

DRILL RESULTS, 1981

WINDY-CRAGGY

&

BUDGET PROPOSAL #1, 1982

PN 135

December 31, 1981

J.J. McDougall

## TABLE OF CONTENTS

|  | <u>Page</u> |
|--|-------------|
| FORWARD . . . . .                              | 1           |
| ABSTRACT, STATISTICS AND CONCLUSIONS . . . . . | 2           |
| I Abstract . . . . .                           | 2           |
| II Drill Statistics . . . . .                  | 2           |
| III Conclusions . . . . .                      | 3           |
| IV The 1981 Drill Programme . . . . .          | 8           |
| a) Historical and Chronological . . . . .      | 8           |
| b) Fuel Hauls . . . . .                        | 8           |
| c) Camp . . . . .                              | 8           |
| d) Helicopter . . . . .                        | 9           |
| e) Core Logging . . . . .                      | 9           |
| f) Sampling Procedures . . . . .               | 10          |
| g) Assay Procedures . . . . .                  | 11          |
| V Geology . . . . .                            | 12          |
| a) Orientation . . . . .                       | 12          |
| b) Rock Types . . . . .                        | 12          |
| c) Sulphide Zone . . . . .                     | 13          |
| d) Anomalous Geological Features . . . . .     | 13          |
| e) Shape of Deposit . . . . .                  | 13          |
| f) North Extensions . . . . .                  | 14          |
| g) Geophysical Surveys . . . . .               | 14          |
| VI Property Situation . . . . .                | 16          |
| VII Drill Logs and Sections . . . . .          | 16          |
| VIII Recommendations . . . . .                 | 16          |
| IX 1982 Budget . . . . .                       | 18          |
| a) Current . . . . .                           | 18          |
| b) Drill Plans - 1982 . . . . .                | 19          |
| c) Budget Summary - Second Stage . . . . .     | 22          |
| d) Timing and Distribution . . . . .           | 22          |
| e) Third Stage Programme - 1982 . . . . .      | 22          |
| f) Comment on Second Stage Programme . . . . . | 23          |

FIGURES AND TABLES

|              |  | <u>Page</u> |
|--------------|--|-------------|
| Figure 10-81 | Sulphur, cobalt scatter plot . . . . .                           | 5           |
| Figure 11-81 | Location of major element analyses . . .                         | 6           |
| Table 12-81  | Water geochemical analyses - Red Creek .                         | 7           |
| Table 13-81  | Copper, cobalt & sulphur assays -<br>Frobisher Glacier . . . . . | 15          |
| Figure 14-81 | Prospecting - geology map - Chuck Kowall<br>1981 . . . . .       | In Pocket   |
| Figure 15-81 | Windy - Craggy Claim map . . . . .                               | 17          |
| Table 16-81  | 1982 Grid drilling program . . . . .                             | 20          |
| Figure 17-81 | EM Dighem Traverse Map . . . . .                                 | 21          |

MAPS

|          |  |           |
|----------|--|-----------|
| 034-81-A | 1981 Diamond drill locations . . . . .                             | In Pocket |
| 034-81-B | Sulphur, copper contouring illustrating<br>lateral zoning. . . . . | In Pocket |

## APPENDICES

### Appendix I

#### Photos

- Photo 1-81 W. C. Zone looking north, July/81
- Photo 2-81 W. C. Zone looking north, showing 1982 drill locations
- Photo 3-81 D. D. H. #9, looking north from approx. location of D. D. H. #5
- Photo 4-81 Preliminary sketch model & inferred projections, W. C. zone looking west
- Photo 5-81 As 4-81 showing proposed location 1982 drilling
- Photo 6-81 Location of D. D. H. #10, illustrating relationship with ore zone
- Photo 7-81 Longitudinal view, illustrating projected depths of sulphide encountered
- Photo 8-81 W. C. in winter, looking from S. W.
- Photo 9-81 Pyritic alteration, Tats Deposit

### Appendix II

#### Diamond Drill Logs

- D. D. H. 1-81
- D. D. H. 2-81
- D. D. H. 3-81
- D. D. H. 4-81
- D. D. H. 5a-81
- D. D. H. 5b-81
- D. D. H. 6-81
- D. D. H. 7-81
- D. D. H. 8-81
- D. D. H. 9-81
- D. D. H. 10-81

Appendix III      Drill & Assay Sections

1/81    Section B-B'  
2/81    Section C-C'  
3/81    Section D-D'  
4/81    Section E-E'  
5/81    Section F-F'  
6/81    Section G-G'

Appendix IV

1982 Preliminary Budget Estimate

DRILL RESULTS, 1981 WINDY-CRAGGY

PN 135

FORWARD

During the short 1981 field season the first stage of a proposed two stage drilling programme on the W.C. massive sulphide deposit in northwestern B.C. was completed. Basic assay data is finally available and is presented in this report. Secondary data required for a complete assessment of the 1981 work has either not been received as of this date (December 17), or time and personnel available have been totally inadequate for final report compilation. Much of this delay was expected considering the late date at which authority to proceed with the programme was received.

An inclusive summary report will be prepared within the next couple months. Included will be 1) Petrographic study of select specimens so that rock units can be correctly labelled. (2) Check assays including fire assay reruns of presently AA - determined gold and silver (i.e. the size of sample used may be critical). A shipment of rejects from the Whitehorse assayers for this and other purposes, such as multi element scans, is awaited. (3) A study of trends (zoning, alteration, etc) within the deposit, including more accurate locational plotting of geophysical data. (4) More detailed plans for the property, which are dependant on any escalation of scope, as is #5 below. (5) Plans for testing two other prospects, if optioned.

The physical and historical aspects of Windy-Craggy were adequately described in the February, 1981 Report and will not be repeated here.

ABSTRACT, STATISTICS AND CONCLUSIONS

I Abstract

First and second stage programmes were designed to test-drill the largely unexposed deposit for continuity, including depth, along a relatively accessible 3000 feet of minimal strike length. The first stage, 10 drill holes totalling 2540.96 metres (8336.48 feet), successfully outlined the southern portion of the deposit within broad parameters along a strike length of 400 metres (1312.3 feet), and indicated mineralization to extend to depths of at least 492 metres (1614 feet).

II Drill Statistics

1981 Drill locations are plotted on map 034 /81a (in pocket). Drilling conditions proved difficult, as expected. Unexpected conditions included refusal of the drill crews to drill through the ice where there was any indication of snow-covered crevasses, and perma-frost problems affecting the John Deere 450 tractor while attempting access and set-ups in the talus. Heavy helicopters required for drill moves were not available (due to forest fires) in August, nor were heavier float planes available when required. In addition, the unusually large amounts of massive sulphide encountered created hole flushing problems, particularly when reagents designed for the process failed to work when mixed with high acid (pH 3 to 4) water. The greatest overall problem, however, was that of water shortage or water line freezing, there being (according to Longyear) no heater yet designed to warm ice cold water adequately in a 3 inch line under the tremendous pressure used in the system. Drilling problems could not be solved within the very short, two month, first-stage season, but will be in the second.

Of 9 drill holes attempted on the main deposit, 3 were abandoned (#9 temporarily) before entering the sulphide zone, 3 were abandoned within significant sulphides, and only 3 (#1, 5(b) and 8) cut through the main zone with any certainty. As described

above, most problems were mechanically related despite the extreme difficulty involved with trying to drill a steep deposit with set-ups limited laterally by topography. Three thousand feet of BQ drill rod was left in 4 holes, probably sulphide-cemented, "mushroomed" core tubes being the reason. This explains the absence of dip tests near the bottom of some holes (Tropari tests for bearings proved useless due to magnetics).

The above drill-related problems accounted for much of the \$100/ft overall costs of 1981 drilling - about the same as Pan Ocean's were along a road in McMillan Pass, Y.T., and about half of that expected in southern B.C.. A set of photos (# 1 to 9 ) depicting 1981 work are included in the Appendix.

### III Conclusions

Despite many problems due to the pioneering aspects of the project, first stage drilling was successful in outlining the southern portion (1/3?) of the W.C. massive sulphide deposit. The main north center of the large body, it's presence now better confirmed by airborne geophysics, remains to be tested in 1982 as per earlier recommendations. Initial plans were to work outwards from this more northern location in 1981, but difficulties described forced most work southerly where the partially drilled zone was only of secondary interest. Snow drilling, earlier envisioned, now appears doubtful in 1982 and the longer, more expensive alternative holes from the ridge top are required.

Zoning suggested within the deposit is such that copper-rich segregations may occur, especially to the north where the closest drill hole encountered the best continuous copper section to date, 66 ft of 2.6% Cu within a 107 foot zone where 40 feet of similarly logged material appears misplaced by the assayer(?). This was part of a massive sulphide zone whose core length of 800 feet averaging 60% S<sub>2</sub> represents a suggested true width of 670 feet. Map 034(b) (pocket) is an attempt to contour copper and sulphide values projected to surface, the purpose being to suggest trends, etc..



Conclusions (contd.)

All sulphides encountered, with the possible exception of pyrite in shale, and the probable exception of chalcopyrite, are cobaltiferous with approximate uniform or straight line Co/S ratios. The highest cobalt assays of 0.24% occurs in 83% sulphide material (specimen) (1% copper) suggesting a maximum 0.30% Co in pure sulphide. This number is not far from that suggested by earlier micro-probe work. The distribution of cobalt in pyrite vs that in pyrrhotite in the drill core is not known at this time. A scatter plot (Fig 10/81) is (or will be) prepared using sulphur vs cobalt.

Gold-Silver content is minimal but assayable. Checks will be made as earlier sampled material, tested by fire assay, suggested an erratic but higher ppm content, especially silver. Pm values would probably best be determined in a chalcopyrite concentrate.

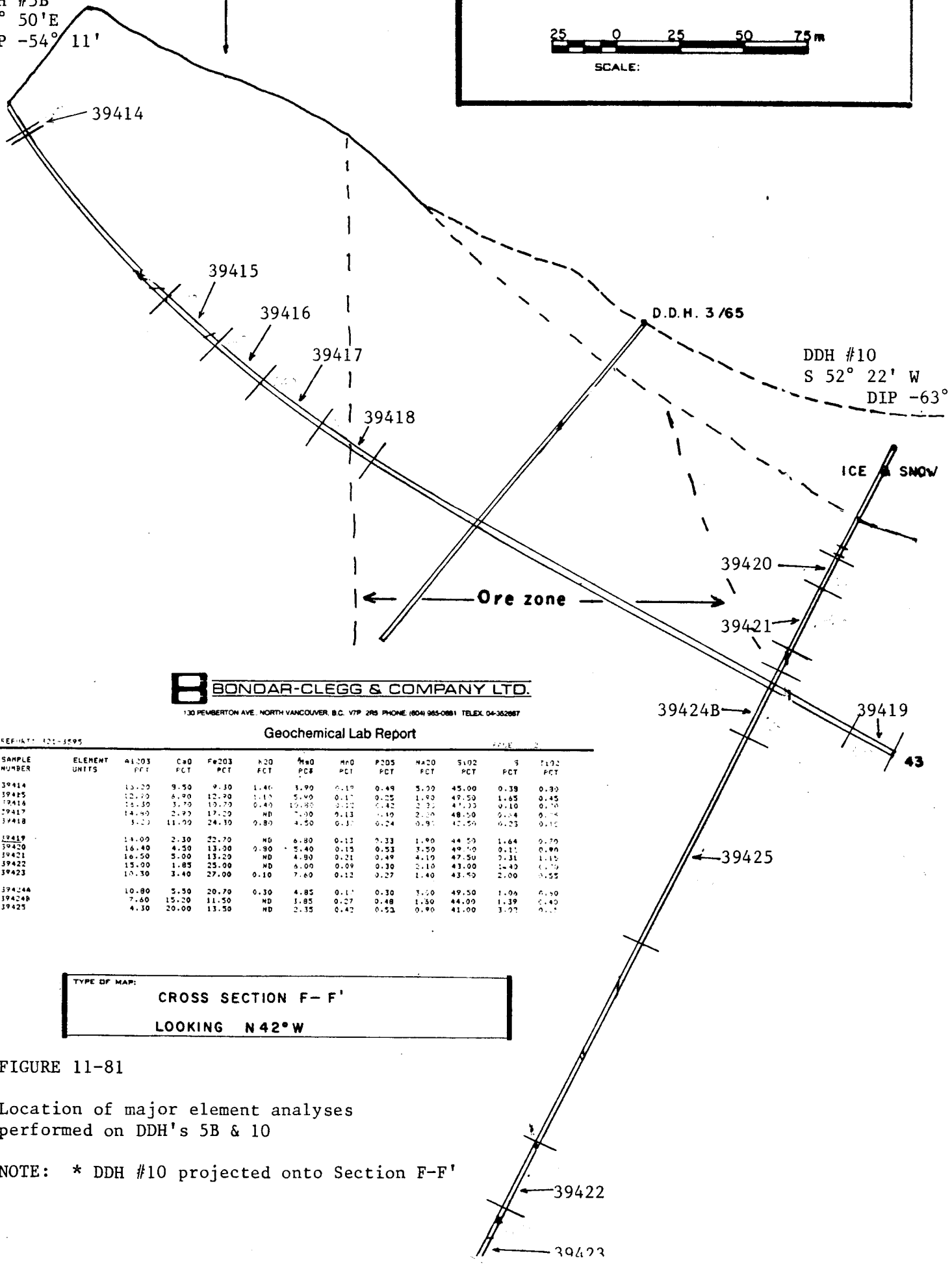
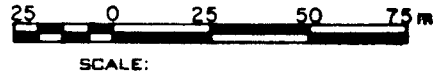
Zinc content in the main zone is so low (maximum 900ppm over 35 feet in hole 5(b)), that copper-zinc ratios utilized in zoning studies are hardly valid. Zinc in adjoining shales (DDH #3) reached 1275 ppm across 100 feet. Sphalerite associated with a siliceous breccia is present in one section and perhaps a detailed but very local examination (planned) may suggest an orderly rather than haphazard arrangement not recognized during logging. Siliceous volcanic float containing sphalerite and galena is known elsewhere, including the Tats-Kowall area.

The value of rock geochemistry is in doubt as the area sampled (1000 feet across the deposit) is within the central aureole of the deposit itself, (Fig 11/81). Sampling should be carried out across several thousand feet, but this is far easier said than done. Erratic values (i.e. Na) appear across the deposit as sampled such as to suggest lack of recognizable orderly depletion or enrichment, but a detailed study may shed more light on this.

Water analyses (Red Creek) are interesting, (Table 12/81) confirming that it should not be drunk by humans. Metal content is highly anomalous save for silver which is below detectable levels.

DDH #5B  
 53° 50' E  
 DIP -54° 11'

BASELINE



**BONDAR-CLEGG & COMPANY LTD.**  
 130 PEMBERTON AVE. NORTH VANCOUVER, B.C. V7P 2R5 PHONE (604) 965-0881 TELEX 04-302887

Geochemical Lab Report

REF: 101-1595

| SAMPLE NUMBER | ELEMENT UNITS | Al2O3 PCT | CaO PCT | Fe2O3 PCT | N2O PCT | MnO PCT | MgO PCT | PCO5 PCT | Na2O PCT | SiO2 PCT | S PCT | TiO2 PCT |
|---------------|---------------|-----------|---------|-----------|---------|---------|---------|----------|----------|----------|-------|----------|
| 39414         |               | 13.00     | 9.50    | 9.30      | 1.40    | 3.90    | 0.10    | 0.49     | 5.00     | 45.00    | 0.39  | 0.30     |
| 39415         |               | 12.00     | 8.90    | 12.00     | 1.15    | 5.90    | 0.11    | 0.25     | 1.00     | 49.50    | 1.65  | 0.45     |
| 39416         |               | 21.50     | 3.70    | 10.70     | 0.40    | 19.80   | 2.00    | 0.42     | 2.25     | 41.25    | 0.10  | 0.30     |
| 39417         |               | 14.80     | 2.90    | 17.00     | ND      | 7.00    | 0.13    | 1.10     | 2.00     | 48.00    | 0.04  | 0.14     |
| 39418         |               | 5.20      | 11.00   | 24.30     | 0.80    | 4.50    | 0.31    | 0.24     | 0.91     | 42.50    | 0.25  | 0.10     |
| 39419         |               | 14.00     | 2.30    | 22.00     | ND      | 6.80    | 0.13    | 0.33     | 1.90     | 44.50    | 1.64  | 0.70     |
| 39420         |               | 16.40     | 4.50    | 13.00     | 0.90    | 5.40    | 0.15    | 0.53     | 3.50     | 49.00    | 0.11  | 0.90     |
| 39421         |               | 16.50     | 5.00    | 13.20     | ND      | 4.90    | 0.21    | 0.49     | 4.10     | 47.50    | 0.31  | 1.15     |
| 39422         |               | 15.00     | 1.85    | 25.00     | ND      | 6.00    | 0.09    | 0.30     | 2.10     | 43.00    | 1.40  | 0.70     |
| 39423         |               | 10.30     | 3.40    | 27.00     | 0.10    | 7.60    | 0.12    | 0.27     | 1.40     | 43.90    | 2.00  | 0.55     |
| 39424A        |               | 10.80     | 5.50    | 20.00     | 0.30    | 4.85    | 0.11    | 0.30     | 3.00     | 49.50    | 1.96  | 0.50     |
| 39424B        |               | 7.60      | 15.20   | 11.50     | ND      | 3.85    | 0.27    | 0.48     | 1.50     | 44.00    | 1.39  | 0.40     |
| 39425         |               | 4.30      | 20.00   | 13.50     | ND      | 2.35    | 0.42    | 0.53     | 0.90     | 41.00    | 3.07  | 0.11     |

TYPE OF MAP:  
**CROSS SECTION F-F'**  
 LOOKING N42°W

FIGURE 11-81

Location of major element analyses performed on DDH's 5B & 10

NOTE: \* DDH #10 projected onto Section F-F'

TABLE 12-81

GEOCHEMICAL WATER ANALYSES - RED CREEK

| <u>SAMPLE NO.</u> | <u>Cu</u> | <u>Zn</u> | <u>Ag</u> | <u>Co</u> | <u>Fe</u> | <u>As</u> | <u>pH</u> | <u>SO<sub>4</sub></u> |
|-------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------------------|
| 1                 | 9.91      | .12       | .001      | 1.16      | 45.50     | .01       | 4.0       | 175                   |
| 2                 | 9.25      | .11       | .001      | 1.05      | 42.00     | .01       | 4.0       | 170                   |
| 3                 | 9.40      | .11       | .001      | 1.10      | 43.50     | .01       | 4.0       | 172                   |
| 4                 | 9.35      | .11       | .001      | 1.10      | 43.10     | .01       | 4.0       | 180                   |
| 5                 | 21.40     | .34       | .001      | 2.60      | 192.00    | .01       | 4.0       | 420                   |
| 6                 | 9.50      | .11       | .001      | 1.10      | 44.00     | .01       | 4.0       | 174                   |

\* All elements in ppm

\* Some sediment??

