

82-#812-10812

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DRILLING REPORT
ON THE
NOV 1, 2 & 3 CLAIMS
RECORD NO.'S 1355, 1356 & 1357
CARIBOO MINING DIVISION
MAP No. 93A/11W & 12E

LATITUDE 52°08'
LONGITUDE 121°30'

CLAIM OWNER - WILLIAM GRAYSON

DRILLING PAID FOR BY WILLIAM GRAYSON

DRILLING REPORT PAID FOR BY APEX ENERGY CORP.

CONSULTANT AND AUTHOR

JOHN L. DELEEN, P.Eng.

ASSESSMENT RECORDED NOVEMBER 23, 1982

DRILLING REPORT SUBMITTED DECEMBER 7, 1982

**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

10,812

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INTRODUCTION

(ia) General

The Nov claims are located in the Quesnel Forks Placer District of British Columbia. The area lies between Latitudes 52°30' and 52°45', and Longitude 121°30' and 122°00'. The town of Likely, B.C. is located in the centre of the Quesnel Forks Placer District. The placer operations in the district are located within 16 kilometers of Likely. The Quesnel Forks Placer District is a plateau area that has a general relief of 600 to 1200 meters and is covered by a mantle of glacial debris. The outcrops are generally located on the banks of the river where active erosion is taking place. Approximately 95 percent of the district is covered by glacial debris.

The Nov block of claims has been investigated by an aerial magnetometer and an EM survey, one drill hole, DDH 82-1, and several short tunnels. A large pit located on the Cariboo River, in the northern portion of the claim group, was mined for placer gold after 1852. The gold productions from this pit is unknown.

There is a scarcity of outcrops in the Likely area of British Columbia and the Nov claims have only a few outcrops along the banks of Spanish and Cariboo Rivers. The few veins that have been sampled have contained low gold values and it is believed that the weathering of these veins has produced the extensive placer gold deposits found in the Likely area.

The property was examined under the guidance of E. Angus on October 31, 1982. The core was brought to Vancouver and logged by R. Hrkac and J. DeLeen on November 22, 1982.

(ib) Location and Access

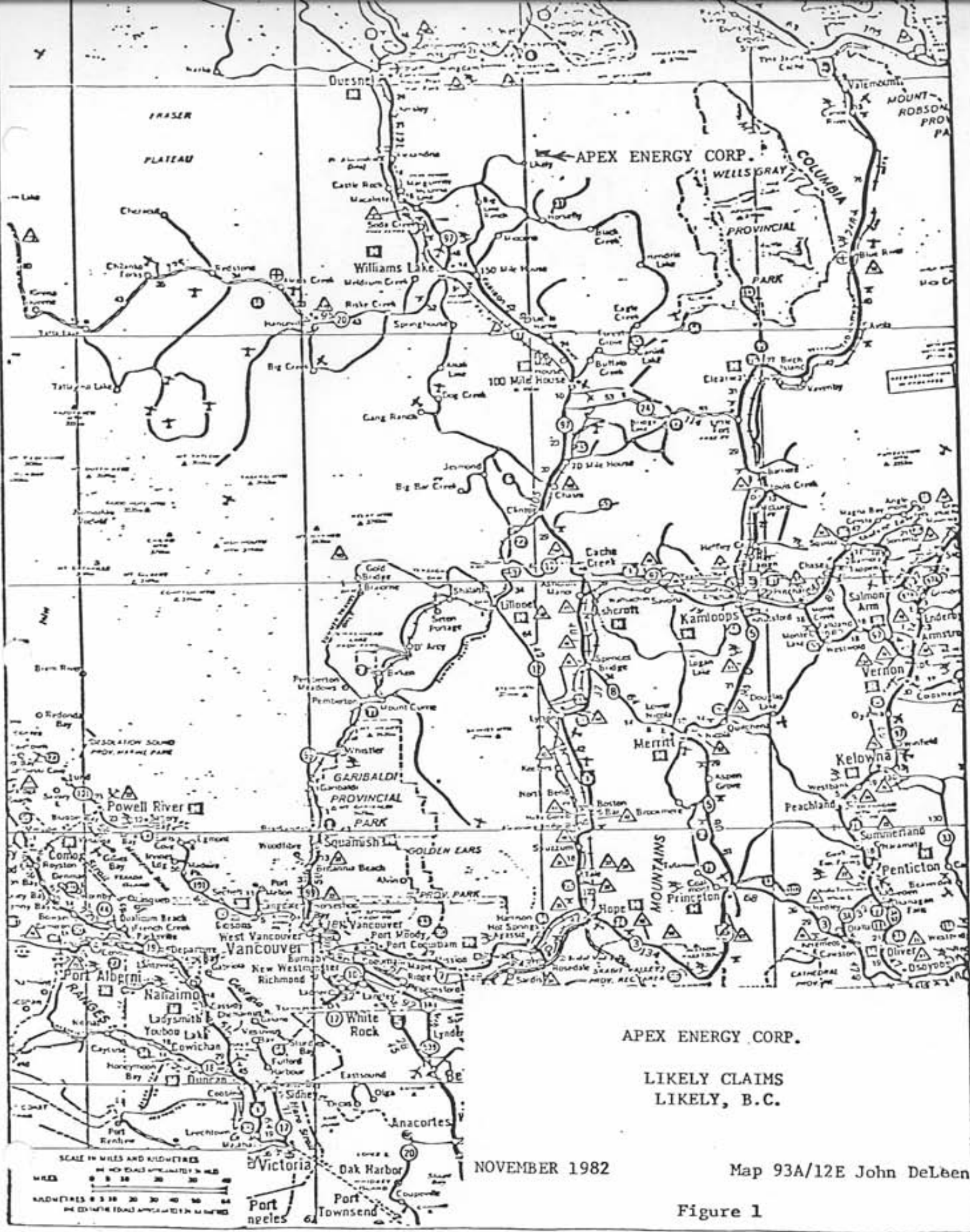
The property is located approximately 3 kilometers northeast of the town of Likely, B.C. (See Figure 1). The claims cover both sides of the Cariboo River. However, most of the claims are located on the southern side of the river (Figure 2). The property is located in the Cariboo Mining Division of British Columbia at Latitude $52^{\circ}38'$ and Longitude $121^{\circ}30'$.

