

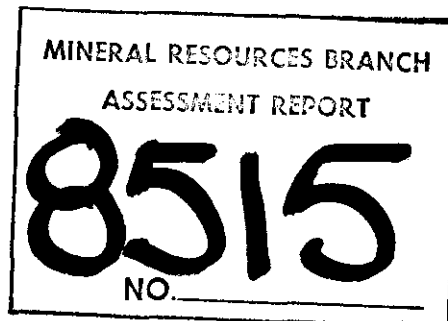


GRÄNGES EXPLORATION AB  
CANADIAN DIVISION

DIAMOND DRILLING REPORT  
ON THE  
D, E, F, M, N, O and P CLAIMS

LOCATED IN THE  
OMINECA MINING DIVISION  
FAWNIE NOSE AREA

LATITUDE: 53° 17'  
LONGITUDE: 125° 10'  
N.T.S. 93F 6E

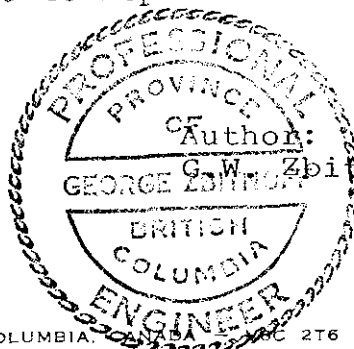


OWNER AND OPERATOR

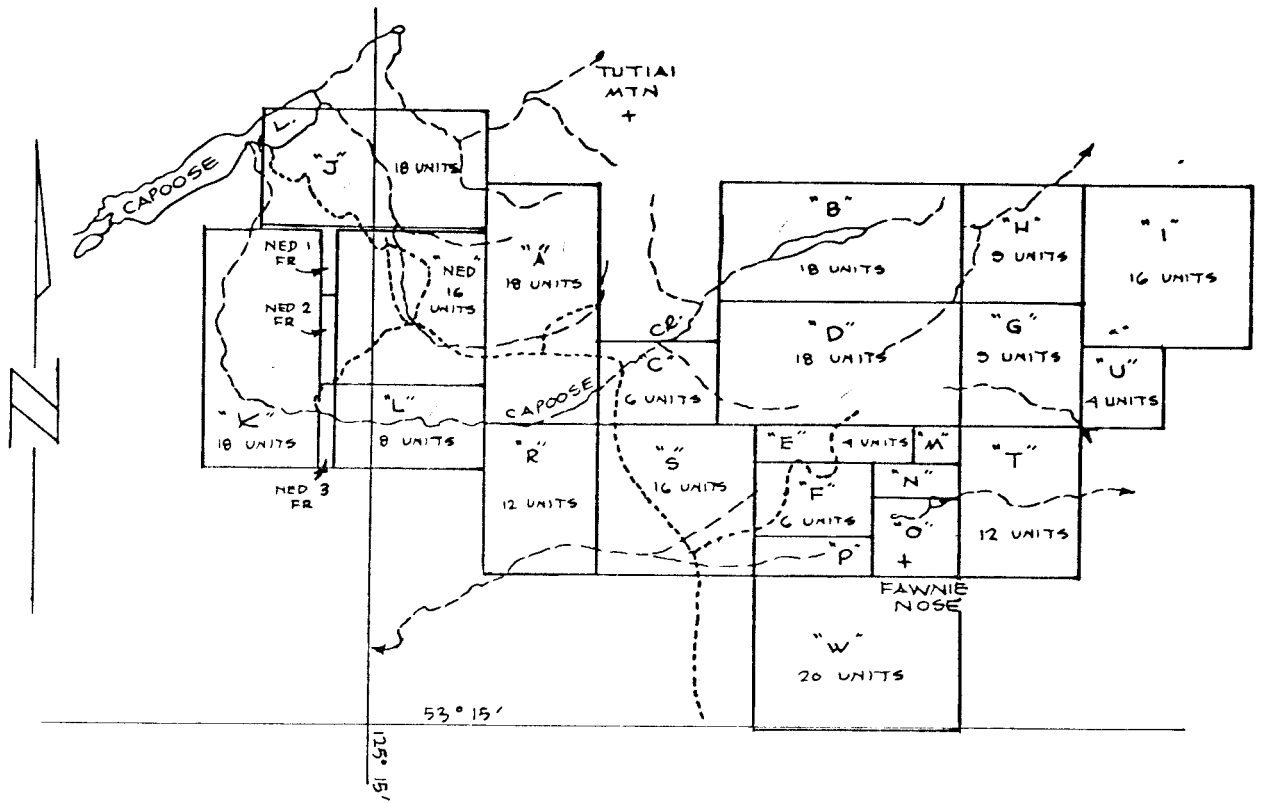
Granges Exploration Aktiebolag  
1110 - 625 Howe Street  
Vancouver, B. C.  
V6C 2T6