#### IV The 1981 Drill Programme

##### a) Historical and Chronological

Two new Longyear Drills (FLY 38's) were utilized by Longyear Canada on the job. Due to the lateness of the season, there was no chance to properly appraise the job beforehand, and our 1965 experience (BBS1 - AQ drill holes) was used as the sole guide.

Fifty mile helicopter hauls instead of planned and cheaper fixed wing transportation had to be used for the same reason. D.J. Drilling, who were initially interested in the job, had to commit themselves to other work well before the W.C. project was approved, and we were only able to get Longyear due to a sudden cancellation in the Yukon. D.J. did, however, let us rent the new John Deere 450 tractor they felt necessary for drill moves, and this was flown to the property in pieces by a Bell 212 helicopter, the largest available in the north. This bit of pioneering proved extremely expensive, unexpected costs being largely due to assembling charges. However the tractor proved very useful even if it could not navigate the terrain north beyond Section F-F', and it is still on the property.

##### b) Fuel Hauls

A fixed wing fuel haul was made in late winter (April/81) on D.J.'s recommendation but unfortunately this (100bbl±) amounted to only 30% of that ultimately required, the extra having to be later ferried using an unreliable fixed wing supplemented by numerous and expensive helicopter hauls.

##### c) Camp

A 15 man main camp was set up at Tats Lake and later supplemented by a small, part time drillers camp on the property. The FNM building planned for the property was not completed until September, due to requirements elsewhere of our versatile foreman, John Hugi, involving unplanned extensions to Maid of Erin work beyond that originally outlined by the writer.

The "relatively adjacent" Maid of Erin (ME) work was suggested to coincide with the W.C. programme for obvious reasons, and the arrangement worked well except that flowers were blooming at Tats Lake weeks before snow had melted at M of E, and we had planned on the reverse. Fortunately a road-building contractor near M of E, General Enterprises, served as a "hotel" and made work on both projects far more efficient. (G.E. also hosted the Dighem Airborne Geophysical group contracted by the writer to fly the M of E plus a portion of the W.C.).

d) Helicopter

Due to the lateness of the season, and the minimal contract envisioned, no helicopter operator contacted was interested in a "less than 6 month" contract save for Pacific Helicopters of Delta obtained through the recommendations of ex - FNM pilot Ed Phillips. As it turned out, Pacific did far better (due to lack of forest fires) than most groups, particularly TNTA of Whitehorse, who turned us down. The Bell 206B, used to transport drill crews from Tats Camp to the W.C. on a daily basis, and to support the drill, performed perfectly save that several of the alternating and inexperienced crews caused problems such as dropping, and unreported misplacing, of drill core (some of our current problems with the assays). By the end of the season one expert "contract pilot" (Bill Michael) emerged and must be considered for 1982, although a slightly larger helicopter is required for efficiency.

e) Core Logging

Although the writer did most of the organizing of the W.C. project, geological help was required and this was obtained on a last minute basis thru G.A. Noel, head of a consulting group engaged for the season at M of E. A new employee - Don Hoy - was supplied by G.A. Noel Consultants essentially to log core along the same basis it was logged in 1965. Unfortunately, during a hold-up in assay results in October, the writer agreed to release Hoy for a couple weeks work for his company in California where he is still (Dec 17) "marooned" on a mountain top in

California. He will contribute towards the final report, however. The writer had little opportunity to supervise Hoy in the field but all drill core, split or otherwise, is available for re-logging if the situation demands it. One important feature stressed by the writer was logging at the drill site before helicoptering to base camp. Thus the grade of core dropped by panicky pilots can at least be intelligently estimated. (Fortunately most core dropped was from abandoned holes except that some 20 feet included material that should have run 6%, the highest recorded in 1981. Secondary enrichment, however, may have accounted in part for some of these high numbers in the case involved and the assays received should be 'cut').

f) Sampling Procedures

A decision was made to log core and assign assay intervals at Tats Lake, then fly the cores to M of E for splitting, storage, and road transport out. This was for reasons of excess noise involving sleeping drillers on night shift, and the better facilities, including power, at M of E where we could retrieve any core required for bench tests, etc, by truck and/or snowmobile. Original plans were to split core on the property, but our facilities were not installed until drilling had ceased, as per problems described. All core was moved to M of E, save for unassayed parts of #8, 9 and 10, which, due to critical helicopter fuel shortages caused by the "seizure" of helicopter fuel at Dezadeash Lake by overzealous Yukon Park Wardens near a Picnic Site used since 1958, and the subsequent failure by Air North of Whitehorse to find any other suitable water landing within 100 miles, had to be left at Tats Lake.

Except for a few core trays which mysteriously "disappeared" between Tats and M of E (evident now on D. Hoy logs), all core showing more than 5% sulphides was split and assayed (core lost does not affect overall grades, and estimates of the grade of that missing can be made with reasonable accuracy if required). Attempts were made to sample at 10 foot intervals except where

obvious changes in character were noticed. As several tons of sample was involved, and we had experienced problems with CPA to Vancouver in the past, it was decided to utilize Bondar - Clegg in Whitehorse following confirmation of their ability by known Bondar-Clegg officials in Vancouver. However, as shown on the logs, we are still missing a few samples.

g) Assay Procedures

To date, check assays have not been made and we have no reason to suspect number problems with Bondar-Clegg, Whitehorse. Normal waiting time for assays in Vancouver increased from 5 to 6 weeks in 1981 due to heavy geochemical demands (we are still waiting results from May drilling at Moyie although samples were submitted in October) and Whitehorse proved even slower, thus the lateness of this report. Cobalt and copper assays were done in Whitehorse and are acceptable to the writer based on past experience plus current core logs. A couple exceptions noted would not affect overall results significantly. Gold, Silver, lead and zinc were done geochemically (AA) and some gold-silvers will be checked by fire assay methods. Sulphur assays were carried out by Bondar-Clegg in Vancouver and shown in the logs as "sulphide (S<sub>2</sub>)" - a close approximation being that pyrrhotite, the dominant sulphide, contains about 40% sulphur and that the only other sulphides, pyrite and chalcopyrite, would not significantly change this generalization more than a percent or two, which is unimportant at this stage.

Assays are presented in the drill logs enclosed and are plotted on accompanying assay sections. Cobalt, copper, sulphur, and any anomalous value in pm's or zinc, are included in individual or composite form. Transparent overlays contain the copper-cobalt sulphide values and the underlays contain the general geology.

V Geology

a) Orientation

The Geological Sections will be further defined at a later date; to this point no trouble has been experienced in locating the sulphide zone utilizing more than a simple interpretation of geology. The western contact of the sulphide zone was accurately predicted in all holes to within a few feet of it's intersected location. The totally unexposed eastern contact is more of an unknown. Attitudes suggest that, although the western contact (fault controlled in part) is near vertical, some of the massive sulphides (+70% S<sub>2</sub>) occur as easterly dipping lenses (?) within the zone. Due to lack of holes and penetration, plus faulting, the attitude of the Easter Contact is uncertain. Thus we do not know at this time what is "hangingwall" and what is "footwall". Regional observations on the Windy Claims suggest a steep easterly dip while those on the Craggy suggest a vertical to steep westerly dip. The writer is unprepared to be committed at this stage. It appears that plunging sulphide shoots are likely but evidence is again too skimpy for support.

b) Rock Types

Cross sections suggest, as earlier described, a western environment consisting of felsitic to moderately basic volcanics (andesites) interbedded with shales (some of which are prominently calcareous and may serve as marker horizons). The sulphide zone consists (at least in the south) of at least three steeply dipping paralleling bands. These may merge into a single unit to the north? Rocks to the west of the sulphides are dark chloritic volcanics (andeso-basalts) followed by a dense black shale and/or argillite unit at least several hundred feet thick. Alternating bands of volcanics and shales (argillites?) appear evident at the first exposures over 1000 feet east.

Utilizing the Anyox Model (see earlier discussions) either contact would qualify as "footwall" at this stage. Alteration appears to be Lower Green Schist.



c) Sulphide Zone

The sulphide zone consists of the often described massive sulphides (70% pyrrhotite, minor pyrite and chalcopyrite) flanked by "stringer-zone" type mineralization ( $\pm 30\% S_2$ ) which may contain significantly different chalcopyrite/pyrrhotite ratios. 1981 drilling showed extensive "crackle" or weakly brecciated zones containing a higher chalcopyrite/pyrrhotite ratio, but these require further definition on the section before comment is made. Sulphide persists thru depths of at least 1500 feet (photo7/81).

d) Anomalous Geological Features

Based on west (footwall??) geology, and observation of the sections (i.e. model photographs enclosed, Sect. C-C'+40N & Photo 6) it appears that DDH #10 did not penetrate the main zone as intended (it was hoped the hole would flatten) before being abandoned due to freeze-up. Faulting may have caused complications. This hole collared in ice and can not be re-entered, one problem with ice cap drilling.

Some problems were encountered with cavities having large dimensions and no surface representation - i.e. DDH #2/81 and # 1(65). Pyrrhotite present prior to encountering the cavity oxidized rapidly, some visually within an hour of pulling, and the writer interprets the cause of the large cavity to be due to "burning", (rapid oxidization), of similar material, possibly due to pre Ice Age lightning strikes. Deeper holes showed no sign of this phenomena (see sections).

A breccia-like rock encountered under the snow cap (DDH #8 & 10) is suggestive of laharc breccia. Fragments are unlike those rocks exposed on surface and the matrix seems more tuffaceous than would be expected on a normal mudslide or in a derived calcrete. The breccia is deeply weathered in part but is unmineralized and appears to contain no sulphide fragments. In the two best exposures it overlies unmineralized volcanics but at a low dip angle. The origin is in doubt.

e) Shape of Deposit

In general it would appear that the W.C. deposit has the shape of a crater with tangents or offshoots to the north and south. 1982 drilling should confirm or deny this.

f) North Extensions

No sampling was done on the north extension, in fact it was not even visited during 1981. Float from the north cliffs, where a steep sulphide body is exposed, (see Model, Photo 5/81) was sampled along a two mile moraine. Copper assays (Table 13/81) are erratic as in previous sampling but the cobalt content, also erratic, must be compared to total sulphides, assays (the material is decidedly more pyritic) for which are awaited. A few samples were taken by Mr. Kowall in the Tats-Kowall area. These are included here (Fig 14/81) for completeness, etc. Ratios, when sulphur assays are completed, may be of interest, at least regionally.

g) Geophysical Surveys

Airborne DIGHEM traverses have proven very difficult to plot due to the lack of ground control, the "ground" in the area of most interest being essentially impassable. Unfortunately the only airphotos available and used for plotting suffer from distortions and severe shadow effects in the area of interest, (Fig 17/81) Also the snow was much further melted when the photos were taken than when DIGHEM photographed during their traverses. Detailed studies by the writer after constructing a 35mm viewer suggested that only minor changes in the DIGHEM plot are necessary. In order to utilize all the data we should make a few airborne obiques about the same time of the year that DIGHEM flew. Ice fracture patterns identified at low level on the DIGHEM photos could be usefull as these change little from year to year.

There is also a plotting problem due to the varying and non-lineal number of frames between fiducial marks, apparently an effect caused by the helicopter slowing down in precipitous situations in order to correct, but cameras continuing at the same speed. It's assumed that DIGHEM has corrected for this, despite any obvious notation?

Several sets of prints of anomalous locations will be made off the DIGHEM film roll, and the results discussed in more detail.

TABLE 13 - 81

FLOAT SPECIMENS FROM THE WEST FROBISHER GLACIER

| <u>SAMPLE NO</u> | <u>% Cu</u> | <u>% Co</u> | <u>% S<sub>2</sub></u> |
|------------------|-------------|-------------|------------------------|
| 46027            | 2.40        | 0.074       |                        |
| 46028            | 0.14        | 0.012       |                        |
| 46029            | 0.30        | 0.048       |                        |
| 46030            | 0.15        | 0.046       |                        |
| 46031            | 2.14        | 0.046       |                        |
| 46032            | 1.14        | 0.071       |                        |
| 46033            | 0.45        | 0.042       |                        |
| 46034            | 0.07        | 0.042       |                        |
| 46035            | 0.87        | 0.067       |                        |

\* Analyses for S<sub>2</sub> not yet received

If DIGHEM is correct, the centre of the W.C. EM anomaly on Line 105 is 1000 feet east of the only usable drill set-up, thus the footage allowance to guarantee complete penetration of the zone (DDH #9 or #9 +100m N?) would be at least 1400 feet. A shallow hole (less than -45°) would run the likelihood of encountering huge cavities (such as DDH #2 and #1/65) and a steep one would never reach the zone within the capability of the drill without wedging.

VI Property Situation

The W.C. property, following recent staking and relocation, now consists of 155 units stretching to just south of Tat Lake, (Fig 15/81). Four and/or five years assessment has been applied to all ground but until confirmed by the Gold Commissioner, further comment is withheld. It is hoped to cover all assessment via work done on DDH #9 (no assays) and the upper part of #10, these being the only holes qualifying within the assessment year.

VII Drill Logs and Sections

Logs for drill holes #1 to 10, including summaries, are enclosed in the appendix. Several composites are yet awaited as are check assays.

Reduced sections, with assays plotted on a transparency, overlay geology. These are also enclosed in the Appendix. Full size sections and folio will be produced for a final report when time permits.

VIII Recommendations

It is recommended that drilling proceed as initially planned with modifications as dictated by circumstances yet unforeseen. Details are discussed under the 1982 Budget Section which follows.

IX

1982 BUDGET

Budget proposals are presented under two headings,

a) Current and b) Additional.

a) Current

Approximately \$600,000.00 remains of the 1,500,000.00 budget originally planned. The best possible cost estimating can be done by simple reference to 1981 costs. Certain cost items will not occur again but others such as mobilization on completion of the program must be considered. Costs involved in possible options such as Kowall and Swiss Al or on additional W.C. claims located in 1981 are not considered under proposal #1.

1981 overall costs worked out to about \$100/foot. The only items which will be reduced significantly will be infrastructure (camp, etc.) and excessive fuel hauls by helicopter. During the past season these totalled about \$150,000.00. Deducting them, 1982 costs should then be about \$83/ft. Within inflation increase, a \$90/foot figure should be used. Implimentation of new drilling techniques- drilling mud, water heaters, NQ rod for initial drilling, and fewer set-ups but longer holes - should reduce costs to about \$80/ft, but a larger helicopter will be required for moves in a more difficult terrain. The safest estimate then works out to about \$85/ft overall, allowing about 7000 feet of drilling for the \$600,000.00 available.

Items in addition to those of 1981 should include:

- 1) Larger project helicopter -a Long Ranger will cost more but this will be offset by more efficient crew moves and better lifting capability at altitude - Cost - 0.
- 2) A better communication set up between crews, helicopter and Northern Telephone. This is a safety requirement which should add considerable efficiency as well. A VHF system, totally recoverable, has been designed similar to others in use in the St. Elias - Cost \$12,000.00.
- 3) Better mapping W.C. Deposit and legal but minimal claim surveying (i.e. W.C. #1, 2, 3, and 9) - \$18,000.00.

IX Budget (cont'd)

4) Expanded DIGHEM Survey of Tats Deposit and better definition of  
W.C. Deposit     \$20,000.00 (Should be done together)  
Total            \$50,000.00

Remainder left in fund \$550,000.00 (6,400 ft). A detailed budgetary breakdown would be of some use only after scope of the 1982 programme is decided on as there are far too many variables involved all of which would invalidate preliminary detail.

b) Drilling Plans - 1982

No changes are anticipated to the grid drilling program set up in 1981 which includes drilling on sections G to L, (Table 16/81). Snow drilling from the east would increase efficiency but we can not rely on such at this time, thus drilling will have to be done from the ridge top.

As outlined on Map 034/81 (a) (pocket), a short drill hole should be put in from a convenient set-up on Section A which can be occupied earlier. This hole, #11, would test any plunge of the sulphide body to the south and may help explain the sudden termination evident on surface (500 feet) or the weak DIGHEM response (Fig 17/81).