The area is accessible from Highway 97 by a 75 km all-weather gravel road to Likely (Figure 1). All weather roads lead from Likely to the claim group and numerous logging roads provide access to the property. Since a portion of the claim group has been logged it is expected that some of the logging roads are not kept free of snow and would not be open during the winter months.

The elevation on the claims varies from approximately 1100 meters at the southern boundary of the claim group to 600 meters at the Cariboo River.

(iia) Claims and Claim Groups (See Figure 2)

The Nov claims consist of 3 claims, 56 units, as follows:



APEX ENERGY CORP.
LIKELY CLAIMS
LIKELY, B.C.

NOVEMBER 1982

Map 93A/12E John DeLben

Figure 1

<u>CLAIM</u>	<u>UNITS</u>	<u>TAG NO.</u>	<u>RECORD NO.</u>	<u>EXPIRY DATE*</u>
Nov 1	20	48429	1355	29 Nov/82
Nov 2	20	48430	1356	29 Nov/82
Nov 3	<u>16</u>	48431	1357	29 Nov/82
	<u>56</u>			

(*) A 71.32M drill hole, DDH 82-1, was completed on November 6 and has been submitted to cover the assessment requirements to keep the claims in good standing until 1983.

The claims are presently held in the name of William H. Grayson. Apex Energy have an interim agreement to purchase these claims outright. The agreement is expected to be completed in December 1982 and then the claims will be registered in the name of Apex Energy Corp.

(iib) History of Claim Group

The Nov claims cover an area that had been mined from 1859 to approximately 1939 for placer gold. Several small drifts were completed on quartz veins exposed in the banks of the Cariboo and Spanish Rivers. These veins carried values in gold; however, the gold content was not sufficient to warrant extensive underground exploration. The area of the Nov claims received little attention until the general interest for gold increased in mid 1970. They were staked in 1979 and by William Grayson. A helicopter-magnetometer and electromagnetic survey was completed on the property in 1980 and a magnetic anomaly was found on the eastern side of the claim group. In 1982 a diamond drill hole, DDH 82-1, was



Claims in the Likely Area, B.C.

Figure 2

completed on the Nov 2 claim.