Date of Work: June 24th/80 to September 18th/80

Dated at Vancouver:  
November 26, 1980

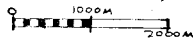


G. W. Zbitnoff, (P. Eng.)

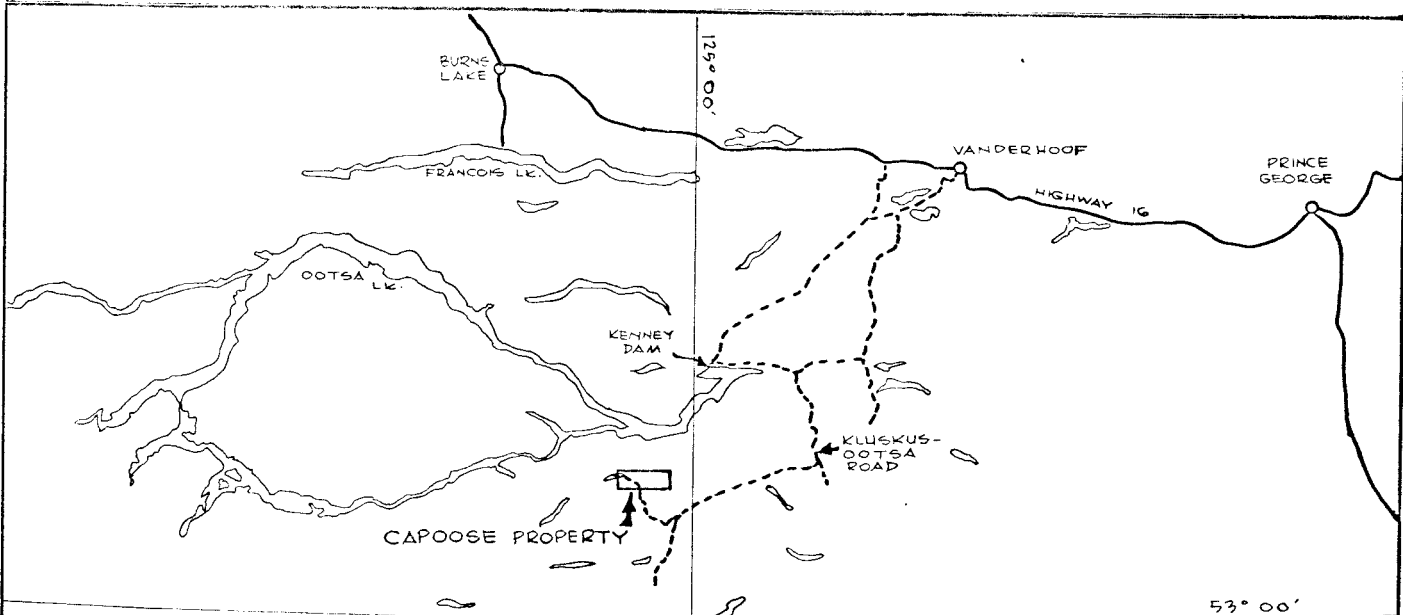


**CLAIM MAP**

SCALE 1 : 100,000

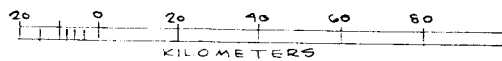


N.T.S. NO 93 F-G



**LOCATION MAP**

SCALE 1 : 1,500,000



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## ENCLOSURES

Map showing diamond drill holes D-10  
to D-26 inclusive.