The length of Hole #9 (Section G-G') must be doubled (600 feet remaining). Some consideration will be given to induced flattening by wedging on all subsequent steep holes.

Drill Hole #12 will be on Section H (1300 ft), #13 on Section I-I' (1400 ft), and #14 on Section J-J' (1500 ft). Footage remaining (1100 ft) should be allocated to Section K-K' (if feasible) (1981 Designation DDH #11 or #11B), or L-L' (1981 Designation DDH #12), or M-M' (1981 Designation #13).

The above programme will minimally test what the writer has always beleived to be the largest part of the W.C. deposit, a concept enhanced in 1981 by the extremely high E.M. and accompanying magnetics encountered by airborne work. We can not affort gambles on such as deep surface (?) cavities encountered in DDH #4, thus the holes should be steep enough to miss these problems. Each set-up will be rationed to only one hole.\* Continuity of the sulphide body will be proven by intersections but little will be gained as to continuation or configuration at depth.

\*UNLESS OTHER FINANCING ARRANGEMENTS CAN BE MADE, IT BEING MORE IMPORTANT TO PROVE CONTINUITY ALONG STRIKE THAN AT DEPTH.

TABLE 16 - 81

DRILLING PLANS - 1982

| <u>DDH#</u> | <u>SECTION</u> | <u>BASELINE</u> | <u>CO-ORDINATES</u>      |        | <u>ELEVATION</u>     | <u>BEARING</u> | <u>INCLINATION</u> | <u>MINIMUM DEPTH</u> | <u>COLLAR</u>      | <u>PURPOSE</u>   |
|-------------|----------------|-----------------|--------------------------|--------|----------------------|----------------|--------------------|----------------------|--------------------|--|
|             |                |                 | N                        | E      | metres               |                |                    |                      |                    |  |
| 11          | A-A'           |                 | 10,000                   | 10,050 | 1540                 | N 48 E         | -50°               | 152.4                | creek near camp    | test plunge to south & EM anomaly  |
| 9           | G-G'           |                 | 10,435                   | 9,610  | 1810 <sup>1812</sup> | N 48 E         | -58°               | 182.9                | ridge              | partly drilled   |
| 12          | H-H'           |                 | 10,510                   | 9,540  | 1840                 | N 48 E         | -50°               | 396.2                | ridge              | on section test  |
| 13          | I-I'           |                 | 10,750                   | 9,660  | 1700                 | S 48 W         | -50°               | 426.7                | ridge              | on section test  |
| 14          | J-J'           |                 | 10,605                   | 9,365  | 1870                 | N 48 E         | -50°               | 457.2                | ridge              | on section test  |
| 15          | K-K'           |                 | 10,790                   | 9,350  | 1880                 | N 48 E         | -60°               | 335.3                | bluff              | on section test  |
|             | <u>or</u>      |                 |                          |        |                      |                |                    |                      |                    |  |
| 15          | L-L' + 25 y    |                 | 11,000                   | 9,420  | 1860 <sup>1858</sup> | S 48 W         | -45°               | 335.3                | Ridge OC           | test holes to sample diss. min. & to test at medium depth for massive S <sub>2</sub> |
|             | <u>or</u>      |                 |                          |        |                      |                |                    |                      |                    |  |
| 15          | M-M'           |                 | 11,050                   | 9,370  | 1840                 | W              | -60°               | 335.3                | Ridge snow & talus | exploration hole to test cliff exposed mineralization.                               |
|             |                |                 | TOTAL 1950.7m (6,400 ft) |        |                      |                |                    |                      |                    |  |



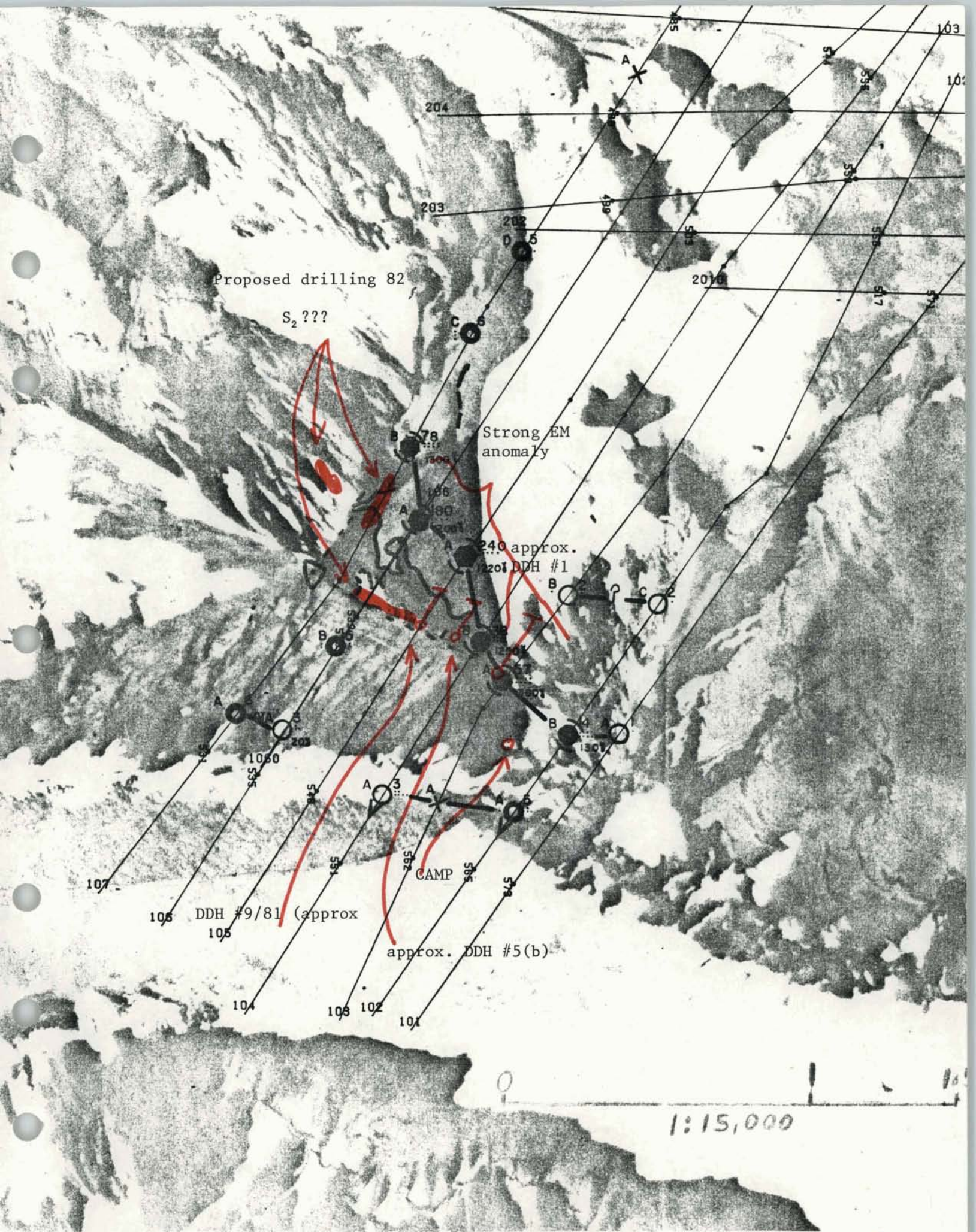


FIG 17/81 DIGHEM EM SURVEY, TATS AREA (SCALE DISTORTED)



The most northerly hole envisioned (on Section L-L') will aim in the direction of the massive sulphide evident on the inaccessible north (Craggy) cliffs. The outcrop will be geographically positioned by helicopter-controlled transit surveys. The intervening ground, although devoid of massive sulphides, is mineralized to some degree over impressive widths (1958 observations).

c) Budget Summary - Second Stage (minimal requirements to mount worthwhile programme)

|   |                     |
|---|---------------------|
| 1) Drilling Programme - 6400 feet in 6 holes                              | \$550,000.00        |
| 2) Legal and Geological Surveys (contract) W.C. area                      | \$ 18,000.00        |
| 3) Expanded DIGHEM Geophysical Surveys (contract)<br>(W.C. and Tats area) | \$ 20,000.00        |
| 4) Communications System (contract)                                       | \$ <u>12,000.00</u> |
| <b>TOTAL</b>  | <b>\$600,000.00</b> |

d) Timing and Distribution

|                              |  |                     |
|------------------------------|--|---------------------|
| Jan.                         | Supervision, Communications System and Warehouse overhauls and preparation | \$ 10,000.00        |
| Feb.                         | As above, plus fuel haul   | \$100,000.00        |
| March, April & May (as Jan.) |  | \$ 30,000.00        |
| June                         | As Jan., plus mobilization   | \$ 30,000.00        |
| July                         | Drilling - as 1981   | \$100,000.00        |
| August                       | Drilling - as 1981   | \$150,000.00        |
| Sept.                        | Drilling, Demobilization   | \$100,000.00        |
| Oct.-Dec.                    | Supervision, Assays, Reports   | \$ <u>80,000.00</u> |
| <b>TOTAL</b>                 |  | <b>\$600,000.00</b> |

e) Third Stage Program - 1982 (for reference only - not budgeted for at this time)

A) Moderate Expenditures

|  |                     |
|--|---------------------|
| 1) Extra drilling - deepening of 1982 holes (1000 foot total) plus two extra holes from established set-ups (3000 ft) = 4000 feet @ \$50/ft (estimate) | \$200,000.00        |
| 2) Geological Survey - Tats Group, 15,000  | \$ 15,000.00        |
| 3) Assessment Work Filing (excess)   | \$ 10,000.00        |
| 4) Preliminary Exploration and Sampling, W.C. type deposits  | \$ 5,000.00         |
| 5) Regional Exploration and Sampling W.C. type deposits  | \$ 20,000.00        |
| <b>TOTAL</b>   | <b>\$250,000.00</b> |

|   |                     |
|---|---------------------|
| f) B) <u>Heavier Expenditures</u> (1981 Range - for reference only)<br>(assuming Kowall - Swill Al option exercised under existing<br>G.W. agreement)   |                     |
| 1) As (A) on previous page  | 250,000.00          |
| 2) Addition drilling, north end. Would include oblique<br>(offsection) holes for a flatter intersection, or<br>crevass bridging (metal mesh) from ice cap. 2000 ft<br>@ \$50/ft (see map 034/81(a)) | \$100,000.00        |
| 3) Cat road access to establish winter road route to Tats<br>Lake. Require more meaningful estimate from contractor   | \$200,000.00        |
| 4) Follow-up drill holes on Tats - Kowall Deposit (2 @<br>1300 ft @ \$80/ft <sup>o</sup> )  | \$200,000.00        |
| 5) Investigation of Anomalies on Swiss Al Option (?)  |                     |
| a) Pre drill Surveys - DIGHEM & Ground  | \$ 20,000.00        |
| b) Test drilling 3 holes totalling 1600 ft ±  | <u>\$130,000.00</u> |
| <p style="text-align: center;">TOTAL</p>  | \$900,000.00        |

f) Comment on Second Stage Program

This program is essentially set up and only modifications are required for it's implementation.

Some early committments are required, however. These include:

- a) A committment to Longyear so they can 1) begin construction during the off-season of special design water heaters and 2) decide on drill deployment - i.e. if we're not proceeding, they want their drills back. The same holds for D.J. Drilling's J.D. tractor.
- b) A committment to construct the VHF mobile terminal - lead time 5 months due to uncertainty of part procurement.
- c) Arrangement for 1982 field help.
- d) Fuel haul arrangements while snow conditions are suitable (Feb.)
- e) Helicopter Arrangements (there were no established company machines left available as of March, 1981). We will look hard at Pacific again, providing the correct pilot and machine are available.

f) Comments on Third Stage

This would involve more extensive work on the W.C. deposit and test (exploratory) survey and drilling on the Swiss Al? and Tats-Kowall deposits, should the former be optioned.

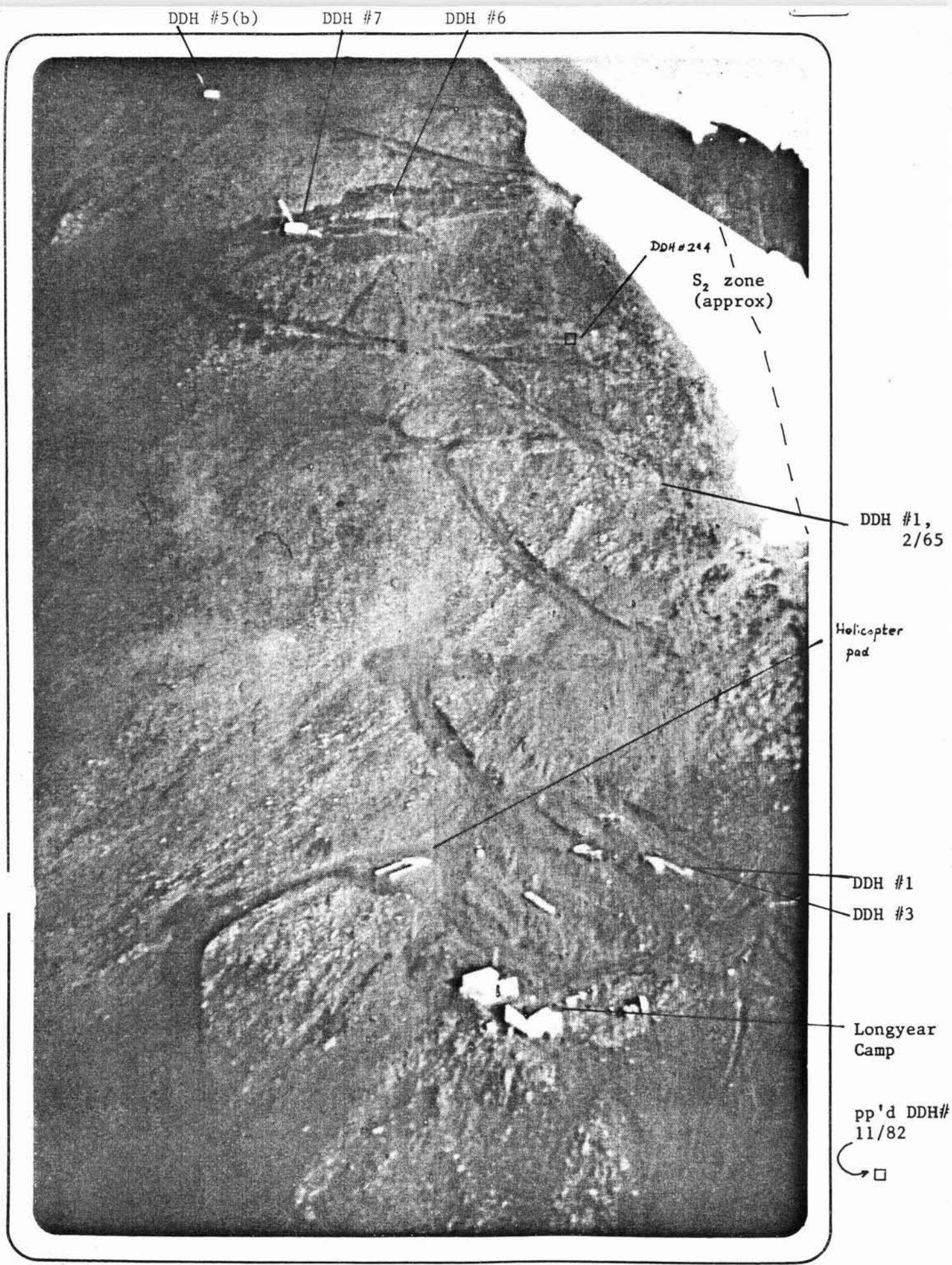
Examination in December, 1981, of routes to Tats Lake (J.J. McDougall, Grant Stewart, J. Hugi) suggested that the best winter access would be from the Carmine (Red Mtn) airstrip across the lower O'Connor and up the south side of Tats Creek. Work involved can only be properly estimated in the summer when overburden, etc. can be examined. A cat could probably walk thru in about 2 weeks, preparing a later winter cat train route. This would anticipate an expanded project in 1983. Other routes - i.e. Henshi Creek (E. Arm) seem a distant second choice at this time due to the roughness of the glacier, although the base of the East Arm glacier could be reached easier than could Tats Lake.

Tats Glacier would present about a mile of tough going for a large cat before it smoothens out, but there is more room to manoeuvre than on the East Arm. Ultimate access to the deposit (i.e. possible adit) appears much better off Tats Glacier unless a roadway can be blasted in solid rock to the camp on a bench 200 feet above. An adit would be collared off the edge of the glacier below the Red Creek camp but snow accumulations would have to be allowed for at the portal - i.e. a 50 foot(?) shed elevated by fill on the glacier would be a minimal requirement. Waste rock would conceivably supplement the natural and extensive gravel moraines forming a solid and elevated roadbed which should move so slowly as to be hardly troublesome. The one mile above the base of the Glacier would be most difficult requiring heavy equipment and gravel to fill numerous ice depressions. However, once in, this route would be free of dangerous crevasses or avalanches.

Further comment on possible additional stages is not practical at this time.

