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ME Claims
82K

1979 Work Program - Golden Mining Division

With the knowledge we now have regarding the genesis of some of the rocks in both Hamill and Horsethief Creek series (Lower Cambrian-Proterozoic) it is imperative that we embark on a regional study of the rocks of the northern and central Purcell Arch. The presence of at least three base metal deposits of volcano-sedimentary type in the Hamill series (Goldstream,Montgomery, Standard) and more recently, the discovery of tuffaceous pyroclastic rocks and tuffaceous sediments with associated sulphide mineralization in rocks of the Horsethief Creek series indicate that the potential for discovering additional bodies of stratiform/stratabound sulphide mineralization is substantial.

There is reported to be some 700^2 miles of exposed Horse-thief Creek series rock in the Purcell Arch. It is recommended that our program be concentrated in a relatively small area around areas of known mineralization and then, depending on time, success and money, expanded eventually to include all exposed rocks of the Horsethief Creek series and Hamill group.

The aim of the summer program is twofold:

1) To isolate and, to some degree, evaluate newly acquired land in the vicinity of the ME group claims and, if necessary, acquire additional land,
2) To further evaluate and upgrade the reserve potential on the ME group claims.

In order to achieve these aims, the program should be divided into four major parts:

1) Regional geology, stream sediment and soil geochemistry, and general prospect evaluation,
2) Ground and airborne geophysical surveys (EM,Mag) if their application can be shown to be successful,
3) Acquisition of additional land if warranted,
4) Diamond core drilling.

Regional Geology etc.

The geology of the areas in question will be established using a combination of field and laboratory techniques. Air photo interpretation has given us a reliable estimate of the structural patterns and this will be verified by ground mapping. Ridge traverses will provide relatively easy access to cross-sectional stratigraphy and a means for systematically sampling the lithologies for chemical and petrographic study.

The GSC has published fairly detailed stream sediment and water geochemistry data covering map sheet 82K . This information may be further filtered and used in conjunction with any new stream sediment and soil data we will collect.

Geophysical surveys

At present, we have excellent correlation between down-hole assays and soil geochemical data. A ground geophysical survey (Turam) run over the pre-existing geochem grid may provide us with one more tool and its correlation to a known occurrence to use in the regional and local search for sulphide mineralization. The same is true for airborne

surveys. If no response is noted using either tool, the program of geophysical exploration would obviously be terminated prior to completion.

Land Acquisition

It is likely that additional attractive targets will materialize as a result of the exploratory work planned. These should be staked to increase the land position held by the company. Conversely, some of the lands presently held may prove to be unattractive after examination. These should be disposed of in the most profitable way.

Drilling

I feel it is desirable to upgrade the value of the ME deposit through some limited infill drilling. Assuming success, this will accomplish two things:

1) Increase proven tonnage and provide more estimates of grade, shape and extent of the deposit,
2) Increase the marketability of the deposit and the prospect in general.

A modest program of approximately 2000' should accomplish this.

ESTIMATED COST OF WORK PROGRAM - 1979

1) Personnel

3 geologists - 2 contract, 1 permanent

Contract: $2,000/man/month for 3 months	$12,000
Permanent: $1750/month for 4 months plus $50/day field time for 80 days	$11,000
Labour: 4 men @ $1500/month for 2 months	$12,000

2) Accommodation and food

$40/man/day
7 men for 90 days $26,000

3) Vehicles

Ford Bronco 4x4, 3/4 ton 4x4 3 months	$ 3,895
Insurance, gas repairs etc.	$ 2,100

3) Ground Geophysics

Scintrex supplies survey, personnel, maps interpretation, report $ 7,000

4) Geochemistry

500 stream sediment samples @ $2.50/sample
2000 s0il samples @ $2.50/sample
rocks, thin sections etc.
$10,000

5) Helicopter time

50 hours @ $350/hour $17,500

6) Caterpillar

road cutting, drill pad preparation $ 6,000

7) Diamond drilling

2000' @ $18.50/foot
Mob. - demob.
tractor
10% buffer
4 men @ $40/man/day for 30 days
$51,550

8) Additional staking estimate 300 units @ $75/unit	$22,500
9) Field equipment hammers, compasses, office material, lumber, axes, etc.	$ 5,000
10) Report Preparation	$ 5,000
11) Worker's compensation, insurance, etc.	$ 2,500
12) Airborne Geophysics (if required) 600 line miles @ $50/line mile Scintrex will provide the same detail as for ground survey. This survey would be cheapest to run in the fall.	$30,000
	$224,050
13) Contingency 15%	$ 33,607
	$257,657