Scale: 1:2500

Diamond drill logs and record sheets  
for holes D-10 to D-26 inclusive.

## INTRODUCTION

A diamond drill program was initiated on a large geochemical silver anomaly which showed minor values as a result of previous drilling programs. D. W. Coates Enterprises was contracted to drill under the supervision of Granges Exploration Aktiebolag's project geologist, William Lumley.

The program was conducted to determine whether the silver values were continuous enough to have a economic potential.

## CLAIMS

The majority of the work was carried out on the "E" and "F" claims. The "E" claims record number is 429, and consists of 4 units and record date of September 23, 1976. The "F" claim record number is 662 which consists of 6 units and has a record date of July 4, 1977.

## LOCATION AND ACCESS

The "E" and "F" claims are located approximately 467 kilometers north north-west of Vancouver, B. C. and 115 kilometers south-west of Vanderhoof, B. C. They lie astride the Fawnie Range centered approximately 1.5 kilometers south of the Fawnie Nose Mountain.

The major portion of the claims lie above timberline with the slopes very steep on the east and west sides of the claims. The top is relatively flat and in this location the drilling was centered. The elevation of the drilling area ranged between 1875 meters and 1900 meters.

Access to the "E" and "F" claims was from Vanderhoof via the Plateau Mills' Kluskus-Ootsa Road for 142.3 kilometers to the junction of the Granges Capoose Lake Road where the equipment was off loaded and transported by helicopter to the drill site. Support for the drilling program was provided by helicopter from Burns Lake.

## DESCRIPTION OF PROGRAM AND RESULTS

The purpose of the program was to further test the geochemical anomalies previously located and to investigate the continuity of the values received in the previous percussion and diamond drilling programs.

Mobilization was commenced from Vanderhoof on June 24, 1980 with the first hole D-10 being collared on June 27, 1980. The completion of hole D-26 was on September 2, 1980. The program continued on through to the latter part of September.

A total of 17 (BQ) holes were drilled totalling 3,376.1 meters by D. W. Coates Enterprises of Vancouver, B. C. under contract to Granges Exploration Aktiebolag.

All holes intersected a volcanic sequence ranging from andesites to the acidic rhyolite phase in several of the locations. The volcanic sequence was capped by a argillite. Most holes intersected values in silver, however in many holes the widths were rather narrow.

Listed below are the holes with a summary of the grades and widths intersected during the program:

Hole No.	Intercept Meters	Length Meters	Au g/T	Ag g/t	Pb %	Zn %	Cu %
D 10-80	69.11-135.11	66.00	.24	38.9	.12	.11	--
D 11-80	53.28- 59.28	6.00	.12	27.5	.08	.01	--
D 12-80	28.65- 39.66	11.01	.08	21.7	--	.10	--
D 13-80	( 24.99- 36.27	11.28	.41	23.51	--	.50	--
	(191.10-215.49	24.39	.30	28.38	.12	.21	
D 14-80	83.53- 87.56	6.00	.13	25.00	.34	.08	--
D 15-80	(101.12-128.00	26.88	.809	7.08	.82	.02	--
	(224.00-245.00	21.00	.198	33.42	.71	.05	--
D 17-80	( 70.00-112.00	42.00	.52	39.00	.09	.27	--
	175.00-217.00	42.00	.25	33.10	.01	.30	--
D 19-80	111.00-203.29	92.29	.20	37.14	.25	.16	--
D 20-80	36.00-102.00	66.00	.78	25.00	.13	--	--
D 21-80	no assays to	date					
D 22-80	8.00- 29.00	24.00	.275	21.50	.21	--	--
D 23-80	(104.00-152.00	48.00	.19	17.37	.10	.26	--
	(173.00-191.00	18.00	.62	19.66	--	.29	--
D 24-80	( 29.83- 42.30	12.47	1.517	91.93	.16	3.47	.22
	(115.60-169.46	53.86	.159	19.12	--	--	--
	(186.83-213.35	26.52	.404	26.39	--	--	--
D 25-80	22.00-166.00	144.00	.35	54.80	--	--	--
D 26-80	( 50.00-112.35	62.35	.29	61.79	--	--	--
	(181.00-196.00	15.00	.23	28.46	--	--	--
	(211.00-218.24	7.24	.05	31.63	--	.16	--