APPENDIX 1

Photos



DDH #5(b)

DDH #7

DDH #6

DDH #244

S<sub>2</sub> zone  
(approx)

DDH #1,  
2/65

Helicopter  
pad

DDH #1

DDH #3

Longyear  
Camp

pp'd DDH#  
11/82



Photo 1/81 - W.C. Zone Looking north July/81

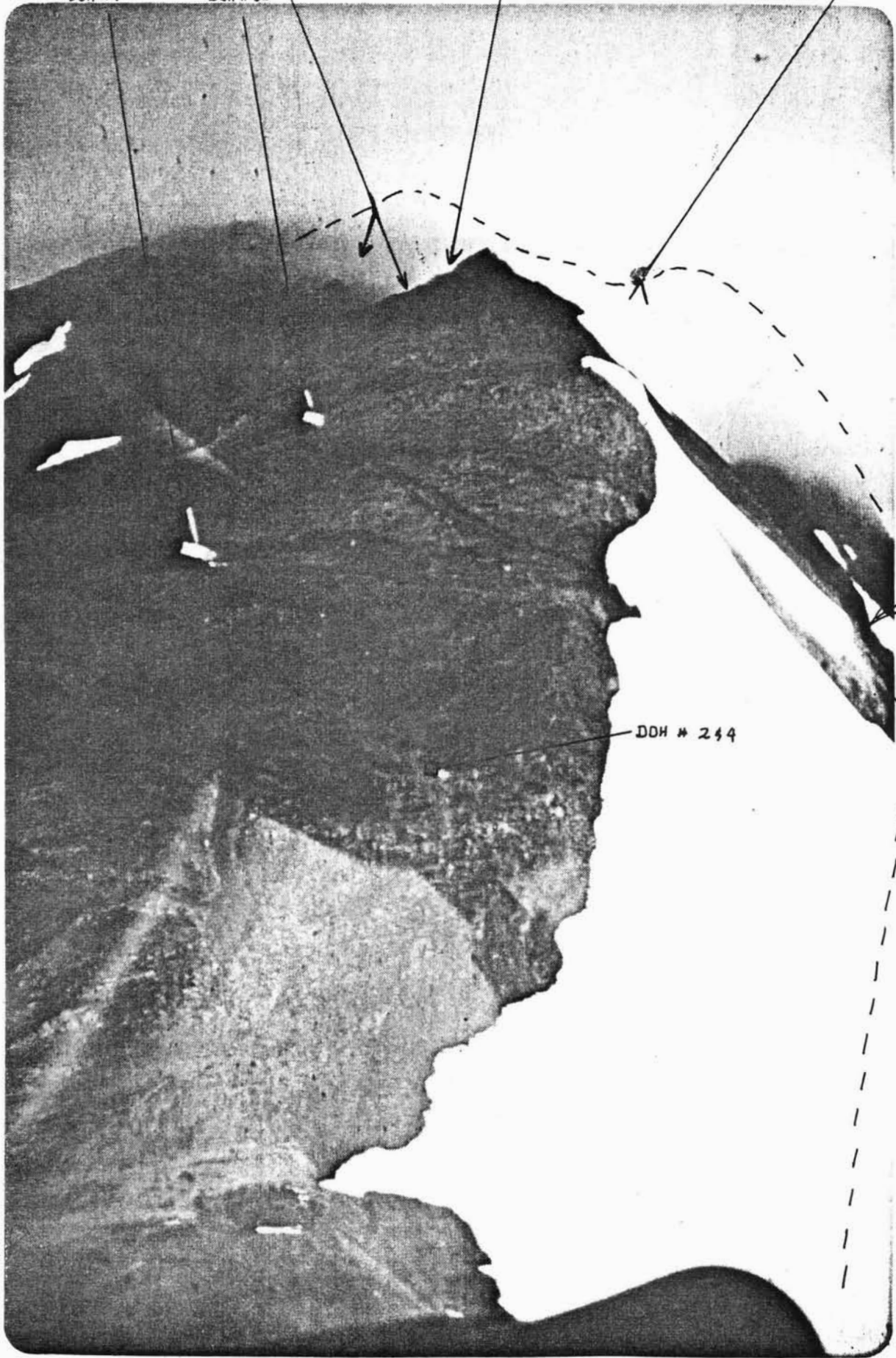
Proposed DDH's 12, 13, 14

DDH 9

Proposed DDH's 14, 15??

DDH #7

DDH #58



S<sub>2</sub> outcrop

DDH #8

DDH # 244

DDH #10

S<sub>2</sub> zone

Photo 2/81 W.C. Zone looking N. showing proposed Drill location '82



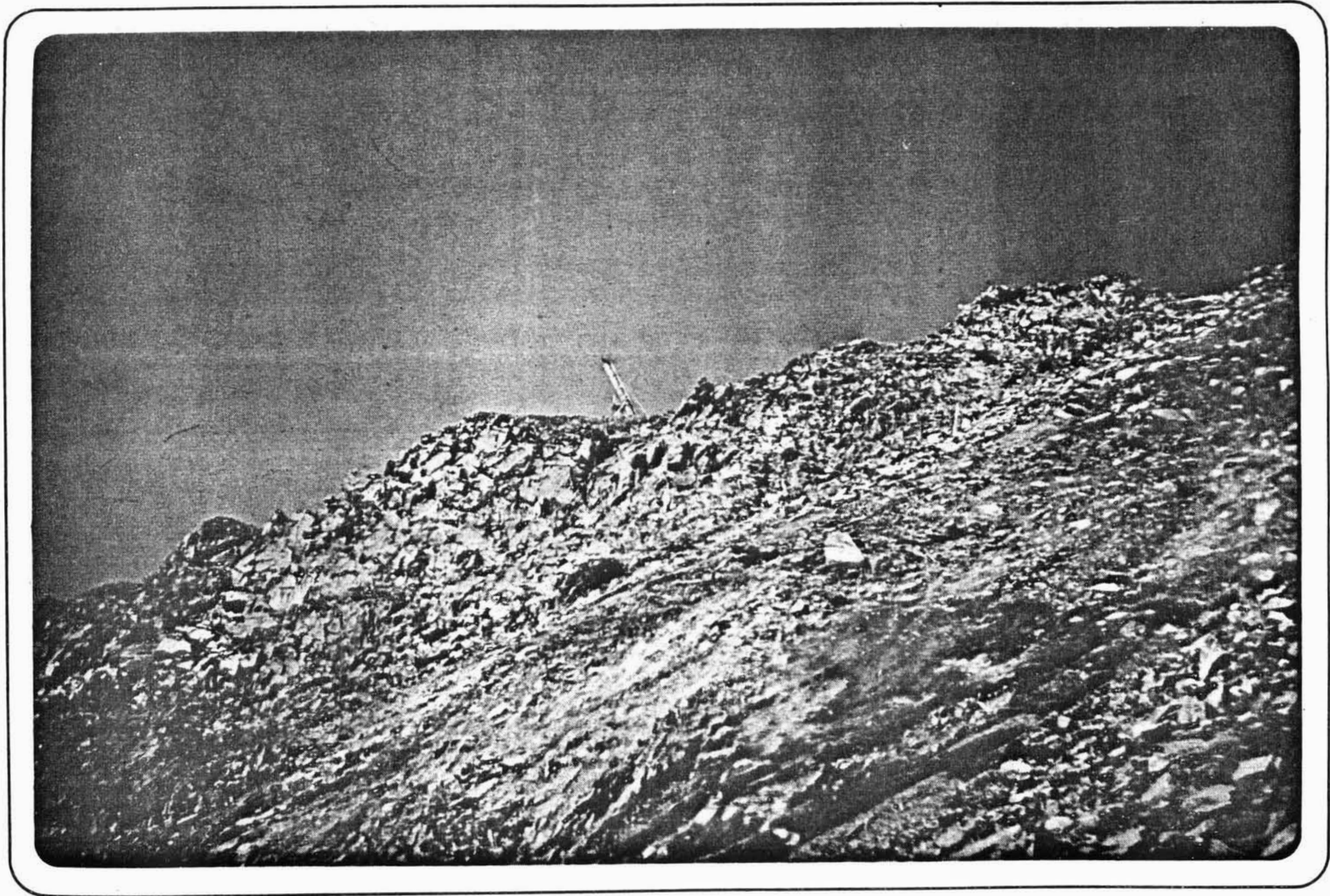


Photo 3/81 DDH #9, looking N. from approx. location DDH #5, Aug. 81

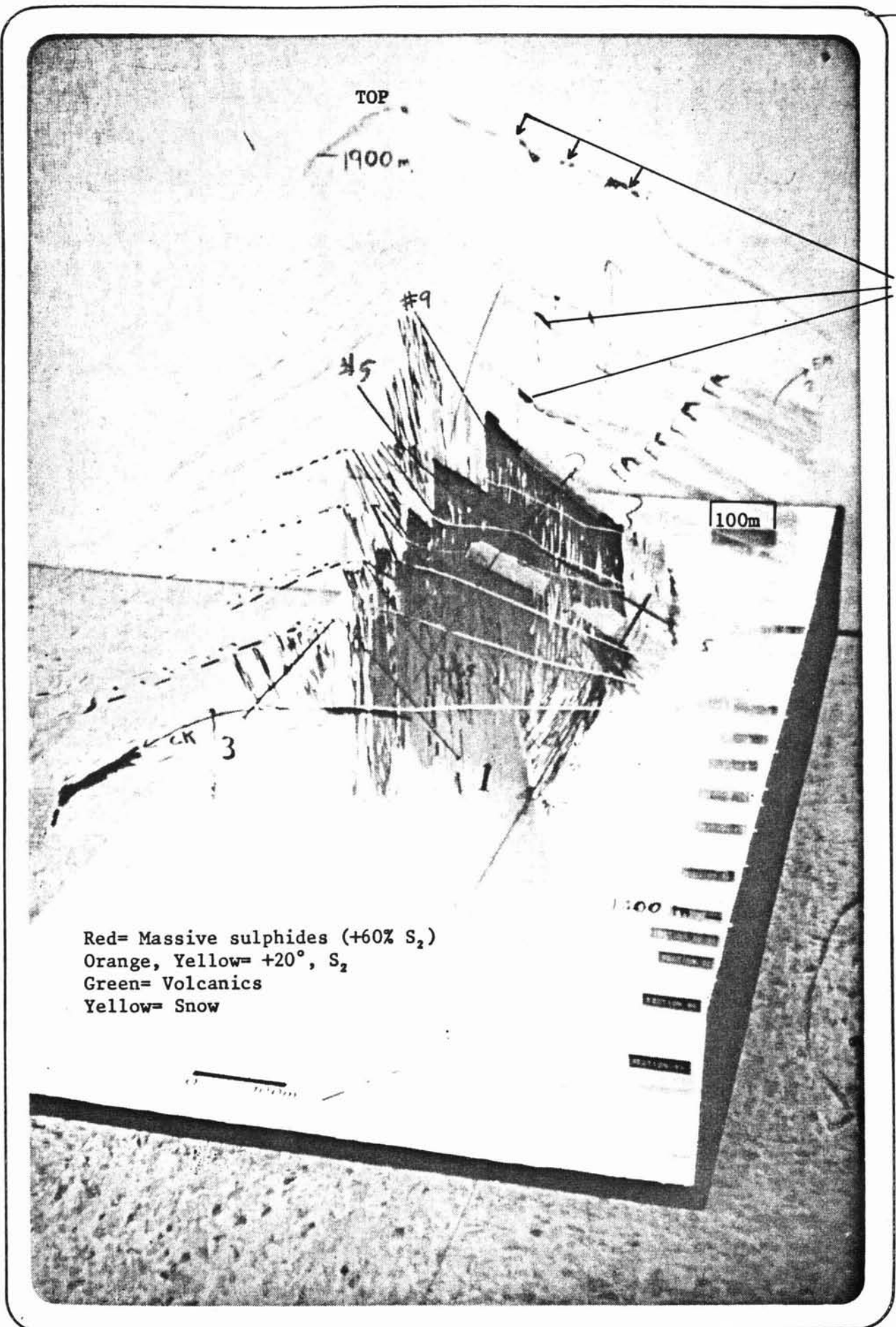
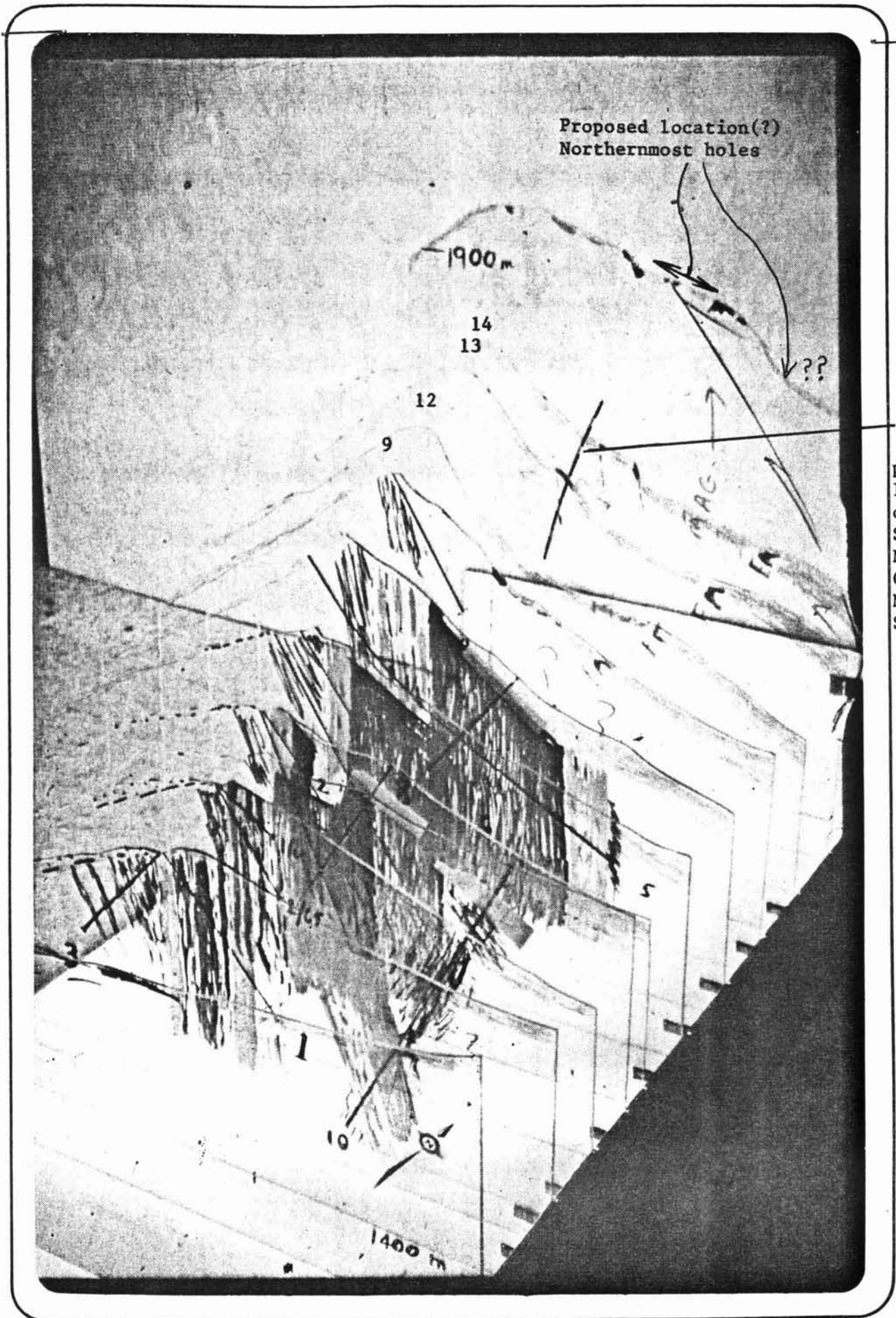


Photo 4/81 - preliminary sketch model and inferred projections W.C. zone looking West





Proposed location(?)  
Northernmost holes

1900 m

14  
13

12

9

approx.  
2000' (?)  
projected.  
location  
of exposed  
S<sub>2</sub> zone on  
North  
Cliffs,  
NOT  
SURVEYED