(iic) Economic Assessment

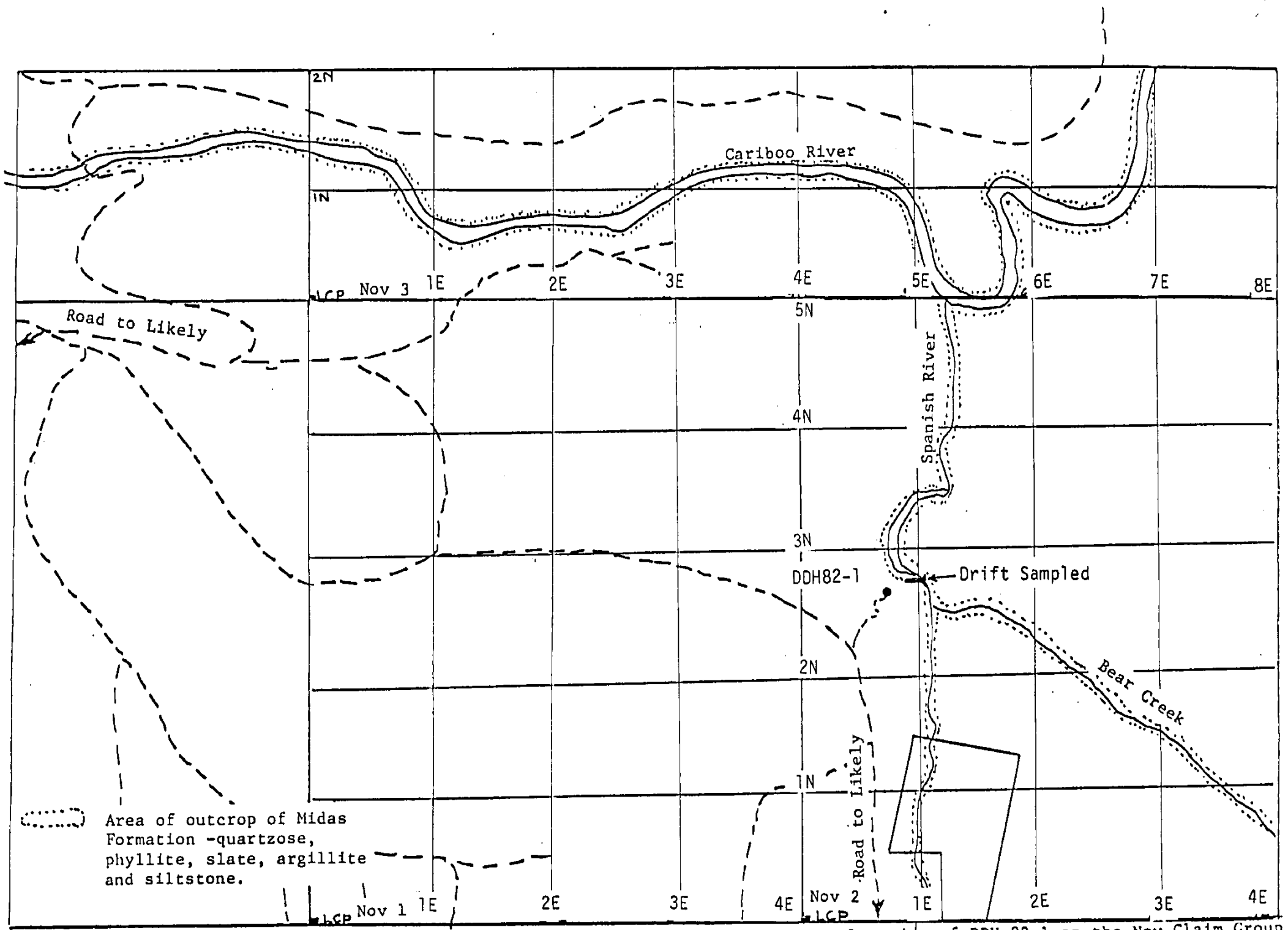
The only economic quantities of gold produced from the area of the Nov claims has come from Placer deposits, and the area has again been staked by Placer claims. The potential of the Nov claims for lode gold deposits is unknown as there has been less than 100 meters of drifting completed on the veins exposed in the river banks. The percentage of exposure on the Nov claims is less than 5 percent.

(iid) Geology

The rocks on the claim group, which are exposed in the banks of the Cariboo and Spanish Rivers, are a series of black, quartzose, phyllite, slate, argillite and siltstone of the Midas Formation (Figure 3).

A vein having a width of about 4 meters is located on the north bank of the Cariboo River, approximately one kilometer to the east of the bridge over the Cariboo River. A drift had been driven on the vein. A large oxidized vein structure was noted on the southern side of the river, on the eastern margin of the large gravel pit.