For a more comprehensive report view the logs and record sheets appended within.

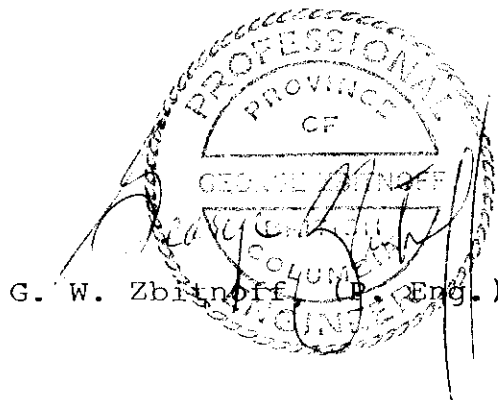
RECOMMENDATIONS

Further drilling is recommended in a closer spacing pattern to determine if economic potential exists.

STATEMENT OF COSTS

D. W. Coates Invoices

Invoice # 1778	\$ 23,948.08
Invoice # 1792	50,729.57
Invoice # 1799	60,554.24
Invoice # 1830	49,831.50
Invoice # 1845	58,169.19
	<hr/>
TOTAL	\$243,232.50
	<hr/>



STATEMENT OF QUALIFICATIONS

Name: Zbitnoff, George Wm.

Profession: Geologist

Professional

Associations: Member of the Association of Professional Engineers of the Province of Manitoba since 1969.

Member of the Association of Professional Engineers of the Province of British Columbia since 1973.

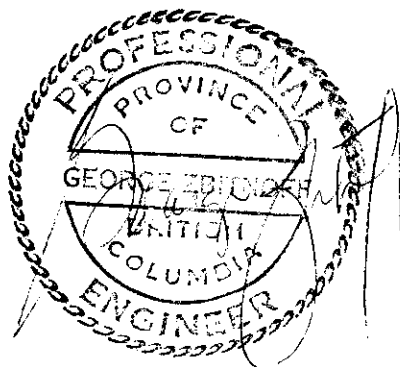
Experience: Pre graduation experience in geology with the Department of Mineral Resources.

Two and one half years, field geologist with Hudson Bay Exploration and Development, Central Canada.

Six years, field and Resident Geologist with Noranda Exploration Ltd., Central Canada.

Nine years geologist and Assistant Manager with Granges Exploration Aktiebolag, Canadian Division.

Active experience in all geologic provinces of Canada and parts of the United States and Mexico.

























































































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

Property ..CAPQOSE .. Project No. 70113 .. Depth .. Date Began ..  
 Hole No. ..DDH-D-16-80 .. Co ord. .... Horizontal Length .. Date Completed ..  
 Sheet No. ...3 OF 3 .. Direction .. Drilled By. ....  
 Claim No. .... Elevation .. Angle .. Logged By. ....