1400 m

Photo 5/81 - as 4/81 showing proposed location 1982 drilling

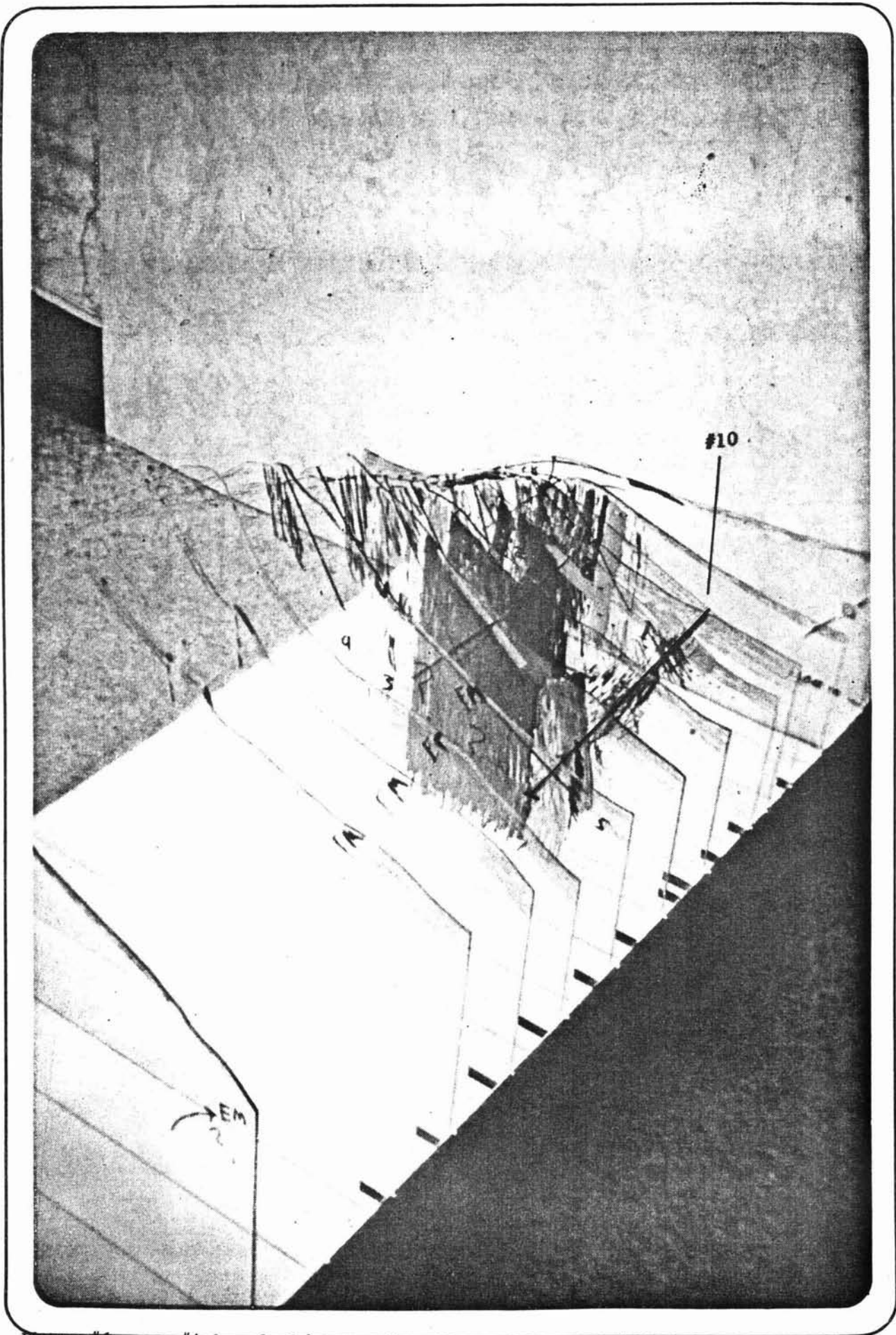
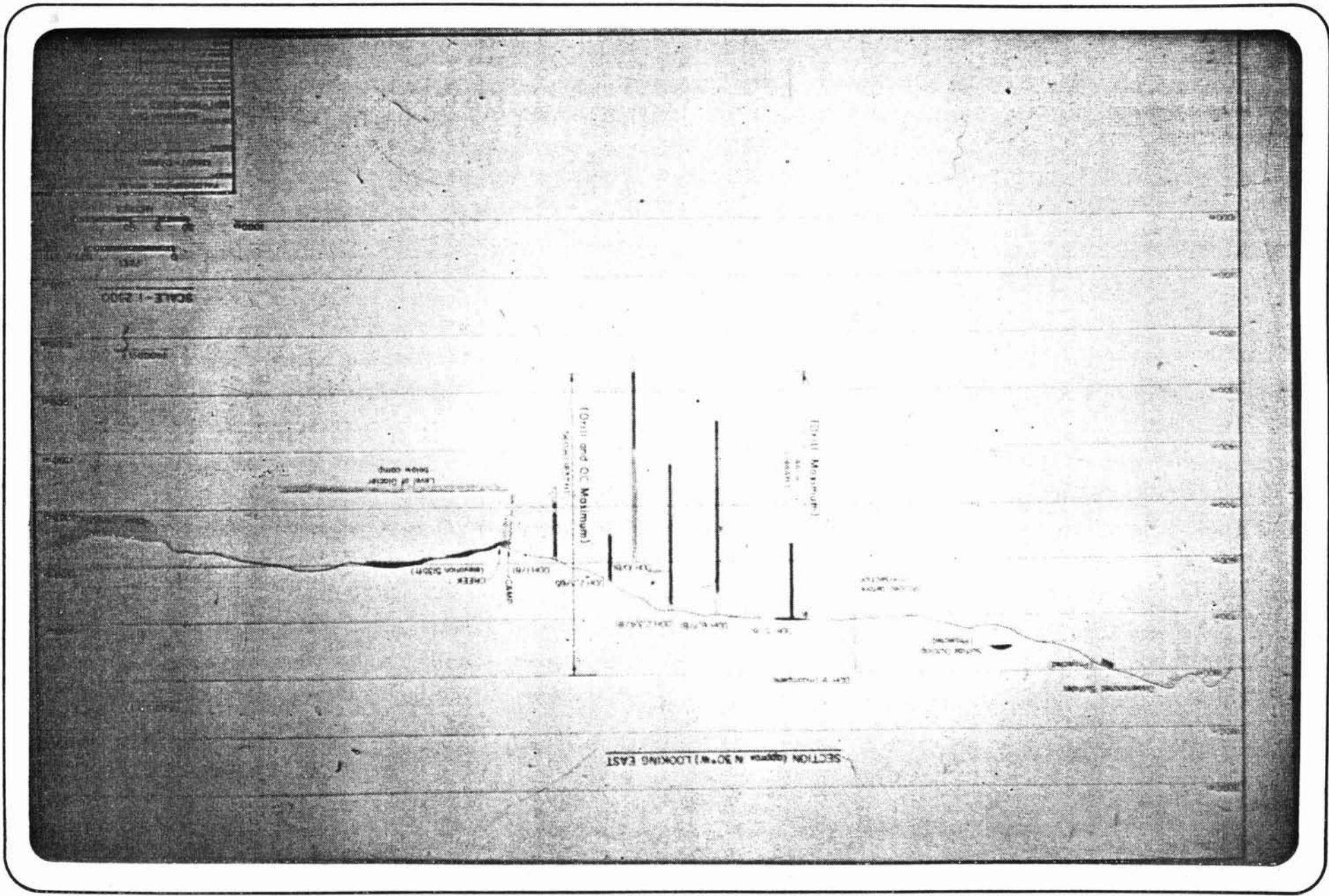
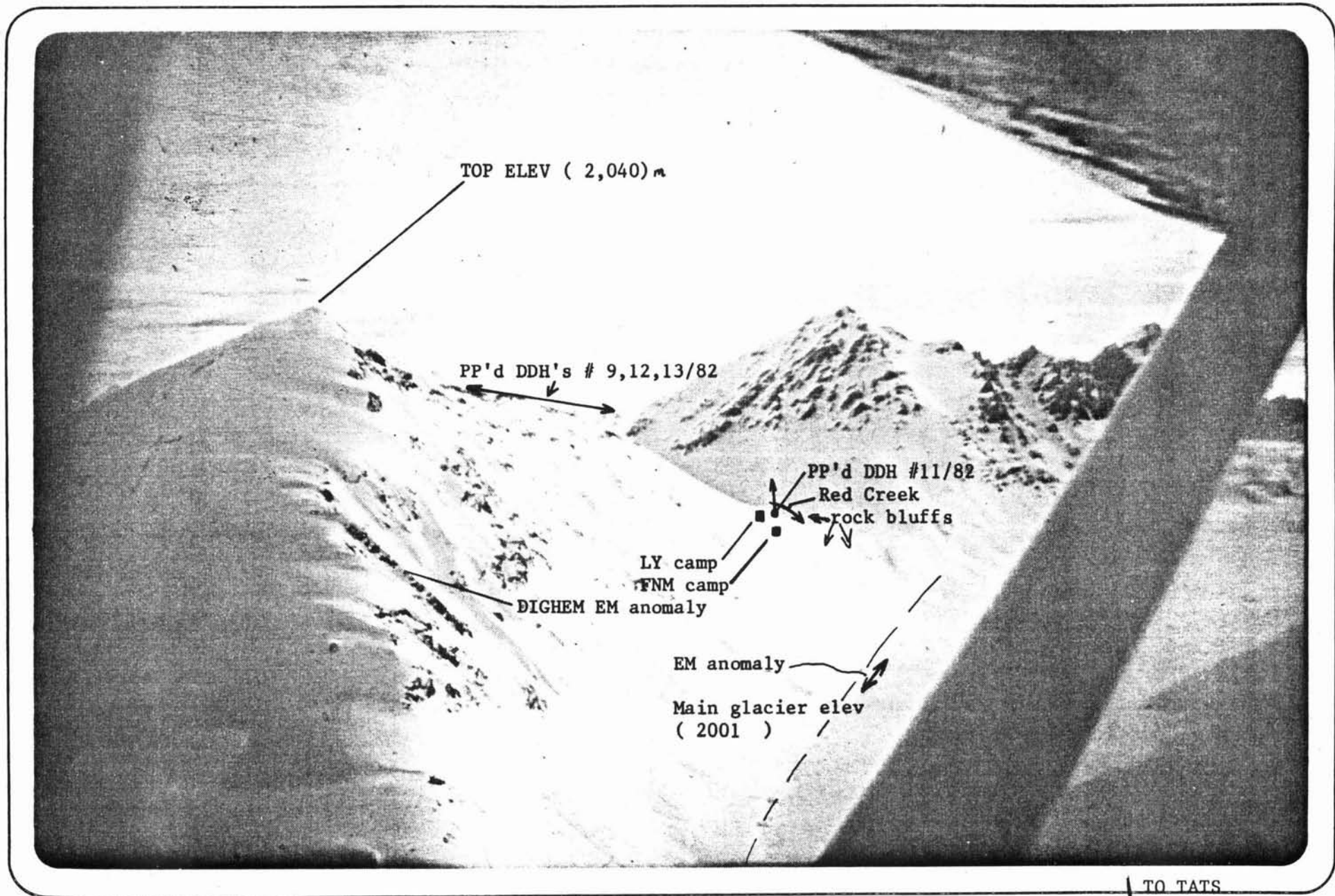


Photo #6 - as #4 but looking south. Photo is reversed but shows best the location of DDH #10 which may not have penetrated the main zone unless fault 15-1-1

Photo 7/81 - Longitudinal view looking east of drill holes projected showing depths at which sulphide was encountered. NOTE: LEVEL OF GLACIER







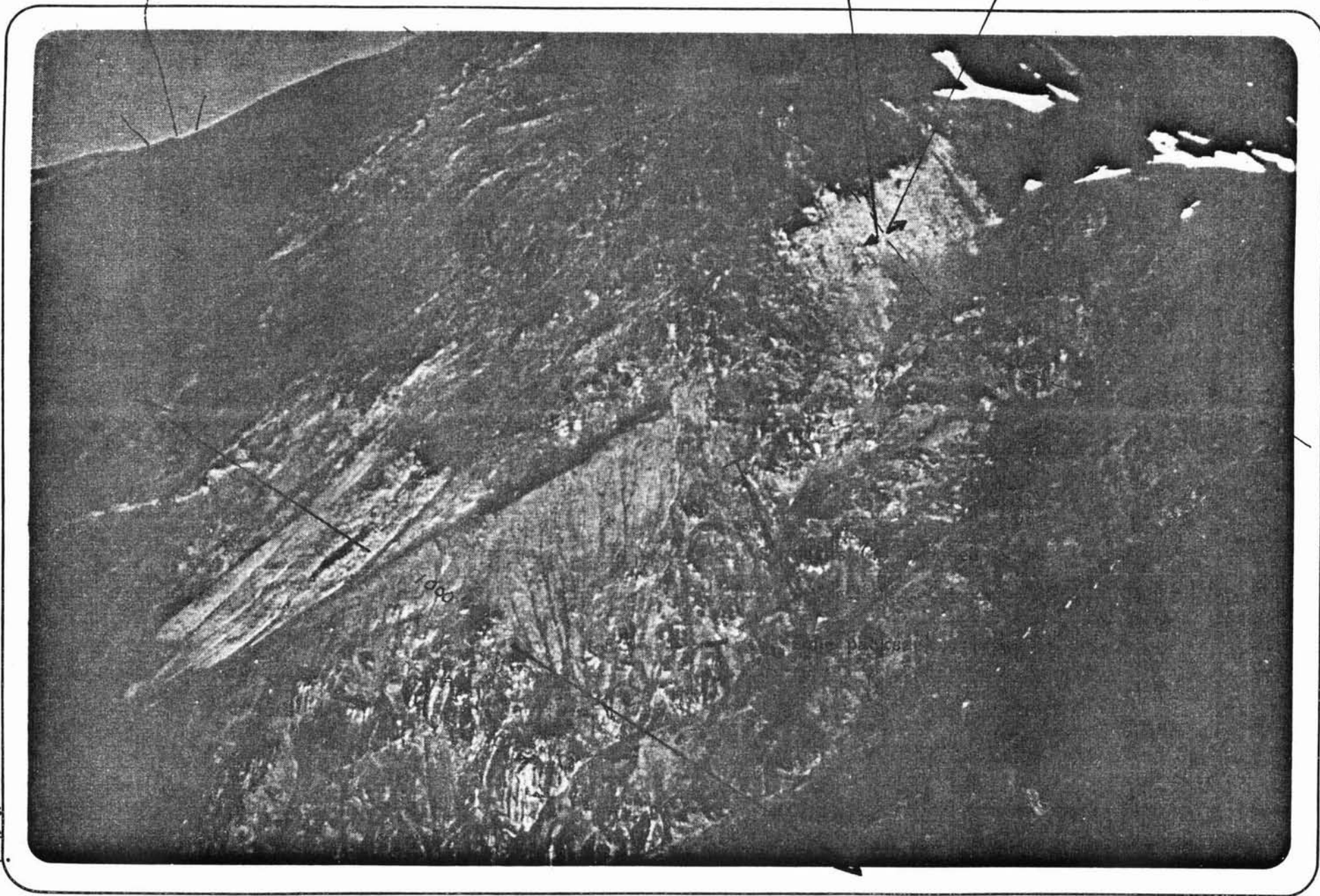
Photo# 8/81 - W.C. in winter, looking from S.W.

TATS GLACIER

APPROX BOUNDARY

W.C. #4

KOWALL ALSEK



Tats  
Lake  
2 mi.

Photo #9/81 - Pyritic alteration Halo, Tats Deposit looking west (south of W.C.) for reference only

APPENDIX 2

Diamond Drill Logs

# DRILL HOLE RECORD

FALCONBRIDGE NICKEL MINES LIMITED

|                    |                |                                    |                                  |                              |          |
|--------------------|----------------|------------------------------------|----------------------------------|------------------------------|----------|
| <i>Inclination</i> | <i>Bearing</i> | PROPERTY W.C. (WINDY-CRAGGY)       | Length 185.93m (610 ft)          | HOLE No. 1-81                | PAGE # 1 |
| <i>Collar</i>      | <i>600 Ft</i>  | Location South end W, Section B-B' | Hor. Comp. / Vert. Comp.         | Sheet of                     |          |
|                    |                | Elevation 1608.42m                 | Bearing N 49° 12' E              | Logged by Don Hoy            |          |
|                    |                | Coordinates 10,147.29 N            | Began July 19 / Completed 7/22/8 | Sampled by " "               |          |
|                    |                | 10,036'28 E                        | Core size BQ / Recovery +95 %    | DRILLERS Longyear (FLY # 38) | RIG# 2   |

