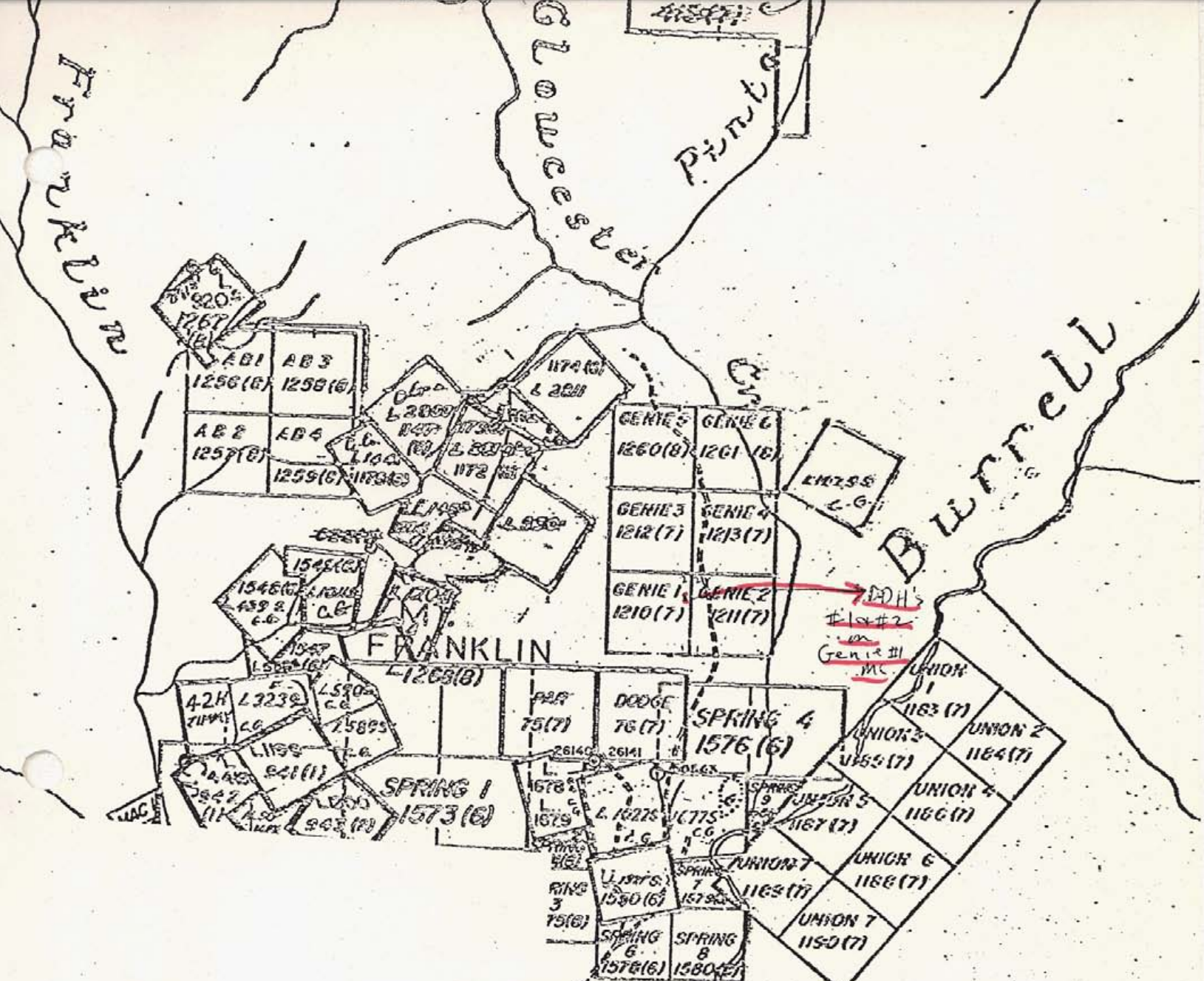
Falconbridge Nickel Mines Ltd.

