DRILLING REPORT ON THE

GAZA 1 AND JERICHO 1 AND 2 MINERAL CLAIMS

(RECORD NUMBERS 159, 492 AND 161)

HIGHLAND VALLEY, KAMLOOPS MINING DIVISION,

LATITUDE 50° 26' N; LONGITUDE 120° 55' W; NTS 92-I/7W

OWNED BY

GAZA MINES LTD., NEW JERICHO DEVELOPMENT AND TECK CORPORATION

WORK PAID FOR BY

HIGHMONT OPERATING CORPORATION

L. H. C. TSANG

OCTOBER 8, 1980

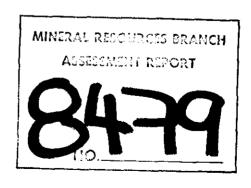


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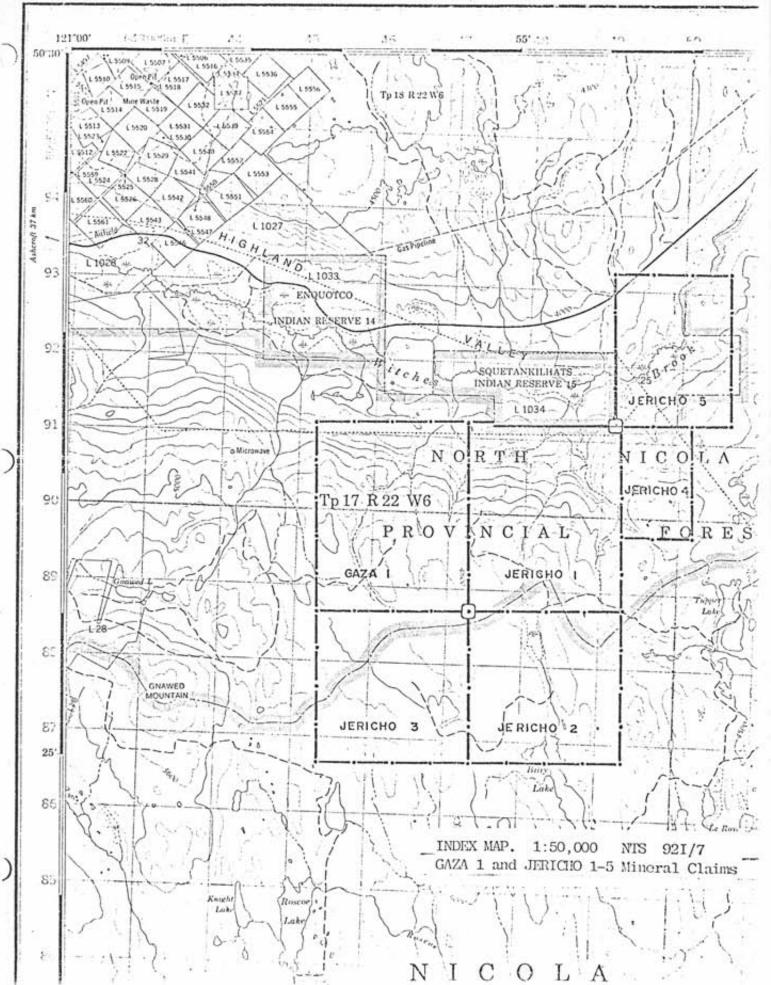
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Introduction

The Gaza and Jericho mineral claims are located in the eastern part of the Highland Valley at elevations from 1150 to 1585 metres above sea level. Access to the claim is by the Ashcroft to Logan Lake paved highway which crosses the northwest corner of the Jericho 5 mineral claim approximately 7 km west of Logan Lake (see index map). The Gaza 1 mineral claim was located by A. J. Reed, agent for Gaza Mines Ltd. on December 12th, 1975. The Jericho 1 mineral claim was located by A. J. Reed, agent for New Jericho Development Corporation on September 8th, 1976. The Jericho 2 mineral claim was located by A. J. Reed, agent for New Jericho Development Corporation on December 12th, 1975. A small bornite-chalcopyrite orebody on the Jericho 1 mineral claim has been explored by percussion drilling, diamond drilling and by two adits indicating reserves of approximately 75,000 tonnes at an average grade of 1.17% copper.

During the period August 6th, 1980 to August 16th, 1980, Highmont paid for the following exploration and development to be done.

- 1) 13.7 metres of 6" diameter rotary drilling on Gaza 1 claim.
- 2) 25.9 metres of 6" diameter rotary drilling on Jericho 1 claim.
- 3) 16.8 metres of 6" diameter rotary drilling on Jericho 2 claim.