| FOOTAGE<br>From To | RECOVY<br>Run Core | DESCRIPTION | GRAPHIC | SAMPLES  |      |     | ASSAYS |      |      | COMPOSITES |        |                  |        |      |
|--------------------|--------------------|-------------|---------|--|------|-----|--------|------|------|------------|--------|------------------|--------|------|
|                    |                    |             |         | No.  | From | To  | Ft     | Cu%  | Co%  | Au Ppb     | Ag ppb | S <sub>2</sub> % | Zn ppm | Co%  |
| 0                  | 6                  | 50%         |         | 15301  | 21   | 27  | 6      | .71  | .044 |            |        |                  |        |      |
| 6                  | 10                 | 60%         |         | 302  | 27   | 36  | 9      | 2.11 | .140 |            |        |                  |        |      |
| 10                 | 21                 | 40%         |         | 303  | 36   | 41  | 5      | 2.23 | .110 | 40         | .3     | 40               | 40     | .074 |
| 21                 | 27                 | 95%         |         | 304  | 41   | 51  | 10     | .52  | .038 |            |        |                  |        |      |
| 27                 | 36                 | 100%        |         | 305  | 51   | 59  | 8      | .36  | .028 |            |        |                  |        |      |
|                    |                    |             |         | 306  | 59   | 69  | 10     | .81  | .063 |            |        |                  |        |      |
|                    |                    |             |         | 307  | 69   | 79  | 10     | .62  | .069 | 25         | .3     | 52               | 20     | .097 |
| 36                 | 41                 | 100%        |         | 308  | 79   | 93  | 14     | .13  | .056 |            |        |                  |        |      |
|                    |                    |             |         | 309  | 93   | 96  | 3      | .83  | .140 |            |        |                  |        |      |
| 41                 | 59                 | 90%         |         | 310  | 96   | 105 | 9      | .52  | .140 |            |        |                  |        |      |
|                    |                    |             |         | 311  | 105  | 116 | 11     | .24  | .086 |            |        |                  |        |      |
|                    |                    |             |         | 312  | 116  | 126 | 10     | .25  | .230 |            |        |                  |        |      |
|                    |                    |             |         | 313  | 126  | 140 | 14     | .20  | .110 | 5          | .2     | 40               | 200    | .100 |
| 59                 | 93                 | 90%         |         | 314  | 140  | 150 | 10     | .14  | .094 |            |        |                  |        |      |
|                    |                    |             |         | 315  | 150  | 158 | 8      | .11  | .100 |            |        |                  |        |      |
| 93                 | 96                 | 100%        |         | 316  | 158  | 168 | 10     | .24  | .064 |            |        |                  |        |      |
| 96                 | 105                | 100%        |         | 317  | 168  | 178 | 10     | .08  | .032 |            |        |                  |        |      |
| 105                | 116                | "           |         | 318  | 178  | 188 | 10     | .24  | .042 | 15         | .6     | 21               | 440    | .037 |
|                    |                    |             |         | 319  | 188  | 202 | 14     | .23  | .056 |            |        |                  |        |      |
|                    |                    |             |         | 320  | 202  | 210 | 8      | .09  | .029 |            |        |                  |        |      |
|                    |                    |             |         | 321  | 210  | 220 | 10     | .26  | .056 |            |        |                  |        |      |
| 126                | 140                | 100%        |         | 322  | 220  | 230 | 10     | .31  | .052 |            |        |                  |        |      |
|                    |                    |             |         | 323  | 230  | 246 | 16     | .83  | .057 | 210        | .3     | 31               | 305    | .050 |
| 140                | 153                | 100%        |         | 324  | 246  | 256 | 10     | .96  | .064 |            |        |                  |        |      |
|                    |                    |             |         | 325  | 256  | 266 | 10     | .22  | .065 |            |        |                  |        |      |
| 153                | 158                | 60%         |         | 326  | 266  | 281 | 15     | .20  | .037 |            |        |                  |        |      |
| 158                | 202                | 90%         |         | 327  | 281  | 291 | 10     | .24  | .022 |            |        |                  |        |      |
|                    |                    |             |         | 328  | 291  | 301 | 10     | .02  | .008 | 60         | .3     | 15               | 100    | .022 |
|                    |                    |             |         | 329  | 301  | 312 | 11     | .04  | .014 |            |        |                  |        |      |
|                    |                    |             |         | 330  | 312  | 322 | 10     | .25  | .046 |            |        |                  |        |      |
| 202                | 210                | 100%        |         | 331  | 302  | 328 | 6      | 1.36 | .085 |            |        |                  |        |      |
| 210                | 246                | 100%        |         | 332  | 328  | 340 | 12     | .03  | .010 |            |        |                  |        |      |
|                    |                    |             |         | 333  | 340  | 350 | 10     | .14  | .021 | 105        | .2     | 22               | 130    | .029 |
|                    |                    |             |         | 334  | 350  | 360 | 10     | .19  | .042 |            |        |                  |        |      |
| 246                | 266                | 95%         |         | 335  | 360  | 370 | 10     | .09  | .025 |            |        |                  |        |      |
|                    |                    |             |         | 336  | 370  | 380 | 10     | .02  | .014 |            |        |                  |        |      |
| 266                | 281                | 95%         |         | 337  | 380  | 390 | 10     | .08  | .008 |            |        |                  |        |      |
|                    |                    |             |         | 338  | 390  | 405 | 15     | .32  | .029 | 50         | .4     | 11               | 470    | .017 |
|                    |                    |             |         | 339  | 464  | 474 | 10     | .48  | .028 |            |        |                  |        |      |
| 281                | 312                | 90%         |         | ** 405 TO 464 FT LOST IN TRANSIT AFTER LOGGING |      |     |        |      |      |            |        |                  |        |      |







# DRILL HOLE RECORD

FALCONBRIDGE NICKEL MINES LIMITED

|                    |                |                         |                                  |                   |          |
|--------------------|----------------|-------------------------|----------------------------------|-------------------|----------|
| <i>Inclination</i> | <i>Bearing</i> | PROPERTY WINDY-CRAGGY   | Length 160324(526 Ft)            | HOLE No. 3-81     | PAGE # 1 |
| Collar 57° 0'      | S 58° 55' W    | Location Section B-B'   | Hor Comp /Vert Comp              | Sheet of          |          |
| 276 FF             |                | Elevation 1606.06m      | Bearing S 58° 55' W              | Logged by Don Hoy |          |
|                    |                | Coordinates 10,145.11 N | Begun 7/23/81 /Completed 7/26/81 | Sampled by " "    |          |
|                    |                | 10,035.46 E             | Core size BQ /Recovery + 70 %    | DRILLERS Ly 38,   | RIG# 2   |

| FOOTAGE<br>From To | RECOV'Y<br>Run Core | DESCRIPTION | GRAPHIC | SAMPLES |      |     |    | ASSAYS |      |        | COMPOSITES |                  |        |      |  |  |  |
|--------------------|---------------------|-------------|---------|---------|------|-----|----|--------|------|--------|------------|------------------|--------|------|--|--|--|
|                    |                     |             |         | No.     | From | To  | Ft | Cu%    | Co%  | Au PPM | Ag ppm     | S <sub>2</sub> % | Zn ppm | Co%  |  |  |  |
| 0                  | 20                  | 50%         |         | 15358   | 20   | 32  | 12 | .14    |      |        |            |                  |        |      |  |  |  |
| 20                 | 32                  | 80%         |         | 59      | 32   | 47  | 15 | .09    | .006 | 40     | L.1        | 4                | 65     | .008 |  |  |  |
| 32                 | 47                  | 70%         |         | 60      | 47   | 56  | 9  | .04    | .005 |        |            |                  |        |      |  |  |  |
| 47                 | 56                  | 90%         |         | 61      | 56   | 66  | 10 | .17    | .005 |        |            |                  |        |      |  |  |  |
|                    |                     |             |         | 62      | 66   | 76  | 10 | .15    | .012 |        |            |                  |        |      |  |  |  |
| 56                 | 96                  | 50%         |         | 63      | 76   | 86  | 10 | .17    | .011 | 5      | .1         | .5               | 385    | .014 |  |  |  |
|                    |                     |             |         | 64      | 86   | 96  | 10 | .23    | .009 |        |            |                  |        |      |  |  |  |
| 96                 | 105                 | 90%         |         | 65      | 96   | 105 | 9  | .01    | .016 |        |            |                  |        |      |  |  |  |
|                    |                     |             |         | 66      | 105  | 111 | 6  | .61    | .014 |        |            |                  |        |      |  |  |  |
|                    |                     |             |         | 67      | 111  | 123 | 12 | .51    | .010 |        |            |                  |        |      |  |  |  |
|                    |                     |             |         | 68      | 123  | 137 | 14 | .01    | .005 |        |            |                  |        |      |  |  |  |
| 105                | 124                 | 95%         |         | 69      | 137  | 147 | 10 | .06    | .008 | 5      | 0.5        | 1                | 860    | .010 |  |  |  |
|                    |                     |             |         | 70      | 147  | 162 | 15 | .10    | .015 |        |            |                  |        |      |  |  |  |
|                    |                     |             |         | 71      | 162  | 176 | 14 | .10    | .009 |        |            |                  |        |      |  |  |  |
|                    |                     |             |         | 72      | 176  | 186 | 10 | .10    | .012 |        |            |                  |        |      |  |  |  |
|                    |                     |             |         | 73      | 186  | 196 | 10 | .45    | .011 |        |            |                  |        |      |  |  |  |
| 124                | 127                 | 40%         |         | 74      | 196  | 211 | 15 | .09    | .018 | 5      | 0.2        | 2                | 1300   | .014 |  |  |  |
| 127                | 171                 | 95%         |         | 75      | 211  | 232 | 21 | .12    | .010 |        |            |                  |        |      |  |  |  |
|                    |                     |             |         | 76      | 232  | 242 | 10 | .19    | .010 |        |            |                  |        |      |  |  |  |
| 171                | 175                 | 90%         |         | 77      | 242  | 247 | 5  | .76    | .031 |        |            |                  |        |      |  |  |  |
| 175                | 242                 | 90%         |         | 78      | 247  | 252 | 5  | .83    | .035 |        |            |                  |        |      |  |  |  |
|                    |                     |             |         | 79      | 252  | 262 | 10 | .19    | .025 | 5      | L.1        | 2                | 1250   | .026 |  |  |  |
|                    |                     |             |         | 80      | 262  | 272 | 10 | .37    | .014 |        |            |                  |        |      |  |  |  |
|                    |                     |             |         | 81      | 272  | 282 | 10 | .12    | .020 |        |            |                  |        |      |  |  |  |
|                    |                     |             |         | 82      | 282  | 292 | 10 | .03    | .025 |        |            |                  |        |      |  |  |  |
|                    |                     |             |         | 83      | 292  | 302 | 10 | .05    | .009 |        |            |                  |        |      |  |  |  |
|                    |                     |             |         | 84      | 302  | 312 | 10 | .19    | .014 | 5      | L.1        | 2                | 220    | .016 |  |  |  |
|                    |                     |             |         | 85      | 312  | 322 | 10 | .35    | .023 |        |            |                  |        |      |  |  |  |
| 242                | 270                 | 80%         |         | 86      | 322  | 332 | 10 | .07    | .015 |        |            |                  |        |      |  |  |  |
|                    |                     |             |         | 87      | 347  | 352 | 5  | .08    | .020 |        |            |                  |        |      |  |  |  |
|                    |                     |             |         |         |      |     |    |        |      |        |            |                  |        |      |  |  |  |
| 270                | 281                 | 80%         |         |         |      |     |    |        |      |        |            |                  |        |      |  |  |  |
| 281                | 303                 | 90%         |         |         |      |     |    |        |      |        |            |                  |        |      |  |  |  |
|                    |                     |             |         |         |      |     |    |        |      |        |            |                  |        |      |  |  |  |
| 303                | 328                 | 100         |         |         |      |     |    |        |      |        |            |                  |        |      |  |  |  |
|                    |                     |             |         |         |      |     |    |        |      |        |            |                  |        |      |  |  |  |
| 328                | 393                 | 95%         |         |         |      |     |    |        |      |        |            |                  |        |      |  |  |  |
| 393                | 418                 | 40%         |         |         |      |     |    |        |      |        |            |                  |        |      |  |  |  |

\*\* 352 to 450 ft lost from helicopter after logging. 450-526 ft mineralization as logged but not assayed due to loss.



# DRILL HOLE RECORD

FALCONBRIDGE NICKEL MINES LIMITED

|  |   |                            |                 |
|--|---|----------------------------|-----------------|
| <b>PROPERTY</b> WINDY CRAGGY                 | <b>Length</b> 267.3m (877ft)                    | <b>HOLE No.</b> 4-81       | <b>PAGE #</b> 1 |
| <b>Location</b> Section D-D'                 | <b>Hor. Comp.</b> / <b>Vert. Comp.</b>          | <b>Sheet</b> of            |                 |
| <b>Elevation</b> 1666.69m                    | <b>Bearing</b> N 48°29'E                        | <b>Logged by</b> Don Hoy   |                 |
| <b>Coordinates</b> 10,276.75 N<br>9,905.79 E | <b>Bequn</b> 7/27/81 / <b>Completed</b> 7/30/81 | <b>Sampled by</b> "        |                 |
|  | <b>Core size</b> BQ / <b>Recovery</b> +90 %     | <b>DRILLERS</b> LY FLY #38 | <b>RIG#</b> 1   |

| FOOTAGE |     |     | RECOV'Y | DESCRIPTION   | GRAPHIC | SAMPLES |      |     |    | ASSAYS |      | COMPOSITES |        |                  |        |     |  |
|---------|-----|-----|---------|---|---------|---------|------|-----|----|--------|------|------------|--------|------------------|--------|-----|--|
| From    | To  | Run |         |   |         | No.     | From | To  | Ft | Cu%    | Co%  | Au Ppb     | Ag ppm | S <sub>2</sub> % | Zn ppm | Co% |  |
| 0       | 54  |     | 80%     | Rusty oxidized andesitic volcanics  |         | 2835    | 244  | 254 | 10 | 6.70   |      | 20         | 0.2    | 3.42             | 290    | M   |  |
| 54      | 58  |     | 85%     | As above, rusty oxidized volcanics  |         | 352     | 254  | 265 | 11 |        |      |            |        |                  |        |     |  |
| 58      | 79  |     | 90%     | Pyrrhotite stringers hosted in black shale, some quartz-carbonate rich sections with assoc po&py  |         | 353     | 265  | 275 | 10 |        |      |            |        |                  |        |     |  |
| 79      | 80  |     | 80%     | Shear zone, quartz vein rich  |         | 354     | 275  | 285 | 10 |        |      |            |        |                  |        |     |  |
| 80      | 82  |     | 70%     | Oxidized zone, gossan   |         | 355     | 285  | 295 | 10 | 1.34   |      | 60         | 1.2    | 30.3             | 80     | M   |  |
| 82      | 93  |     | 100     | Porphyritic andesitic volcanics   |         | 356     | 295  | 305 | 10 | 1.15   |      |            |        |                  |        |     |  |
| 93      | 99  |     | 90%     | Partially altered andesite, about 50% alteration to gossan  |         | 357     | 305  | 315 | 10 | 1.37   |      |            |        |                  |        |     |  |
| 99      | 150 |     | 100     | Grey, fine to medium grained andesitic volcanics, amygdaloidal, calcareous  |         | 358     | 315  | 325 | 10 | 1.85   |      |            |        |                  |        |     |  |
| 150     | 215 |     | 100     | Porphyritic, basic-intermediate volcanic as above, slight oxidation   |         | 359     | 325  | 335 | 10 | 2.23   |      |            |        |                  |        |     |  |
| 215     | 217 |     | 80%     | Fault gouge zone, brecciated shale, quartz-carbonate veinlets prominent   |         | 360     | 335  | 345 | 10 | 1.22   |      | 745        | 0.7    | 80               | 160    | .14 |  |
| 217     | 228 |     | 90%     | Volcanic breccia, highly fractured, quartz & calcite veinlets, moderately oxidized, highly porous   |         | 361     | 345  | 355 | 10 | .74    |      |            |        |                  |        |     |  |
| 228     | 244 |     | 100     | Relatively unaltered fine grained basic volcanic, basaltic, locally oxidized, disseminated & stringer po, py and minor cpy, 236-237' - quartz veining   |         | 362     | 355  | 365 | 10 | 1.11   |      |            |        |                  |        |     |  |
| 244     | 265 |     | 70%     | Fault zone, sheared, brecciated interbedded black shale and basaltic volcanics, quartz-calcite fragments, secondary coppers evident as malachite & azurite, 244-245' - strongly oxidized zone   |         | 363     | 365  | 375 | 10 | 1.00   |      |            |        |                  |        |     |  |
| 265     | 598 |     | 98%     | Massive sulphide zone, ( 80% sulphides) largely fine grained po, with accessory py & minor cpy pyrrhotite 85%, pyrite 10-13%, chalcocyanite 2-5%. Light to moderate fracturing, lightly brecciated locally minor quartz & calcite veining, chalcocyanite occurs as stringers - sulphides appear to be syngenetic with fine grained basic volcanics (pillow basalts?)  |         | 364     | 375  | 385 | 10 | .87    |      |            |        |                  |        |     |  |
| 598     | 657 |     | 100     | Massive sulfide zone as above, ( 70-80% sulphides) light to moderate fracturing, dominantly fine grained pyrrhotite, minor pyrite and chalcocyanite contained therein, quartz, carbonate gangue - relict rock type appears to be fine grained chloritized basalt 637' - small fracture zone   |         | 365     | 385  | 395 | 10 | 1.02   |      | 35         | 0.1    | 41               | 165    | .13 |  |
| 657     | 700 |     | 100     | Massive sulphide zone, not quite as massive as above ( 50-70% sulphides), patchy & massive fine grained po with cupiferous pyrite & chalcocyanite stringers, locally brecciated. Sulphides hosted in a dark green chloritized fine grained volcanic.  |         | 366     | 395  | 405 | 10 | .57    | .150 |            |        |                  |        |     |  |
| 700     | 853 |     | 100     | Massive sulphide zone (approx. 80-90% sulphides), mostly fine grained pyrrhotite, pyrite cubes, stringers and exsolved chalcocyanite, hosted in chloritized fine grained volcanics and intercalated black shale argillite, minor talc seams 766-769' - fracture zone 820-824' - non mineralized, fractured chloritized volcanic 823-824' - as above, chloritic films on fracture surfaces 825' - 3" wide quartz-carbonate vein. |         | 367     | 405  | 415 | 10 | .45    | .150 |            |        |                  |        |     |  |
| 853     | 877 |     | 100     | Massive sulphide zone ( 50-60% sulphides), textures somewhat different than above, coarser grained host, framboidal and brecciated nature to mineralization in places, dominantly patchy massive, framboidal & brecciated po, with copper rich sections. 858-859' -chalcocyanite rich 861-864' - finely disseminated po in chloritic epidote volcanic 851-856' - sulfide deficient zone, 5% disseminated po                     |         | 368     | 415  | 425 | 10 | .86    | .140 |            |        |                  |        |     |  |
|         |     |     |         |   |         | 369     | 425  | 435 | 10 | .58    | .140 |            |        |                  |        |     |  |
|         |     |     |         |   |         | 370     | 435  | 445 | 10 | .57    | .140 | 10         | L.1    | 82               | 80     | .13 |  |
|         |     |     |         |   |         | 371     | 445  | 455 | 10 | .38    | .130 |            |        |                  |        |     |  |
|         |     |     |         |   |         | 372     | 455  | 465 | 10 | .48    | .120 |            |        |                  |        |     |  |
|         |     |     |         |   |         | 373     | 465  | 475 | 10 | .69    | .120 |            |        |                  |        |     |  |
|         |     |     |         |   |         | 374     | 475  | 485 | 10 | .51    | .110 |            |        |                  |        |     |  |
|         |     |     |         |   |         | 375     | 485  | 495 | 10 | .44    | .120 | L5         | L.1    | 79               | 50     | .12 |  |
|         |     |     |         |   |         | 376     | 495  | 505 | 10 | .60    | .130 |            |        |                  |        |     |  |
|         |     |     |         |   |         | 377     | 505  | 515 | 10 | .62    | .150 |            |        |                  |        |     |  |
|         |     |     |         |   |         | 378     | 515  | 525 | 10 | .95    | .130 |            |        |                  |        |     |  |
|         |     |     |         |   |         | 379     | 525  | 535 | 10 | 1.02   | .130 |            |        |                  |        |     |  |
|         |     |     |         |   |         | 380     | 535  | 545 | 10 | .63    | .130 | 40         | L.1    | 27.6             | 120    | M   |  |
|         |     |     |         |   |         | 381     | 545  | 555 | 10 | .73    | .130 |            |        |                  |        |     |  |
|         |     |     |         |   |         | 382     | 555  | 565 | 10 | .56    | .190 |            |        |                  |        |     |  |
|         |     |     |         |   |         | 383     | 565  | 575 | 10 | .88    | .120 |            |        |                  |        |     |  |
|         |     |     |         |   |         | 384     | 575  | 585 | 10 | .88    | .110 |            |        |                  |        |     |  |
|         |     |     |         |   |         | 385     | 585  | 598 | 13 | .38    | .110 | 75         | L.1    | 74               | 100    | .12 |  |
|         |     |     |         |   |         | 386     | 598  | 608 | 10 | .49    | .120 |            |        |                  |        |     |  |
|         |     |     |         |   |         | 387     | 608  | 618 | 10 | .51    | .150 |            |        |                  |        |     |  |
|         |     |     |         |   |         | 388     | 618  | 628 | 10 | .41    | .180 |            |        |                  |        |     |  |
|         |     |     |         |   |         | 389     | 628  | 638 | 10 | 1.28   | .160 |            |        |                  |        |     |  |
|         |     |     |         |   |         | 390     | 638  | 648 | 10 | 2.55   | .130 | 40         | L.1    | 82               | 50     | .15 |  |
|         |     |     |         |   |         | 391     | 648  | 657 | 9  | .70    | .160 |            |        |                  |        |     |  |
|         |     |     |         |   |         | 392     | 657  | 667 | 10 | .36    | .180 |            |        |                  |        |     |  |
|         |     |     |         |   |         | 393     | 667  | 677 | 10 | .92    | .160 |            |        |                  |        |     |  |
|         |     |     |         |   |         | 394     | 677  | 687 | 10 | .74    | .160 |            |        |                  |        |     |  |