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INTRODUCTION

The property is located about 3/4 mile north of the abandoned Union Mine gold camp in a region of slightly radioactive Eocene (?) rhyolites and arkosic sediments well described in G.S.C. Memoir #56.

The purpose of the EX "Packsack" diamond drilling was to test for uranium and gold. One hole (#1) was abandoned due to bad ground and excessive diamond wear and another hole (#2) was drilled from the same location returning adequate core for evaluation. Core was all used in assaying. 40 feet of drilling (14 m.) was done in 2 holes.



DRILLING REPORT

ON

GENIE #1 M.C.

FRANKLIN CAMP, B. C.

PROPERTY Genie #1 M.C.

HOLE NUMBER F.1

SHEET NUMBER 1

SECTION FROM TO

DIAMOND DRILL RECORD

LOCATION: LAT 49° 33' 20" N
 DEP 118° 21' 30" W
 ELEVATION OF COLLAR 3000' (10' above road)
 DATUM NTS 82E-9 W
 BEARING
 DIRECTION AT START: DIP -90°

STARTED October 20, 1978

COMPLETED October 29, 1978

ULTIMATE DEPTH 10'

PROPOSED DEPTH 30+

| DEPTH FEET | FORMATION | FROM | TO | WIDTH OF SAMPLE | Au | Scint. | | |
|------------|--|--------|----|-----------------|----|--------|--|--|
| 0 | Bedrock -- Flat lying arkosic Sandstone, - thin bedded, radioactivity 3X background - age is Eocene or Miocene consisting of reworked Eocene rhyolites, etc. Difficult Drilling. | | | | | | | |
| 0 - 10 | Thin bedded (¼ - ½") lite gray to brown arkosic sandstone -- medium to coarse grained - occasional thin mudstone layer - well parted core. Bedding @ 05° to 10° to core. Very difficult drilling. Hole abandoned at 10.0' due to broken ground, diamond wear. | 0 - 10 | | 10 | -- | N.D. | | |
| | Driller - K. H. Christensen and J. Wilson Logged by J. Wilson, Geologist EX = 1" Diameter CR - 15° | | | | | | | |
| | <i>James J. Regall R. Eng. for J. Wilson, Geol.</i> | | | | | | | |

PROPERTY Genie #1 M.C.

HOLE NUMBER F 2

SHEET NUMBER 1

SECTION FROM 0 TO 30

DIAMOND DRILL RECORD

LOCATION: LAT. 49° 33' 20" N
 DEP. 118° 21' 30" W (Hole 2'W of DDH #F2)

STARTED October 20, 1978

ELEVATION OF COLLAR 3000' (10' above road)

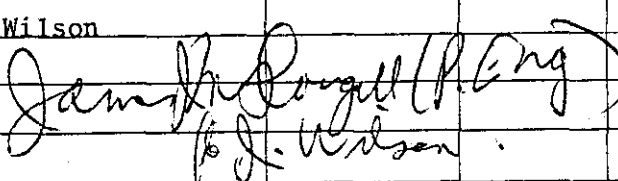
COMPLETED October 22, 1978

DATUM NTS 82E-9-W

ULTIMATE DEPTH 30.0 feet

DIRECTION AT START: BEARING _____
 DIP -90

PROPOSED DEPTH _____
 EX drill core. Core assayed in total

| DEPTH FEET | FORMATION | FROM | TO | WIDTH OF SAMPLE | Au (ppb) | Scint. |
|--|---|---------|----|-----------------|----------|--------------|
| 0 | Bedrock -- Flat lying arkosic Sandstone, - thin bedded, radioactivity 3X background - age is Eocene or Miocene consisting of reworked Eocene rhyolites, etc. Difficult drilling | | | | | |
| 0 - 15 | Thin bedded (1/4 - 1/2") lite gray to brown arkosic sandstone -- medium to coarse grained - occasional thin mudstone layer | 0 - 5 | | 5.0' | 15 | Not detected |
| | - well parted core. Bedding @ 05° to 10° to core. More massive than 0 - 15'. | 5 - 10 | | 5.0' | 5 | N.D. |
| | | 10 - 15 | | 5.0' | 5 | N.D. |
| 15 - 30 | Coarse grained arkose with thin mudstone layers @ 03° to 10° to core - 17' - 30' traces of pyrite. | 15 - 20 | | 5.0' | <5 | N.D. |
| | | 20 - 25 | | 5.0' | 10 | N.D. |
| | | 25 - 30 | | 5.0' | 10 | N.D. |
| END OF HOLE | | | | | | |
| Logged by J. Wilson, Geologist | | | | | | |
| Core Recovery - 98% | | | | | | |
| Driller - K. H. Christensen and John Wilson | | | | | | |
| Supervisor - J. J. McDougall P. Eng. | | | | | | |
|  | | | | | | |