Veins having a northwest trend and a low dip to the northeast, are exposed on the western bank of the Spanish River approximately 100 meters north of the junction of



Location of DDH 82-1 on the Nov Claim Group

Metres 400 0 400 800 1200 Metres

Scale 1:20,000

Figure 3

Spanish River and Black Bear Creek. The veins have a thickness that varies from a few millimeter to approximately 20 centimeters. The lengths of the veins are unknown. The thickness of the vein zone in the phyllites is unknown. However, flat lying veins were noted on the western bank of Spanish River for a distance of approximately 100 meters above the river. A drift was driven on one of these veins, and the samples taken from the drift contained gold values. In order to sample the flat-lying veins, drill hole 82-1 was completed.

(iiia) Drilling

A diamond drill hole, 82-1 (AQ- 1 3/8 inch I.D.) was drilled into the series of flat-lying veins. It is located approximately 100 meters above and 100 m to the west of the adit (See Figures 2 and 3). This hole was drilled vertically to a depth of 71.32 meters. The elevation of the collar is approximately 915 meters. The expenditures on the hole are listed under a Cost Statement.

The core was brought to Vancouver, logged, and is stored at the warehouse of Gilwell Holdings Ltd. located at 285-192nd Avenue, Surrey, B.C.

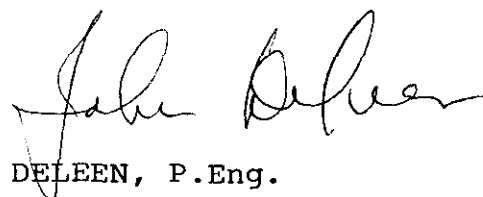
INTERPRETATION

The hole was drilled to determine if there was value in the flat-lying quartz veins located above the adit on the western bank of the Spanish River. The core was examined and found to be composed of a series of graphitic quartz-banded phyllites, light grey quartzites and siltstones containing some quartz veins and blebs of quartz and pyrite (see log of DDH 82-1). The core was sampled in approximately 2 meter lengths and assayed for geochemically copper, lead, zinc, silver, arsenic and gold (See Appendix "A").

The copper content of the samples varied from 12 to 100 ppm. The 100 ppm copper occurred with a 100 ppb gold assay. The lead content varied from 4 to 718 ppm. The 718 ppm sample occurred with a 530 ppb gold sample. The zinc content of the samples varied from 55 to 792 ppm. The 792 ppm zinc assay occurred with 100 ppb gold sample. The silver varied from 0.1 to 5.0 ppm and the 5.0 ppm silver assay occurred with the 530 ppb gold sample. The arsenic varied from 2 to 88 ppm and the 88 ppm arsenic occurred in the same sample as the 530 ppb sample. The gold varied from 2 to 530 ppb. Three samples were found to contain gold in excess of 100 ppb.

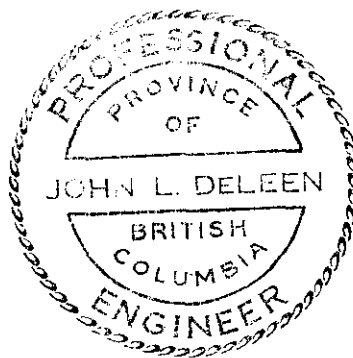
The drill hole did not contain economic concentrations of gold. Soil samples assayed for lead, zinc, silver, arsenic and gold would be useful in the search

for gold deposits on the Nov claims.



JOHN DELEEN, P.Eng.

DATED: 7 December 1982



COST STATEMENT

<u>Drilling Hole DD 82-1</u>	
Drilling 234 (71.3 m) @ \$65.63/m	\$ 4,680.00
Mobilization & Demobilization	1,000.00
<u>Roadwork - 20 hours with John Deere</u>	
Tractor with backhoe @ \$50/hr	
2 men for 20 hours building road	
@ 11.50/hour	
<u>Water Truck</u> , 7 days @ \$6 hr./day	1,460.00
42 hours @ \$50/hour	2,100.00
<u>Accommodation</u> , 3 men for 12 days @ \$60/day	2,160.00
Truck, 4 x 4, 12 days @ \$40/day	480.00
Power Saw, 4 days @ \$20/day	80.00
Clearing Road, 1 man for 24 hour @ \$11.50/hour	276.00
	<hr/>
	\$ 12,236.00
One year assessment on 56 units was recorded and the balance placed in the PAC account of William Grayson.*	5,600.00
<u>Logging Core</u>	
Picking up core from warehouse, splitting and logging, R. Hrkac, 1 day at \$250/day	250.00
Assaying 33 samples @ \$11.75/dample	387.50
Logging and preparing drilling report, J. DeLeen, 3/4 day at \$400/day	300.00
Typing Report and Xeroxing	142.84
	<hr/>
	<u>\$ 1,080.34</u>

(*) Recorded by P. Richardson, P.Eng., Nov. 23, 1982.