# DRILL HOLE RECORD

FALCONBRIDGE NICKEL MINES LIMITED

|             |  |         |             |                          |            |          |
|-------------|--|---------|-------------|--------------------------|------------|----------|
| Inclination |  | Bearing | PROPERTY    | Length                   | HOLE No. 4 | PAGE # 2 |
| Collar      |  |         | Location    | Hor. Comp. / Vert. Comp. | Sheet of   |          |
|             |  |         | Elevation   | Bearing                  | Logged by  |          |
|             |  |         | Coordinates | Begun / Completed        | Sampled by |          |
|             |  |         |             | Core size / Recovery %   | DRILLERS   | RIG#     |

| FOOTAGE<br>From To | RECOV'Y<br>Run Core | DESCRIPTION                      | GRAPHIC | SAMPLES                              |      |     |     | ASSAYS |      |        | COMPOSITES |                  |        |     |  |
|--------------------|---------------------|----------------------------------|---------|--------------------------------------|------|-----|-----|--------|------|--------|------------|------------------|--------|-----|--|
|                    |                     |                                  |         | No.                                  | From | To  | Ft. | Cu%    | Co%  | Au Ppb | Ag Ppb     | S <sub>2</sub> % | Zn Ppm | Co% |  |
|                    |                     |                                  |         | 28395                                | 687  | 700 | 13  | 1.03   | .14  |        |            |                  |        |     |  |
|                    |                     |                                  |         | 396                                  | 700  | 710 | 10  | 1.09   | .140 | } 45   | L.1        | 77               | 35     | .14 |  |
|                    |                     |                                  |         | 397                                  | 710  | 720 | 10  | 1.62   | .150 |        |            |                  |        |     |  |
|                    |                     |                                  |         | 398                                  | 720  | 730 | 10  | 1.23   | .160 | } 30   | L.1        | 86               | 20     | .15 |  |
|                    |                     |                                  |         | 399                                  | 730  | 740 | 10  | .56    | .180 |        |            |                  |        |     |  |
|                    |                     | HOLE LOST IN S <sub>2</sub> ZONE |         | 400                                  | 740  | 750 | 10  | .56    | .170 |        |            |                  |        |     |  |
|                    |                     |                                  |         | 401                                  | 750  | 760 | 10  | 1.34   | .150 | } 10   | L.1        | 87               | 10     | .17 |  |
|                    |                     |                                  |         | 402                                  | 760  | 770 | 10  | .77    | .160 |        |            |                  |        |     |  |
|                    |                     |                                  |         | 403                                  | 770  | 780 | 10  | .52    | .180 |        |            |                  |        |     |  |
|                    |                     |                                  |         | 404                                  | 780  | 790 | 10  | .79    | .170 | } 15   | L.1        | 29.3             | 15     | M   |  |
|                    |                     |                                  |         | 405                                  | 790  | 800 | 10  | .52    | .170 |        |            |                  |        |     |  |
|                    |                     |                                  |         | 406                                  | 800  | 810 | 10  | .47    | .190 |        |            |                  |        |     |  |
|                    |                     |                                  |         | 407                                  | 810  | 820 | 10  | .48    | .200 |        |            |                  |        |     |  |
|                    |                     |                                  |         | 408                                  | 820  | 830 | 10  | .34    | .190 |        |            |                  |        |     |  |
|                    |                     |                                  |         | 409                                  | 830  | 840 | 10  | .43    | .180 |        |            |                  |        |     |  |
|                    |                     |                                  |         | 410                                  | 840  | 853 | 13  |        |      |        |            |                  |        |     |  |
|                    |                     |                                  |         | 411                                  | 853  | 863 | 10  |        |      |        |            |                  |        |     |  |
|                    |                     |                                  |         | 412                                  | 863  | 877 | 14  |        |      |        |            |                  |        |     |  |
|                    |                     |                                  |         | * 840 - 877                          |      |     |     |        |      |        |            |                  |        |     |  |
|                    |                     |                                  |         | MISSING (TEMPORARILY ?) AT ASSAYERS. |      |     |     |        |      |        |            |                  |        |     |  |





# DRILL HOLE RECORD

FALCONBRIDGE NICKEL MINES LIMITED

|             |  |         |             |                          |            |          |          |
|-------------|--|---------|-------------|--------------------------|------------|----------|----------|
| Inclination |  | Bearing | PROPERTY    | Length                   | HOLE No.   | 5(B)     | PAGE # 2 |
| Collar      |  |         | Location    | Hor. Comp. / Vert. Comp. | Sheet      | of       |          |
|             |  |         | Elevation   | Bearing                  | Logged by  |          |          |
|             |  |         | Coordinates | N Begun / Completed      | Sampled by |          |          |
|             |  |         |             | E Core size / Recovery   | %          | DRILLERS | RIG#     |

| FOOTAGE<br>From To | RECOV'Y<br>Run Core | DESCRIPTION  | GRAPHIC | SAMPLES |           |      | ASSAYS |      |        | COMPOSITES |                  |        |      |  |
|--------------------|---------------------|--|---------|---------|-----------|------|--------|------|--------|------------|------------------|--------|------|--|
|                    |                     |  |         | No.     | From To   | Ft   | Cu%    | Co%  | Au PPM | Ag ppm     | S <sub>2</sub> % | Zn ppm | Co%  |  |
|                    |                     | chloritic basalts & black shale<br>- colloform banding seen in places  |         | 28477   | 970-980   | 10   | .52    | .120 |        |            |                  |        |      |  |
|                    |                     | - chloritic fracture surfaces  |         | 78      | 980-990   | 10   | .83    | .110 |        |            |                  |        |      |  |
|                    |                     | 1065 - 1069' - fault gouge in black shales   |         | 79      | 990-1000  | 10   | 1.92   | .083 |        |            |                  |        |      |  |
|                    |                     | 1069 - 1074' - brecciated, sheared shale, conglomeratic nature to pyrrhotite   |         | 80      | 1000-1010 | 10   | 2.63   | .093 | 265    | L.1        | 79               | 25     | .10  |  |
| 1070               | 1105                | 70% Brecciated massive sulphide, hosted in argillaceous rock, dominantly coarse grained & blocky po with minor py & cpy within a sandy friable sulfide matrix  |         | 81      | 1010-1020 | 10   | 1.45   | .120 |        |            |                  |        |      |  |
|                    |                     | 1077 - intense fracturing  |         | 82      | 1020-1030 | 10   | 1.18   | .100 |        |            |                  |        |      |  |
|                    |                     | 1100 - 1105' - prominent chalcopryrite banding   |         | 83      | 1030-1040 | 10   | 1.21   | .090 |        |            |                  |        |      |  |
| 1105               | 1113                | 60% Faulted zone, sheared zone in interbedded green altered sericitic - chloritic volcanics and black argillite, friable, crumbly core, fault gouging, hydrothermal alteration probable  |         | 84      | 1040-1050 | 10   | .74    | .110 |        |            |                  |        |      |  |
|                    |                     | 1113 - 1122' - Slightly brecciated massive sulfide, coarse grained pyrrhotite, heavy fracturing  |         | 85      | 1050-1060 | 10   | .93    | .087 | 60     | 0.5        | 77               | 50     | .078 |  |
|                    |                     | 1122 - 1136' - Alteration zone, prominent fault gouging, sericitic volcanics, disseminated po  |         | 86      | 1060-1070 | 10   | .92    | .090 |        |            |                  |        |      |  |
|                    |                     | 1136 - 1144' - Sheared, altered basic metavolcanic, chloritic, sericite, contains 50% sulphide, as coarse po, slight brecciation, friable sulphide matrix.   |         | 87      | 1070-1080 | 10   | .99    | .052 |        |            |                  |        |      |  |
|                    |                     | 1144 - 1148' - Alteration zone, friable, soft green volcanic, chlorite & sericite, appears to be result of hydrothermal alteration   |         | 88      | 1080-1090 | 10   | 1.25   | .057 |        |            |                  |        |      |  |
|                    |                     | 1148 - 1158' - Brecciated massive sulfide, angular sulfide blocks within a gritty sulfide matrix (po & py) pyrrhotite most abundant sulphide, although zone is quite pyritic   |         | 89      | 1090-1100 | 10   | 2.03   | .060 | 40     | 0.9        | 81               | 900    | .063 |  |
|                    |                     | 1158 - 1174' - No core pulled  |         | 90      | 1100-1105 | 5    | 1.18   | .066 |        |            |                  |        |      |  |
|                    |                     | 1174 - 1255' - 100% Sulfide zone, (~70% sulfides) textures variable from massive, patchy, framboidal and stringer like, mineralization - predominantly po, cpy rich zones sulphides deposited syngenetically with green chloritic chert host, prominent carbonate gobs |         | 91      | 1105-1113 | 8    | 1.12   | .071 |        |            |                  |        |      |  |
|                    |                     | 1220 - 1236' - pyritic zone, some cpy  |         | 92      | 1113-1122 | 9    | 1.43   | .077 |        |            |                  |        |      |  |
|                    |                     | 1246 - 1247' - large disseminations & patchy cpy   |         | 93      | 1122-1136 | 14   | .27    | .043 | 60     | L.1        | 64               | 140    | .064 |  |
|                    |                     | 1255 - 1285' - 100% Mineralized (~30% sulphides), intercalated fine grained chloritic volcanic, black calcareous argillite and grey chert, quartz veining - dominantly stringers, wispy bands, and disseminated po - heavily fractured, chloritic coating on surfaces  |         | 94      | 1136-1144 | 8    | .82    | .083 |        |            |                  |        |      |  |
|                    |                     | 1262 - 1274' - black calcareous argillite, patches & gobs of quartz & buff coloured carbonate  |         | 95      | 1144-1148 | 4    | .67    | .052 |        |            |                  |        |      |  |
|                    |                     | 1285 - 1300' - 100% Mineralized (20-25% sulphides) black argillaceous limestone, banded & stringer po, transitional to underlying unit   |         | 96      | 1148-1158 | 10   | 2.68   | .058 |        |            |                  |        |      |  |
|                    |                     | 1300 - 1307' - Green to grey chert, (50% sulphides) banded stringer and gobby pyrrhotite with appreciable chalcopryrite  |         | 1158    | 1174      | LOST | LOST   | LOST |        |            |                  |        |      |  |
|                    |                     | 1307 - 1325' - 100% Banded sulfides (30%) hosted in chlorite-epidote rich altered volcanic, stringer and gobby pyrrhotite with appreciable chalcopryrite-cupreous pyrite, quartz gobs & veinlets   |         | 97      | 1174-1180 | 6    | 1.78   | .073 |        |            |                  |        |      |  |
|                    |                     | 1324 - 1325' - massive po band, assoc cpy & py   |         | 98      | 1180-1190 | 10   | 2.95   | .083 | 355    | 1.4        | 75               | 40     | .069 |  |
|                    |                     | 1325 - 1333' - 100% Light grey to green (chloritic) cherty sediment, stringer & gobby po with appreciable cpy  |         | 99      | 1190-1200 | 10   | 3.38   | .063 |        |            |                  |        |      |  |
|                    |                     | 1326 - 1328' - chalcopryrite rich  |         | 500     | 1200-1210 | 10   | 2.63   | .060 |        |            |                  |        |      |  |
|                    |                     | 1333 - 1361' - 100% Mineralized fine to medium grained chloritic volcanic (gabbroic) disseminated and stringer po & cpy  |         | 501     | 1210-1220 | 10   | 2.78   | .076 |        |            |                  |        |      |  |
|                    |                     | 1347 - 1349' - small chalcopryrite bands   |         | 502     | 1220-1230 | 10   | 1.78   | .087 |        |            |                  |        |      |  |
|                    |                     | 1361 - 1410' - 100% Mineralized light grey to green chert and silicified fine grained volcanic (20% sulphide) - prominent stringer po and cpy - quartz & carbonate (ankerite?) veining - some sulfide intimately assoc. with quartz veining (epigenetic?)              |         | 503     | 1230-1240 | 10   |        |      | 265    | 1.3        | 29.3             | 55     |      |  |
|                    |                     |  |         | 504     | 1240-1250 | 10   |        |      |        |            |                  |        |      |  |
|                    |                     |  |         | 505     | 1250-1255 | 5    |        |      |        |            |                  |        |      |  |
|                    |                     |  |         | 506     | 1255-1265 | 10   |        |      |        |            |                  |        |      |  |
|                    |                     |  |         | 507     | 1265-1275 | 10   | .34    | .028 |        |            |                  |        |      |  |
|                    |                     |  |         | 508     | 1275-1285 | 10   | .21    | .030 | 700    | L.1        | 10.2             | 30     |      |  |
|                    |                     |  |         | 509     | 1285-1300 | 15   | .14    | .007 |        |            |                  |        |      |  |
|                    |                     |  |         | 510     | 1300-1307 | 7    | .44    | .028 |        |            |                  |        |      |  |
|                    |                     |  |         | 511     | 1307-1320 | 13   | .05    | .008 | 15     | L.1        | 21               | 15     | .019 |  |
|                    |                     |  |         | 512     | 1320-1325 | 5    | .45    | .013 |        |            |                  |        |      |  |
|                    |                     |  |         | 513     | 1325-1333 | 8    | .98    | .023 |        |            |                  |        |      |  |
|                    |                     |  |         | 514     | 1333-1340 | 7    | .31    | .018 |        |            |                  |        |      |  |
|                    |                     |  |         | 515     | 1340-1350 | 10   | .19    | .046 | 275    | L.1        | 29               | 15     | .049 |  |
|                    |                     |  |         | 516     | 1350-1361 | 11   | .69    | .076 |        |            |                  |        |      |  |
|                    |                     |  |         | 517     | 1361-1370 | 9    | .28    | .027 |        |            |                  |        |      |  |
|                    |                     |  |         | 518     | 1370-1380 | 10   | .23    | .013 |        |            |                  |        |      |  |
|                    |                     |  |         | 519     | 1380-1390 | 10   | .16    | .010 | 10     | 0.2        | 22               | 15     | .017 |  |







# DRILL HOLE RECORD

FALCONBRIDGE NICKEL MINES LIMITED

|  |  |                              |                 |
|--|--|------------------------------|-----------------|
| <b>PROPERTY</b> WINDY - CRAGGY               | <b>Length</b> 396.5m (1300ft)                  | <b>HOLE No.</b> 7-81         | <b>PAGE #</b> 1 |
| <b>Location</b> Section E-E'                 | <b>Hor Comp</b> / <b>Vert Comp</b>             | <b>Sheet</b> of              |                 |
| <b>Elevation</b> 1695.23m                    | <b>Bearing</b> N42°41' E                       | <b>Logged by</b> Don Hoy     |                 |
| <b>Coordinates</b> 10,301.78 N<br>9,805.38 E | <b>Bequn</b> 8/8/81 / <b>Completed</b> 8/20/81 | <b>Sampled by</b> " "        |                 |
| <b>Inclination</b> -56° 27'                  | <b>Core size</b> BQ                            | <b>DRILLERS</b> LY (FLY #38) | <b>RIG#</b> 1   |
| <b>Bearing</b> N42°41' E                     | <b>/Recovery + 95 %</b>                        |                              |                 |