FOOTAGE	DESCRIPTION	ALTERATION										% REC'Y CALC'D.		
		FROM	TO											
	140.40-146.00 uniform andesitic breccia as in description.													
	146.00-149.40 highly silicified section with minor epidote, and calcite.													
	146.67 .5cm wide quartz vein with minor epidote.													
	146.59 Thin (.2)cm wide sulphide healed fracture at 90° to core axis.													
	147.16 .2cm fracture at 20° to core axis quartz healed with minor sulphides.													
	147.95 2cm wide sulphide replacement of fragment.													
	148.04-149.43 highly fractured section cut by numerous calcite filled fractures.													
	149.58 1cm wide calcite healed fracture exhibiting well developed intense epidotization-3cm either side.													
	149.90-151.48 section similar to 148.04-149.43.													
	153.26-175.25 uniform tuffaceous section locally brecciated. with calcite healed fractures at 157.77, 161.00-161.20.													
	165.12-166.72 highly fractured section healed with calcite.													
175.25-219.45	Light grey rhyodite tuff unit typical of unit found in ore zone of D-5, D-15. Kaolinitization present, but not pervasive. Large amount of silicification present in this section as compared to similar units in D-5, 15, resulting in large amount of broken core.													
	175.55-176.05 broken core.													
	176.92-177.38 broken core.													
	177.42 4cm wide zone of silification & epidotization.													
	182.26-184.75 broken core.													
	185.00-185.78 broken core.													
	190.00-191.00 broken core.													
	191.08-191.76 small dyke of barren, unaltered porphyritic, rhyolite-light green in colour.													
	193.70-194.25 broken core.													
	200.85-203.95 light to dark green gouge fault.													
	204.58-206.03 dark green mineralized gouge.													
	207.86-209.39 broken core.													
	209.39-210.61 light grey gouge.													
	212.64-214.87 dark green mineralized gouge.													
	214.87-219.45 broken core.													
	END OF HOLE DUE TO CAVING AND LOSS OF WATER.	ALLOTTERS	492'(149.95m)	=	57.5°;	707'(215.48m)	=	54°						





















































































































16 W 15 W 14 W 13 W 12 W 11 W 10 W 9 W 8 W 7 W 6 W 5 W 4 W 3 W

6 N  
5 N  
4 N  
3 N  
2 N  
1 N  
BL  
1 S  
2 S  
3 S  
4 S  
5 S  
6 S  
7 S  
8 S  
9 S

6 N  
5 N  
4 N  
3 N  
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BL  
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8 S  
9 S

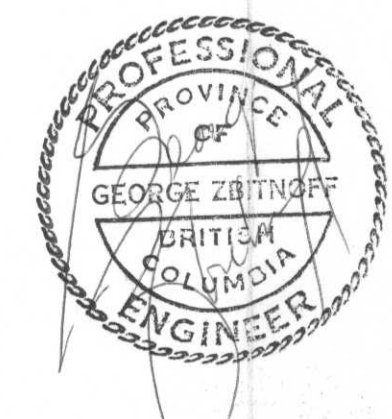


**Legend**

- Lincation
- Bedding
- Contact
- Pits and Trenches
- Height of Land
- Gully
- Stream
- Outcrop
- Angular Float
- Sample Location
- Claim Post
- Survey Point: Plane Table
- Percussion Drill Hole

**Geology**

- 1 Rhyolitic Tuff and Agglomerate: relatively unaltered
- 2 Rhyolitic Agglomerate: fine grained silicious ground mass - resembles chert
- 3 Rhyolitic Tuff and Agglom.: moderate alteration and limonite
- 4 Rhyolitic Tuff and Agglom.: intense alteration and limonite
- 5 Andesite: tuff, flows, porphyry
- 6 Mainly Black Argillite (very rusty) with interbedded rhyolitic tuff-agglom and calcareous siltstone
- 7 Galena and/or Sphalerite or Silver



MINERAL RESOURCES BRANCH  
ASSESSMENT REPORT  
**8515**  
NO.

	DRAWN BY: H. H. S. DATE: OCT. 1977 REVISED - NOV. 1978	<b>GRANGES EXPLORATION AB</b> CANADIAN DIVISION VANCOUVER OFFICE	FIG 2 GEOLOGICAL SURVEY, Dawson Drilling & PERCUSSION DRILLING ON CLAIMS "D", "E" & "F" CAPOOSE PROJECT, B.C.	SCALE: 1:2500 PROJECT No.: 70113 N.T.S. No.: 93F/6E
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