DELEEN CONSULTING GEOLOGISTS LTD.

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VANCOUVER, B.C. CANADA V6C 1C4

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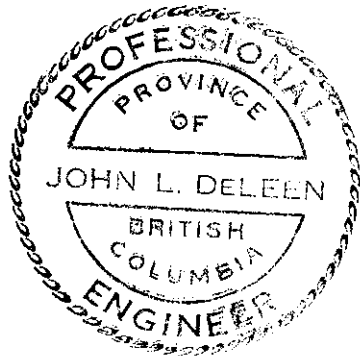
CERTIFICATE

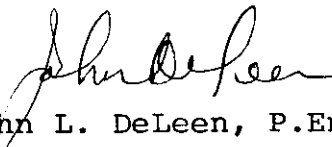
-9-

I, John L. DeLeen, of the City of Vancouver, in
the Province of British Columbia, hereby certify the following:

1. I am a geological and Mining Engineer with an office at 1015-837 W.Hastings Street, Vancouver, B.C.
2. I am a graduate of the Univeristy of British Columbia with a B.A.Sc., (1943) and M.A.Sc., (1946) degrees in Geological Engineering. In 1950 I obtained the degree of Mining Engineer from the University of California.
3. I have practised my profession since 1946.
4. I am a member of the Association of Professional Engineers of British Columbia.
5. I have no interest, direct or indirect, in the Apex Energy Corp., nor do I expect to receive any such interest in the future.
6. This report is based upon personal examination of the property on October 31, 1982 and upon the examination of the core on November 24, 1982.

DATED at Vancouver, B.C. this 7th day of December 1982.




John L. DeLeen, P.Eng.

APPENDIX "A"

DRILL LOG OF DDH 82-1
AND
ASSAY CERTIFICATE

ACME ANALYTICAL LABORATORIES LTD. 852 E. HASTINGS, VANCOUVER B.C. PH:253-3158 TELEX:04-53124

ICP GEOCHEMICAL ANALYSIS

A .500 GRAM SAMPLE IS DIGESTED WITH 3 ML OF 3:1:3 HCL TO HNO3 TO H2O AT 90 DEG.C. FOR 1 HOUR. THE SAMPLE IS DILUTED TO 10 MLS WITH WATER.
 THIS LEACH IS PARTIAL FOR: Ca,P,Mg,Al,Ti,La,Na,K,W,Ba,Si,Sr,Cr AND B. Au DETECTION 3 ppm.
 Au ANALYSIS BY AA FROM 10 GRAM SAMPLE. SAMPLE TYPE - CORE

DATE RECEIVED NOV 26 1982 DATE REPORTS MAILED Dec 2/82 ASSAYER D. Toy DEAN TOYE, CERTIFIED B.C. ASSAYER

DELEEN CONSULTING FILE # 82-1582

PAGE# 1

SAMPLE #	CU ppm	PB ppm	ZN ppm	AG ppm	AS ppm	Au** ppb
44201	22	16	105	.2	2	2
44202	25	8	105	.2	4	10
44203	26	5	99	.1	3	2
44204	33	4	33	.5	8	30
44205	25	4	25	.4	4	32
44206	26	5	138	.2	10	16
44207	12	5	115	.1	13	4
44208	33	9	55	.1	12	7
44209	42	14	71	.2	34	7
44210	35	114	52	.7	31	55
44211	52	12	26	.3	22	11
44212	27	4	61	.1	8	4
44213	18	5	104	.1	15	2
44214	23	4	75	.1	6	2
44215	17	4	77	.1	11	6
44216	19	8	119	.1	14	4
44217	30	9	61	.1	11	4
44218	34	6	68	.1	14	3
44219	59	55	83	.4	26	18
44220	30	6	67	.1	23	5
STD A-1	30	35	169	.2	12	5
44221	62	18	60	.3	40	45
44222	22	29	23	.7	18	180
44223	64	8	87	.1	25	13
44224	37	4	64	.1	15	5
44225	37	6	87	.1	9	4
44226	25	5	92	.1	11	2
44227	52	20	130	.4	38	22
44228	100	151	792	.8	45	100
44229	47	20	106	.2	53	6
44230	39	718	131	5.0	88	530
44231	42	10	84	.1	15	8
44232	27	4	79	.1	10	3
44233	41	6	63	.1	12	5