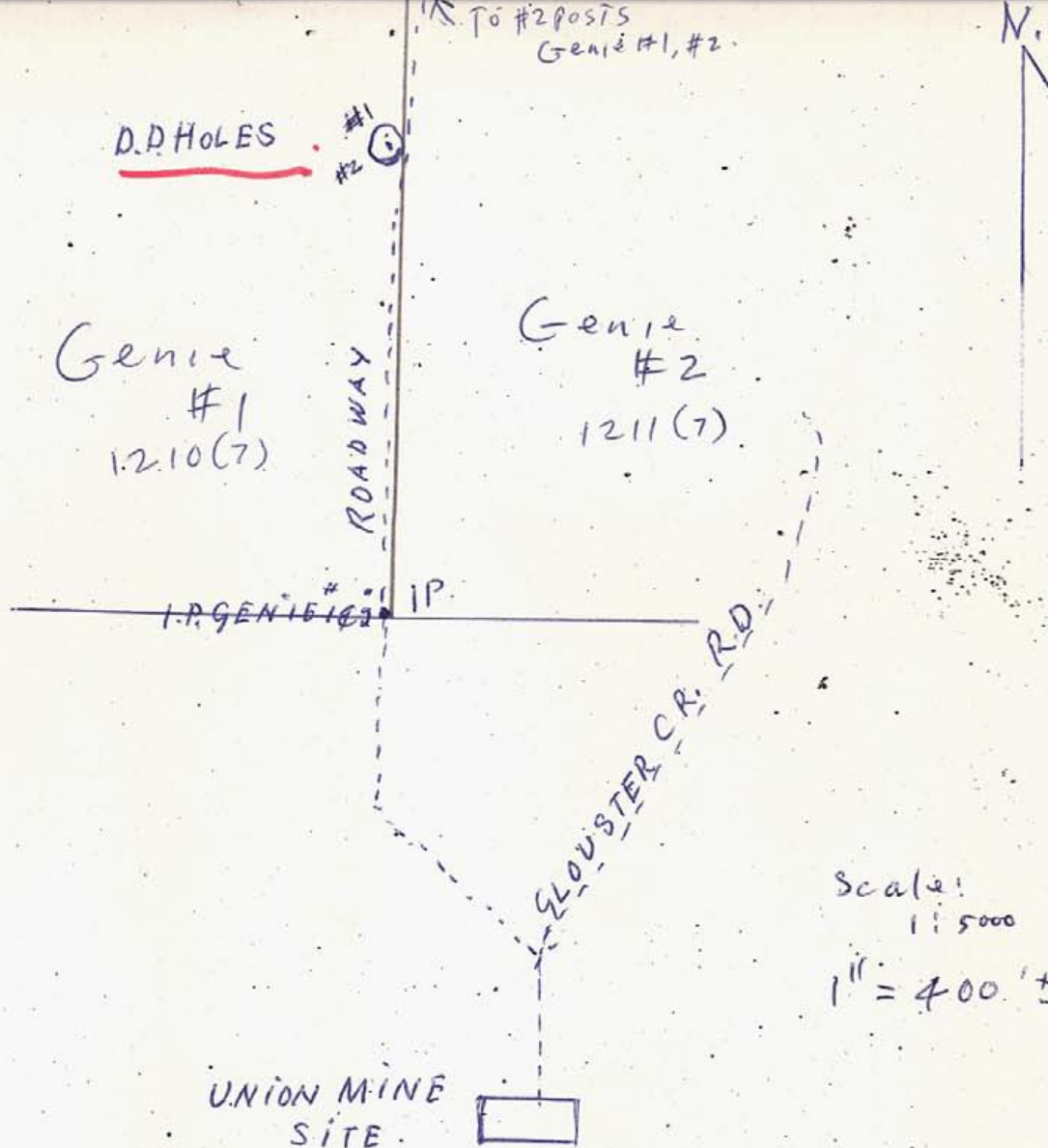
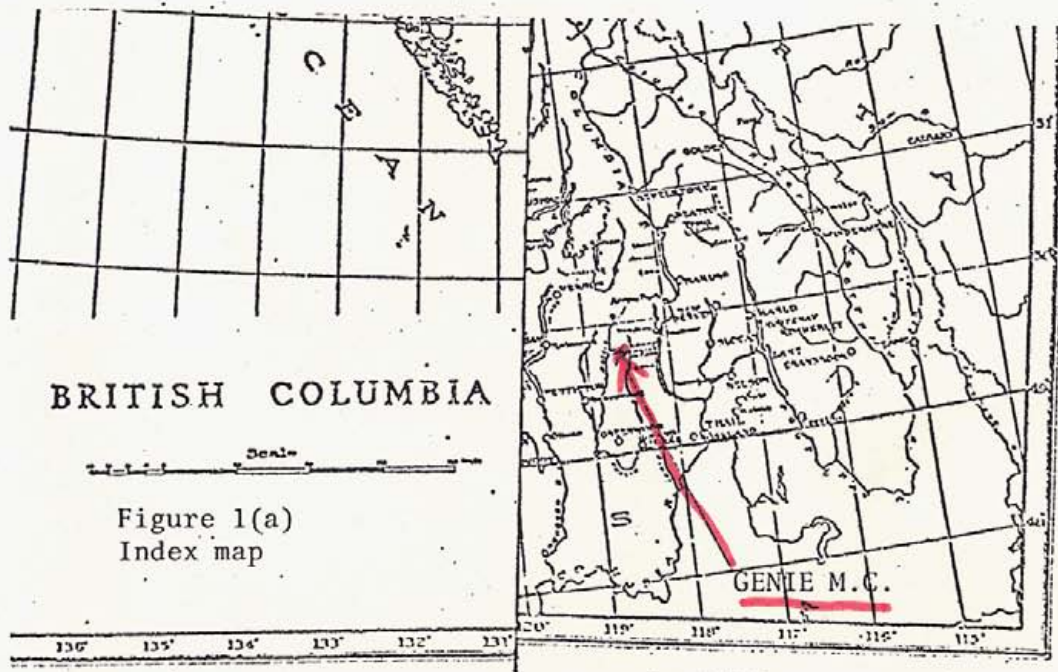


FIGURE 1/79 Location of Drill holes on GENIE M.C.



STATEMENT OF COSTS

Drilling

| | |
|---|----------|
| 1 driller (K. H. Christensen) | |
| 3 days (October 20 - 22) @ \$60/day | \$180.00 |
| 1 Geologist Helper (J. Wilson) | |
| 3 days @ \$55/day | 165.00 |
| Plus 2 days travelling Vancouver return | |
| 2 X \$60 | 120.00 |
| 2 X \$55 | 110.00 |
| Food and Accomodation - 10 man days | |
| @ \$25/day | 250.00 |

Transportation

| | |
|--|--------|
| Grand Forks - Genie return (2 trips) (200 miles) | |
| Vancouver - Grand Forks (700 miles return) 4X4 | 250.00 |
| Drill equipment Costs - bits, packsack and drill | |
| (in lieu of rental), gas, repairs in excess of | 300.00 |
| (Plus Supervision, Report Prep., etc.) | <hr/> |

| | |
|-------|------------|
| TOTAL | \$1,375.00 |
|-------|------------|