DRILLING REPORT DDH 147/150 INCLUSIVE

YORKE-HARDY PROPERTY

OMENICA MINING DIVISION

93L/14W

Lat 54°49' Long 127°18'

Climax Molybdenum Corp. of B.C. Ltd. Box 696 Smithers, B.C.

August 30, 1979

D.A. Davidson M.A.Sc. P.Eng. Project Supervisor

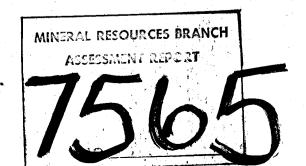


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- Mixed zone of porphyritic granodiorite and stoped volcanic blocks. Felspar phenocrysts in the granodiorite range in size to 3mm forming up to 4% of the rock. Groundmass grain size is 0.5 1mm with 5% chlorite. Mafic volcanic blocks are equigranular plagioclase and hornblende, often altered to chlorite clots to 1cm size of garnet, epidote, chlorite, magnetite and sericite form 5 10% of the rock. Halos of felspar and phyllic envelope veins. Veins include quartz + molybdenite, magnetite and pyrite.
- 110 170 Granodicrite Grey and equigranular, with 10% mafics.

 Much phyllic alteration envelopes quartz, magnetite
 and molybdenite veins.
- 170 200 Mixed zone (as 0 110)
- 200 285 Zone of pervasive alteration has obliterated primary minerals with resulting loss of texture. Veins of quartz. molybdenite and scheelite in secondary K-felspar, sericite, quartz, plagiculase and pyrite.
- 285 416 Mottled grey, green and pink granodiorite. 2 mm felspar phenocrysts up to 5% of the rock, in quartz felspar chlorite (5 10%) groundmass, with 0.75 grain size. Clots to 3 cm of garnet, epidote, chlorite, magnetite and sericite. Bleach and pink colored felspar and grey to green phyllic halos envelope quartz, magnetite, molybdenite, chalcopyrite and scheelite.

- Mixed zone of normal granodiorite and stoped volcanic blocks. Ratio 2:1 Granodiorite is mottled green and grey with up to 20% mafic minerals and is locally porphyritic. 2mm buff. subhedral felspar laths may form 5% of the rock. Volcanic blocks are black, fine grained and equigranular. Development of chlorite + magnetite + sericite spots or clots of alteration to 1 cm width. Veining includes narrow magnetite veins forming a stockwork and rare quartz molybdenite veins.
- 44 53 Quartz + molybdenite vein
- Granodicrite as above, here clots of garnet and epidote have replaced 10% of the primary minerals. Zones of pervasive alteration due to intense veining. Good quartz + molybdenite stockwork. Some scheelite veins.
- 190 380 Mixed zone (as 0 44) Good regular quartz + molybdenite veins
- 380 416 Granodiorite (as 53 190) Here molybdenite rare, quartz + scheelite veins and magnetite stockwork occur.
- 416 End of hole.

- Mixed zone of Granodiorite and Mafic Volcanic (?) blocks. Granodiorite is porphyritic with Felspar Phenocrysts to 4mm in a groundmass averaging 1mm. Colour is mottled green and pink. Mafic blocks are dark green to black. Equigranular, rarely Ophitic, and some are Porphyritic. Contact between blocks and Granodiorite is usually sharp, some are brecciated with fragments of Granodiorite generally angular in a mafic matrix. Mineralisation includes magnetite stockwork, narrow Pyrite. Chalcopyrite fracture coatings and Molybdenite + Quartz + Calcite veins to 1 cm width. Garnet, Epidote, Chlorite alteration spots.
- 90 130 Grancdiorite, as above.
- 130 164 Mixed zone of Granodiorite and Mafic blocks, as above, weak mineralisation, pervasive Phyllic alteration.
- Granodiorite as above. Several large Molybdenite veins with Quartz Calcite Gangue. Strong Phyllic alteration. Increased development of secondary K-Felspar as Halos surrounding Quartz Molybdenite. Quartz Scheelite and Quartz Pyrite veins. Mafic mineral content increases to 20%, mainly chlorite. Minor Garnet, Chlorite, Sericite, Epidote spots.
- 400 421 Mixed zone of Granodiorite and Mafic blocks.

CLIMAX MOLYBDENUM CORPORATION OF BRITISH COLUMBIA, LIMITED

P. O. BOX 696 SMITHERS, BRITISH COLUMBIA TELEPHONE: (604) 847-9949

August 30, 1979

Ministry of Energy, Mines and .Petroleum Resources, Victoria, B.C.

Dear Sirs:

This report contains geology logs for DDH 147/150 inclusive, for underground drilling done on our Yorke-Hardy property in the Omenica Mining Division near Smither, B.C. (Lat 54°49', Long. 127°18').

The program consisted of the preparation of drill stations and the drilling of 4 "up-holes" with an aggregate footage of 1729 feet. The work was performed by Canadian Mine Services.

The holes were drilled on Mineral Leases M-82, M-83 and M-85. Surface support for the work operated on Mineral Lease M-81.

Drill core was logged by Dr. D. Atkinson. All core was crushed, and the reject material is stored at the Climax warehouse in Smithers, B.C.

Yours sincerely.