Rotary Drilling

56.4 metres of 6" diameter vertical holes were drilled on the Gaza 1 and Jericho 1 and 2 mineral claims to test the character of the bedrock adjacent to the tailings pond area. No significant mineralization was encountered with this program. These holes will be used as monitoring holes of the seepage from the tailings pond.

Statement of Costs

- 1. WAGES FOR HIGHMONT EMPLOYEES.
 - (a) Tsang, Louis H. C. #210 - 1680, Tranquille Road Kamloops, B. C. V2B 3L4

Chief Geologist: \$110.00/day (August 6 - 16)
2 days - total cost \$220.00

(b) Porter, Merlin Post Office Box 144 Savona, B. C. VOK 2J0

> Drilling Supervisor: \$92.00/day (August 6 - 16) 6 days - total cost \$552.00

- 2. FOOD AND ACCOMMODATION FOR DRILLER & HELPER OF A & H CONSTRUCTION LTD.
 - (a) Ian McDonald
 3 days @ \$14./day total cost \$ 42.00
 - (b) Mike McDonald
 3 days @ \$14./day total cost \$ 42.00
- 3. TRANSPORTATION.

Geologist's truck used: \$12.00/day
1 day - total cost \$12.00

Drilling Supervisor's truck used: \$12.00/day
8 days - total cost \$96.00

- 4. SURVEYING COST FOR DRILL HOLES.
 - (a) Nickerson, Gordon
 Box 622
 Logan Lake, B.C. VOK 1WO

Chief Surveyor: \$12.00/hour 1 hour - total cost

\$ 12.00

	(b) Kirkpatrick, Greg 2911 Bank Road Kamloops, B. C. V2B 6Y6	
	Surveyor: \$11.00/hour 6 hours - total cost	\$ 66.00
	(c) Wager, Al General Delivery Logan Lake, B.C. VOK 1WO	
	Surveyor's helper: \$10.00/hour 6 hours - total cost	\$ 60.00
5.	ANALYSIS COST.	
	Highmont Laboratory: 21 samples @ \$10./sample	
	Total Cost	\$ 210.00
6.	DRILL SITE PREPARATION.	
	By the Cat unit of Pooley Construction (Merritt, B. (July 28 - August 11, 1980) 3 days - total cost	<pre>c.) \$3,352.50</pre>
7.	AIR ROTARY DRILLING CONTRACT COSTS.	
	A & H Drillers Ltd. 1681 Salton Road, P.O. Box 38 Abbotsford, B. C. 56.4 metres of drilling - total cost	\$6,827.25
8.	PREPARATION OF REPORT.	
	Total Cost	\$ 500.00
	TOTAL	\$11,991.75

APPORTIONMENT OF COST

1.	ТО	GAZA	1.

 (a) 13.7/56.4 of rotary drilling (item 7) (b) 13.7/56.4 of rotary drilling direct costs (item 1, 2, 3, 5) (c) 1/3 of surveying and site preparation costs (item 4 & 6) (d) 1/3 cost of report preparation (item 8) 	\$1,658.39 \$ 285.17 \$1,163.50 \$ 166.00 \$3,273.06
2. TO JERICHO 1.	
(a) 25.9/56.4 of rotary drilling (item 7)	\$3,135.21
(b) 25.9/56.4 of rotary drilling direct costs (item 1, 2, 3, 5)	\$ 539.13
(c) 1/3 of surveying and site preparation costs (item 4 & 6)	\$1,163.50
(d) 1/3 cost of report preparation (item 8)	\$ 167.00
	\$5,004.84
3. TO JERICHO 2.	
(a) 16.8/56.4 of rotary drilling (item 7)(b) 16.8/56.4 of rotary drilling direct	\$2,033.65
costs (item 1, 2, 3, 5)	\$ 349.70
(c) 1/3 of surveying and site preparation costs (item 4 & 6)	\$1,163.50
(d) 1/3 cost of report preparation (item 8)	\$ 167.00
	\$3,713.85

Author's Certificate

I, Louis Tsang, of the City of Kamloops, British Columbia, do hereby certify that:

- 1. I am a member of the Geological Association of Canada.
- 2. I am a graduate of the University of British Columbia with a B. Sc. degree (1972) in geology and geophysics.
- 3. I have practiced my profession since 1972 while employed by Bacon & Crowhurst Consulting Engineering Ltd. (one summer season), and by Zapata-Granby Corporation, Granisle Division (seven years).
- 4. Present, I am employed by Highmont Operating Corporation Ltd., Post Office Box 300, Logan Lake, B. C.
- 5. I have examined and logged all the cuttings from rotary drill holes S1 to S3 at the Highmont mine site.

Louis H. C. Tsang Chief Geologist of

Highmont Operating Corporation

APPENDIX A: ROTARY DRILL HOLE LOGS

DRILLING RECORD

Hole No.	Sample No.	*Hole Depth	*Collar Elevation	*Remarks
R. D. H S1	1 2 3 4 5 6 7 8 9	12.2 - 13.7 13.7 - 15.2 15.2 - 16.8 16.8 - 18.3 18.3 - 19.8 19.8 - 21.3 21.3 - 22.9 22.9 - 24.4 24.4 - 25.9	1434.69	0/B 0 - 12.2
R. D. H S2	1 2 3 4 5	3.4 - 7.6 7.6 - 9.1 9.1 - 10.7 10.7 - 12.2 12.2 - 13.7	1452.37	0/в 0 - 3.4
R. D. H S3	1 2 3 4 5 6	7.6 - 9.1 9.1 - 10.7 10.7 - 12.2 12.2 - 13.7 13.7 - 15.2 15.2 - 16.8	1454.81	0/в 0 - 7.6

^{*} Units in metres

LEGEND & CODING USED FOR LOGGING CUTTING

Legend

S= <5%	√ mineral present	L lightly altered
A= 5-10%	* mineral significant	M medium alteration
H= >10%	** mineral very significant	I intensely altered

CODING

```
C001.95
 POCKS, Plutonic matte ind.-0, H-1; M/h-2; H-P-3; M/h-4; N-5; galbrn-1; dir/ttr-2.
  nts dinrite-3; granodinrite-4; ets nome-5; granite-6; ayonite-7; ayonodinri----.
 ergillifa-MG
                                  Conel, plut-CP
dacite-DA
Granulite-GA
greenstone-GB
greywacke-GM
                                                                  phyllice-PH
pillow lava-PL
quartaite-OG
                                                                                                 tuff-Til
                                                                                                uncl a matter-un
uncl quoist-IV
uncl me rock-IM
  arkonn-AX
  alaskito-Al.
anglibolito-AM
                                                                  rhynlice-FR
sandstone-SS
                                                                                                 uncl plut rock-UP
uncl sediment-US
uncl ultrahas-UU
  andestte-AN
                                                                  Schiet-SC
  aplite-AP
                                   hornfels-IP
  basait-BA
                                                                                                 uncl volcanic-UV
uncl mignatite-UK
                                                                   ekern-SK
  chert-CH
conglomerate-CO
                                   marble-MA
                                   pegmatite-PG
                                                                   statu-SL
                                                                                              . vole breccia-VB
  Minerales
                                                                                                 rutile-RU
                                                                  leucite-LU
  actinolite-AC
                                   chromite-Ot
                                                                                                 sameSime-SA
scheelito-SC
                                                                   limonite-LI
                                   chrysotile-CR
  andalusite-AN
                                   cordierite-CO
diopside-DI
   apatite-AP
                                                                  maunetite-HA
  Areennpyrite-AS
                                                                  malachite-ML
muscovite-MU
                                                                                                  serpenting-Si
                                                                                                  #111 Imanito-SI
                                   epidote-EP
galena-GL
garnet-GA
  augita-AU
                                                                                                  enhalorite-SL
                                                                  mica(MULBI)-MI
molybdenite-MO
olivine-OL
  ezurite-AZ
                                                                                                  aphene-SP,
staurolite-ST
  barite-BA
  beryl-BE
biotite-BI
                                   glass (vol)-G5
glaucophane-GC
                                                                   opal-OF
orthoclass-NF
                                                                                                  etibnite-SB
                                                                                                 talc-TA
tournaline-TO
                                   graphite-GR
homatite-HE
homeblende-HO
  bornite-80
                                                                  plagioclase-PC
pyrite-PY
  calcite-CA
  chalcedony-CD
chalcecite-CC
                                                                                                  tremnlite-TR
                                   hyperthena-Mr
ilmenite-IL
                                                                   pyramene-PX
  Chalcopyrite-CF
chlorite-CL
                                                                   pyrrhotite-PR
                                                                                                  sircon-ZI
                                                                                                  soisite-70
                                                                   querte-00
                                   kyanite-KY
                                   (rock code above +)
                                                                   Folder
  Mignatites:
                                                                                    (160*-120*)-G
                                                                   gentle.
   stockwork-57
                                                                   open (120 -70) -0
close (10 -70) -0
tight (30 -5) -7
teoclinal (5 -0) -1
   banded queiss-NG
irreq, b, queiss-IG
weined queiss-VG
  banded gneiss-NG symplutonic-SP irreg, b. naciss-NG feldapar porph-FF weined pneiss-VG utr-feld "-QF angular symatite-AA lamprophyre-LA rounded symatite-SA swarm, basalt-SB choleren unciss-NG swarm, rhyolite-SA swarm, sympluton-SS swarm, sympluton-SS
                                    evnplutonic-SP
                                                                  drag (limbs unoqu)
chevron (" equal)
box fold
"H" fold
                                                                                                     -D
                                                                                                     -2
                                                                   flowage (irregul)
1
  Staciation, joints: Grain size:
   qlac.fest.uncl-G
joints, prominent-J
drumlin-D
                                                                   Foliation:
messive -0
faint -F
                                                                                          hmoden -M
nl.het -S
                                    Granitoide
                                        fine -F
medium -M
   erratic-L
esker -K
lake deposit-L
noraine@
                                                                   moderate -H
good -G
excellent-E
                                         COAFFE
                                                        -0
                                                                                          mod het -M
                                         permatitie-P
                                                                                           very "
                                    Other:
                                        aphanitic -A
                                                                    shearing -S
                                         very fine -V
fine -F
modium -M
    nunatak-N
                                                                    uneissic
                                                                   Paults
major-M
    outwash channel-C
   rock clacier-8
    strian-S
                                         coarse
                                                       -C
                                                                   minor-X
                                         very coarse-F
    t111-7
   Veinst
                                                        Inclusions
                                         shape:
rainly ampolar-A
mainly rounded-R
mainly elongate-E
   marts-0
promatite-P
solite-A
                                                                                    type:*
                                                                                        foliated-F
    epidate-C
                                                                                        nebulous-N
                                                                                        porphyroblastic-P
    celcite-C
                                         abundances
    qte atringers-X
unclass vein-U
                                           <1x-0; >1 <5-1; >5 <10-2; >10 <20-2;
>20<30-4; >30<50-5</pre>
```