D. Davidson M.A.Sc. P.Eng.

Project Supervisor

DD/bd

- Mixed zone of granodiorite and mafic believed volcanic stoped blocks. Granodiorite is green porphyritic in parts, felspar phenocrysts to 2mm up to 5% of the rock. Mafic blocks are black to dark green and equigranular. Alteration includes clots to 2 cm of garnet rimmed with epidote or chlorite + magnetite + sericite spots to 1 cm. Felspar and phyllic alteration occurs as narrow halos enveloping stockwork fracture of magnetite, chlorite, quartz, molybdenite, pyrite, chalcopyrite and rare scheelite.
- 65 120 Green granodiorite, felspar phenocrysts 2-5 mm form 5% of the rock. Alteration includes clots (as above) and extensive replacement of primary minerals by secondary felspar, sericite, quartz and pyrite with loss of original texture.
- 120 190 Mixed zone (as 0 85) of granodiorite and mafic blocks.
- Dark green granodiorite, up to 25% mafic minerals.

 Porphyritic, felspar phenocrysts 2mm size up to 4% of rock. Alteration includes chlorite, magnetite sericite clots, development of secondary chlorite replacing primary mafic (biotite?) minerals and felspars.

 Much felspar and phyllic alteration has masked primary ignous texture. Veining is intense, vein fillings are quartz, K-felspar, calcite, molybdenite, chlorite, secondary biotite, pyrite, chalcopyrite and magnetite.
- Granodicrite with 2mm felspar phenocrysts up to 5% of rock. Clots of garnet, epidote, chlorite, sericite and magnetite to 2 cm size. Other alteration is silicification and development of secondary felspar (soda felspar) resulting in light coloured rock. Veins are chlorite, pyrite, magnetite, quartz, molybdenite, rare chalcopyrite and scheelite.

DDH	CO-ORDS	ELEV	CORE	INC	BRG
147	17,300N 15,000E	3517	НÕ	~38 °	270°
148	17,300N 15,000E	3517	HQ	+1+0°	90°
149	17,300N 15,000E	3520	НQ	-90°	-
150	17,500N 15,000E	3517	HQ	-45°	270°

EXHIBIT A

Drilling Payments

- A. Total cost of mobilization from point of origin to the portal area and demobilization (one-half paid after move on and one-half when job is complete)......\$5,000.00
- COMPANY shall pay CONTRACTOR the sum of Fiftythree Dollars (\$53.00) per hour plus ten percent (10%), for each hour, or a pro-rata portion thereof for each drilling rig which COMPANY requests be held in readiness to resume drilling pending completion by COMPANY of probing, depth measurements, or surveying of the hole, or pending further instructions from COMPANY. CONTRACTOR shall make no claim for, and COMPANY shall have no duty or obligation to pay CONTRACTOR, standby payments for any time elapsing between the end of any work day or shift and the beginning of the next succeeding work day or shift, or for any time when CONTRACTOR has not been specifically requested by COMPANY to stand by, including any standby or delay resulting from CONTRACTOR's acts, omissions, or neglect or breakdown of CONTRACTOR's equipment, except as to standby time required for the setting of cement and delays caused by other contractors pursuant to Paragraph C of Article XI, Other Contractors, Company Access, and Cooperation, which shall be deemed as standby requested by COMPANY.
- C. Core drilling, per linear foot:

<u>Linear Foot</u>	HQ	<u>NQ</u>	BQ
0 to 500'	\$19.75	\$18.25	\$16.75
500 to 750'.		21.00	19.50
750 to 1,000'		28.00	26.00

- D. Drilling equipment time -- two-man crew and equipment:

 - 2. Installing and pulling casing, per hour...\$57.00 plus 10%

	3.	Reaming (plus CONTRACTOR's third-party invoice cost for bits and all consumables f.o.b. jobsite), per hour\$57.00 plus 10%
	4.	Re-entry and cleaning out old hole (plus CONTRACTOR's third-party invoice cost of all bits and supplies, f.o.b. jobsite), per hour\$57.00 plus 10%
	5.	Hole survey (plus cost, if any, of instrument rental), per hour\$57.00 plus 10%
	6.	Move in from portal and set-up on first borehole, and tear-down of last borehole and move out to portal at job completion, per hour\$53.00 plus 10%
•	7.	Interstation moves, in excess of 20 man-hours, per hour\$53.00 plus 10% No charge for moves within the station.
	8.	Supplies consumed, damaged beyond re-use, or lost in boreholes on which work is progressing on a site-cost basis would be charged at field replacement cost.
	9.	Additional personnel in excess of two- man crew, per man-hour\$17.75 plus 10%
	be ch	ng left in hole at COMPANY's request will narged at replacement cost plus twelve per- (12%).
	will prior	be charged at CONTRACTOR's published liet ion site +10% in the percent (10%) for handling and ion site +10% in the percent (10%).
	her o	charges shall be paid to or billed by CONTRACTOR cior written approval of the COMPANY.
*		2/3/8VN75 TA

GES BRANCH ... REPORT 7565 93L/14W Evelyn Lak Kathly L7901 M 81 Res. Min 500'e 0/c 22 Chic CHIC

FIGURE 1 SCALE 1: 50,000 cr. Elliot באנפה 72740 7234 7272 7275 7278 Schufor L7900 Glac L7904 M 83 HUDSON BA 7902 M 85 L7903 M 82 is wall 1.8 Lasing So SMITHERS SKI CLUB MINERAL RESERVE Charles irsers SMITHER Res.Min. & Placer o/c 277, 30 Jan. 69 0/0 1064, 79-4-5 MINERAL 0/0 106 No Staking 7261

18,500N 25 DDH 160 FIGURE Z DRILL HOLE LOCATIONS 3500 LEVEL 1" = 100 FT. 24 DDH 161, 162 DDH 159, 163, 164 1800011-DDH 156, 157, 158 21 DDH 153,154,155 20 DDH 150,151,152 19 DDH 147, 148, 149