BOREHOLE CUTTING LOG

1 No.	· ·		Essential Minerals				Secondary minerals QU KF BI MU PY CY CL EP CB						Sist	Mineralization					ion	ion Assay							
Hole	Sample	Feldspar KF PC	QU	Ma B1	HO.	QU	KF	ВІ	MU	PY	су	CL	EP	CE	Inter	Type T	CP	MO	BN	cc	PY	HE		1	10	Cu	Remarks/Oate
-	-1	1011	S			Г			1		1	×		Г	M	Г	Γ		Г			П		T			Date : August 1219
	2	Ye Nen	A	A	5						1	_		1	L									T			partly exidized
	3	White	A	5		1			V		V	Ŕ	x.	1	11		Γ		2					T			
	4	Yelferd til	S		_	/			K		A	*		1	M				2					T			partly exidized
1-5	5	Witz	S	A											L				İ					1			-
5.	6	White	1	A	5				1		x	1			L		Г		T			П	T	T			
27	7	White	4	5							1	*	V	V	M				Г								
	8	White	Ä	6							V	1			L							П					
/	9	White		A	5						V	V			L												
		i																						T	U		
-	./		S	S	5						1	*			M												Oute theywar 12, 1920 Oxidered rock
1	2	White	A	S	5	大					1	£			M								Ĭ,		T		O Maria Com Paris
N	3	White	A	4	5				V		1	1			L		Г										
9	4	White	A	A	S	1					1	*			1.1									1			
L	5	White		A				1			V	1			L												
															Г												
-1	1	White	A	H			2				V				L					?				1			Date: August 22,198
1	2	Wite	A	H							~				L												
77)	3	White Whole	A	A	1					1	1				1										1		
12	4	White	A1	5						V	*				M												
KLE	5	WIL	A	A						力	1				L		Г							T			
(6	White	A	S	1		7			*	六				M				1								
		1																						\top			
		H			1																				1		
		1							8												П	Т	П	\top	7		^
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																									7		

APPENDIX B: ROTARY DRILL HOLE ASSAYS

HICHMONT OPERATING CORPORATION P.O. Box 3000 LOGAN LAKE, B.C.

VOK IWO

Tel: (604) 575-2471

Telex: 048-774

TO:

LOUIS TSANG

CERTIFICATE OF ANALYSIS

DATE: August 22, 1980

NO: 0001

MARK:	Sample No	%Mo	%Cu	:	:
RDH S-1	1	0.004	0.02		
	2	0.003	0.01		-: :
	3	0.001	0.06		
	4	0.001	0.04		
•	5	0.001	0.01]
	6	TR.	0.01		
	7	TR.	0.01		T
	8	TR.	0.01		
	9	0.001	0.01		
RDH S-2	1	0.002	TR.		
	2	0.001	0.01		
	3	0.001	TR.		
	4	0.003	TR.		
	5	0.001	TR.		
RDH S-3	1	0.001	0.04		
	2	0.002	0.02		
	3	0.002	0.02		-
	4	0.002	0.02		
	5	0.003	0.02		
	6	0.002	0.02		

		-			
					_ •

W. TSANG

CHIEF CHEMIST