FN000

| FOOTAGE<br>From To | RECOV'Y<br>Run Core | DESCRIPTION  | GRAPHIC | SAMPLES |      |     | ASSAYS |      | COMPOSITES |        |        |                  |        |      |
|--------------------|---------------------|--|---------|---------|------|-----|--------|------|------------|--------|--------|------------------|--------|------|
|                    |                     |  |         | No.     | From | To  | Fe     | Cu%  | Co%        | Au Ppb | Ag Ppb | S <sub>2</sub> % | Zn Ppm | Co%  |
| 0                  | 29                  | 50% Drill Casing   |         | 2852    | 360  | 370 | 10     | .08  | .014       | 5      | L.1    | 10               | 130    | .011 |
| 29                 | 51                  | 95% Fine to medium grained, grey andesitic volcanics, oxidized in places, disseminated po  |         | 530     | 370  | 375 | 5      | .04  | .006       |        |        |                  |        |      |
|                    |                     | 43 - 48' - Fracture zone, Fe staining  |         | 531     | 375  | 385 | 10     | .04  | .005       |        |        |                  |        |      |
| 51                 | 52                  | 80% Highly fractured andesitic volcanics, oxidized in places, amygdaloidal (calcareous amygdules)  |         | 532     | 385  | 395 | 10     | .04  | .005       |        |        |                  |        |      |
| 62                 | 64                  | 50% Fault gouge, sheared black shale, poor core recovery   |         | 533     | 395  | 405 | 10     | .12  | .005       | 5      | L.1    | 3                | 35     | .005 |
| 64                 | 85                  | 70% Fractured, sheared andesitic volcanics, calcareous amygdules, numerous small fault gouges  |         | 534     | 405  | 415 | 10     | .01  | .005       |        |        |                  |        |      |
| 85                 | 129                 | 20% Fractured grey to black limestone, argillaceous, extremely poor core recovery  |         | 535     | 415  | 420 | 5      | .09  | .014       |        |        |                  |        |      |
|                    |                     | 85' - fault gouge  |         | 536     | 420  | 430 | 10     | 1.21 | .035       |        |        |                  |        |      |
| 129                | 161                 | 90% Highly fractured black calcareous argillite-argillaceous limestone, locally laminated, calcite veins   |         | 537     | 430  | 439 | 9      | .05  | .006       | 20     | 0.4    | 15               | 1450   | .011 |
| 161                | 235                 | 95% Predominantly medium grained andesitic volcanics, amygdaloidal, carbonate veins & veinlets, light to moderate fracturing, minor disseminated sulphide.   |         | 538     | 439  | 445 | 6      | .20  | .010       |        |        |                  |        |      |
|                    |                     | 236.5' - band of coarse grained py   |         | 539     | 445  | 453 | 8      | .07  | .007       |        |        |                  |        |      |
| 235                | 244                 | 100% Fine grained basic volcanic, relatively unaltered, light to moderate brecciation, sheared po rich zones   |         | 540     | 453  | 460 | 7      | .38  | .009       |        |        |                  |        |      |
|                    |                     | 239 - 244' - brecciated sulphide, with Fe carbonate matrix, po&py, slight oxidation  |         | 541     | 460  | 470 | 10     | .35  | .030       |        |        |                  |        |      |
| 244                | 282                 | 90% Fine to medium grained andesite, amygdaloidal in places, minor disseminated sulphides  |         | 542     | 470  | 480 | 10     | .41  | .036       | 15     | 0.3    | 40               | 150    | .022 |
|                    |                     | 253' - small po band   |         | 543     | 480  | 490 | 10     | .38  | .031       |        |        |                  |        |      |
|                    |                     | 269' - po band, containing py and cpy  |         | 544     | 490  | 500 | 10     | .26  | .014       |        |        |                  |        |      |
|                    |                     | 271 - 272' - large quartz carbonate vein, with associated py, po & cpy   |         | 545     | 500  | 510 | 10     | .22  | .020       |        |        |                  |        |      |
|                    |                     | - sulphides have close spatial & genetic? relationship to veining  |         | 546     | 510  | 520 | 10     | .24  | .018       |        |        |                  |        |      |
| 282                | 287                 | 95% Sheared metavolcanic, schistose, chloritic, minor disseminated sulphides   |         | 547     | 520  | 530 | 10     | .19  | .029       | 5      | L.1    | 39               | 60     | .025 |
| 287                | 360                 | 100% Fine to medium grained andesite, locally amygdaloidal calcareous, minor po stringers closely associated with quartz-carbonate veining, also minor disseminated sulfide                              |         | 548     | 530  | 540 | 10     | .32  | .043       |        |        |                  |        |      |
|                    |                     | 297' - po, py band assoc. with quartz-Fe carbonate   |         | 549     | 540  | 550 | 10     | .57  | .065       |        |        |                  |        |      |
|                    |                     | 299' - as above, py with interstitial quartz & Fe carbonate  |         | 550     | 550  | 560 | 10     | 1.96 | .092       | 60     | 0.3    | 84               | 300    | .076 |
|                    |                     | 302' - sulfides associated with quartz-carbonate veining   |         | 551     | 560  | 570 | 10     | .55  | .042       |        |        |                  |        |      |
|                    |                     | 306' - as above  |         | 552     | 570  | 580 | 10     | .27  | .030       | 10     | 0.2    | 33               | 200    | .036 |
|                    |                     | 315 - 316' - as above  |         | 553     | 580  | 590 | 10     | .51  | .042       |        |        |                  |        |      |
|                    |                     | 330 - 360' - heavily fractured, quartz & calcite vein rich with associated patchy po & py  |         | 554     | 590  | 600 | 10     | .87  | .120       |        |        |                  |        |      |
| 360                | 375                 | 95% Sheared black argillaceous shale, slaty cleavage, appreciable stringer sulphides (10-20% sulfide) mainly po & py, minor cpy, crosscut by numerous quartz & calcite veinlets, heavy fracturing (~45°) |         | 555     | 600  | 610 | 10     | 1.27 | .110       |        |        |                  |        |      |
|                    |                     | 375 - 397' - impure quartz, country rock inclusions, carbonate (buff) patches, blebs & stringers of po & cpy   |         | 556     | 610  | 620 | 10     | 1.04 | .140       | 25     | 0.1    | 79               | 520    | .110 |
|                    |                     | 397 - 415' - pure quartz, little mineralization  |         | 557     | 620  | 630 | 10     | 1.61 | .120       |        |        |                  |        |      |
| 415                | 439                 | 95% Highly fractured, black argillaceous shale, slaty cleavage, banded & stringer po, Fe carbonates  |         | 558     | 630  | 640 | 10     | 1.07 | .100       |        |        |                  |        |      |
|                    |                     | 433' = carbonate breccia, argillite fragments, po patches  |         | 559     | 640  | 650 | 10     | 1.57 | .100       |        |        |                  |        |      |
| 439                | 445                 | 95% Fine grained chloritic-epidote volcanic & green chert, sheared, stringer po  |         | 560     | 650  | 660 | 10     | 1.91 | .095       |        |        |                  |        |      |
| 445                | 453                 | 95% Black argillite, disseminated & stringer po, minor py & cpy  |         | 561     | 660  | 670 | 10     | 1.03 | .120       | 50     | L.1    | 81               | 130    | .120 |
|                    |                     |  |         | 562     | 670  | 680 | 10     | .98  | .130       |        |        |                  |        |      |
|                    |                     |  |         | 563     | 680  | 690 | 10     | .58  | .150       |        |        |                  |        |      |
|                    |                     |  |         | 564     | 690  | 700 | 10     | .56  | .160       |        |        |                  |        |      |
|                    |                     |  |         | 565     | 700  | 710 | 10     | .50  | .150       |        |        |                  |        |      |
|                    |                     |  |         | 566     | 710  | 720 | 10     | .29  | .160       | 5      | L.1    | 77               | 140    | .160 |
|                    |                     |  |         | 567     | 720  | 730 | 10     | .35  | .170       |        |        |                  |        |      |
|                    |                     |  |         | 568     | 730  | 740 | 10     | .46  | .180       |        |        |                  |        |      |
|                    |                     |  |         | 569     | 740  | 750 | 10     | .33  | .210       |        |        |                  |        |      |
|                    |                     |  |         | 570     | 750  | 760 | 10     | .45  | .230       |        |        |                  |        |      |
|                    |                     |  |         | 571     | 760  | 770 | 10     | .39  | .190       | 10     | L.1    | 83               | 210    | .190 |
|                    |                     |  |         | 572     | 770  | 780 | 10     | .72  | .190       |        |        |                  |        |      |

CONT ON NEXT SHEET

# DRILL HOLE RECORD

FALCONBRIDGE NICKEL MINES LIMITED

|        |             |         |             |                         |                       |                     |
|--------|-------------|---------|-------------|-------------------------|-----------------------|---------------------|
|        | Inclination | Bearing | PROPERTY    | Length                  | HOLE No. <sup>7</sup> | PAGE # <sup>2</sup> |
| Callar |             |         | Location    | Hor. Comp. /Vert. Comp. | Sheet of              |                     |
|        |             |         | Elevation   | Bearing                 | Logged by             |                     |
|        |             |         | Coordinates | Begun /Completed        | Sampled by            |                     |
|        |             |         |             | Core size /Recovery %   | DRILLERS              | RIG#                |

| FOOTAGE<br>From To | RECOV'Y<br>Run Core | DESCRIPTION  | GRAPHIC | SAMPLES |         |      | ASSAYS |      | COMPOSITES |        |                  |        |     |      |  |
|--------------------|---------------------|--|---------|---------|---------|------|--------|------|------------|--------|------------------|--------|-----|------|--|
|                    |                     |  |         | No.     | From To | Fr.  | Cu%    | Co%  | Au Ppb     | Ag ppm | S <sub>2</sub> % | Zn ppm | Co% |      |  |
| 453                | 540                 | 95%  |         | 573     | 780     | 790  | 10     | .52  | .180       |        |                  |        |     |      |  |
|                    |                     | Largely fine grained grey to green chert, intercalated metasediments (phyllites) & minor chlorite-epidote altered volcanics - Prominent sulphide mineralization (50%), po, patches, stringers gobs, & fracture fillings, chalcopyrite rich zones |         | 574     | 790     | 800  | 10     | .09  | .160       |        |                  |        |     |      |  |
|                    |                     | 465 - 467' - large quartz-carbonate vein, patchy coarse grained po & py  |         | 575     | 800     | 810  | 10     | 1.00 | .150       |        |                  |        |     |      |  |
|                    |                     | 468 - 470' - fine grained massive po   |         | 576     | 810     | 820  | 10     | .71  | .140       | 10     | 0.3              | 81     | 150 | .150 |  |
|                    |                     | 474 - 477' - massive po with appreciable cpy   |         | 577     | 820     | 830  | 10     | .60  | .140       |        |                  |        |     |      |  |
|                    |                     | 484' - chalcopyrite rich zone  |         | 578     | 830     | 840  | 10     | .56  | .150       |        |                  |        |     |      |  |
|                    |                     | 489' - as above  |         | 579     | 840     | 850  | 10     | .52  | .160       |        |                  |        |     |      |  |
|                    |                     | 516 - 518' - fine grained felsic-intermediate dyke, dacitic?   |         | 580     | 850     | 860  | 10     | .56  | .150       |        |                  |        |     |      |  |
|                    |                     | 529 - 534' - fine grained massive po, assoc cpy  |         | 581     | 860     | 870  | 10     | .66  | .130       | 80     | 0.1              | 83     | 70  | .150 |  |
| 540                | 560                 | 100  |         | 582     | 870     | 880  | 10     | .69  | .140       |        |                  |        |     |      |  |
|                    |                     | Massive sulphide, fine grained po, disseminated & exsolved py & cpy, cherty host.  |         | 583     | 880     | 890  | 10     | .47  | .150       |        |                  |        |     |      |  |
|                    |                     | 546 - 547' - appreciable chalcopyrite  |         | 584     | 890     | 900  | 10     | .72  | .160       |        |                  |        |     |      |  |
| 560                | 590                 | 100  |         | 585     | 900     | 910  | 10     | .52  | .150       |        |                  |        |     |      |  |
|                    |                     | Largely green chloritic chert, interbedded argillite, moderate to strong sulphide mineralization as colloform, oobicular and stringer po, and cpy ( 30% sulphides)   |         | 586     | 910     | 920  | 10     | .42  | .170       | 80     | L.1              | 80     | 90  | .170 |  |
| 590                | 947                 | Beginning  |         | 587     | 920     | 930  | 10     | .50  | .190       |        |                  |        |     |      |  |
|                    |                     | of main massive sulphide zone, (~70-90% sulphide) hosted in dominantly green chloritic altered volcanics, largely fine grained massive po, also colloform & stringer textures  |         | 588     | 930     | 940  | 10     | .50  | .200       |        |                  |        |     |      |  |
|                    |                     | - lightly brecciated locally   |         | 589     | 940     | 947  | 7      | .56  | .190       |        |                  |        |     |      |  |
|                    |                     | pyrrhotite 90%, pyrite 7 - 8%, chalcopyrite 1 - 2%   |         | 590     | 947     | 960  | 13     | .47  | .140       |        |                  |        |     |      |  |
|                    |                     | 615 - 656' - largely fine grained massive po, appreciable cpy (5%) some magnetite with sulphides @ 656'  |         | 591     | 960     | 971  | 10     | .48  | .180       | 5      | L.1              | 75     | 25  | .180 |  |
|                    |                     | 667' - appreciable cupreous pyrite-chalcopyrite  |         | 592     | 971     | 980  | 9      | .37  | .190       |        |                  |        |     |      |  |
|                    |                     | 710' - quartz-Fe carbonate veining   |         | 593     | 980     | 990  | 10     | .75  | .170       |        |                  |        |     |      |  |
|                    |                     | 785 - 787' - unmineralized chlorite=epidote altered basalt   |         | 594     | 990     | 1000 | 10     | .37  | .017       | 5      | L.1              | 30     | 20  | .053 |  |
|                    |                     | 880 - 947' - sulphide content drops off slightly, light brecciation, host rock is chloritic basalt, minor interbedded argillaceous units, po most abundant sulphide  |         | 595     | 1000    | 1014 | 14     | .36  | .055       |        |                  |        |     |      |  |
|                    |                     | massive & patchy mineralization  |         | 596     | 1014    | 1020 | 6      | .31  | .160       |        |                  |        |     |      |  |
| 947                | 971                 | 100  |         | 597     | 1020    | 1030 | 10     | .17  | .110       |        |                  |        |     |      |  |
|                    |                     | Massive sulphides (50-70% sulphides), green siliceous host rock, dominantly po, chalcopyrite stringers, lightly brecciated   |         | 598     | 1030    | 1040 | 10     | .27  | .130       | 140    | L.1              | 52     | 15  | .110 |  |
| 971                | 990                 | 100  |         | 599     | 1040    | 1050 | 10     | .22  | .093       |        |                  |        |     |      |  |
|                    |                     | Massive sulphide as above, fine to medium grained po ( 80%) cpy blebs & stringers ( 1-2%), magnetite prominent locally, green siliceous host rock  |         | 600     | 1050    | 1060 | 10     | .18  | .098       |        |                  |        |     |      |  |
| 990                | 1014                | 95%  |         | 601     | 1060    | 1070 | 10     | .18  | .057       |        |                  |        |     |      |  |
|                    |                     | Fine grained chlorite-epidote basalt? schistose, disseminated stringer sulphides ( 30%), po cpy segregated by banding - minor intercalated argillite.  |         | 602     | 1070    | 1080 | 10     | .33  | .094       | 30     | L.1              | 51     | 10  | .092 |  |
| 1014               | 1086                | 100  |         | 603     | 1080    | 1086 | 6      | 1.22 | .091       |        |                  |        |     |      |  |
|                    |                     | Massive sulphide zone, ( 50-70% sulphide), massive & large patches of po, & minor chalcopyrite and magnetite, siliceous, cherty groundmass   |         | 604     | 1086    | 1100 | 14     | 2.11 | .087       |        |                  |        |     |      |  |
|                    |                     | 1062 - 1075' - prominent calcite veinlets  |         | 605     | 1100    | 1110 | 10     | 2.43 | .120       | 60     | L.1              | 74     | 70  | .120 |  |
|                    |                     | 1080' - appreciable chalcopyrite   |         | 606     | 1110    | 1124 | 14     | .69  | .120       |        |                  |        |     |      |  |
| 1086               | 1124                | 100  |         | 607     | 1124    | 1130 | 6      | .20  | .050       |        |                  |        |     |      |  |
|                    |                     | Massive sulfide as above, relatively rich in chalcopyrite ( 5-6%) occurs as stringers and gobs dominantly medium to coarse grained po, siliceous-cherty matrix - sheared, slickenslided  |         | 608     | 1130    | 1140 | 10     | .28  | .063       |        |                  |        |     |      |  |
|                    |                     | fracture surfaces, chloritic   |         | 609     | 1140    | 1148 | 8      | .32  | .059       | 15     | L.1              | 46     | 20  | .061 |  |
|                    |                     | 1088' - zone of enriched cpy   |         | 610     | 1148    | 1153 | 5      | .79  | .075       |        |                  |        |     |      |  |
|                    |                     | 1106 - 1109' - as above  |         | 611     | 1153    | 1160 | 7      | .54  | .046       |        |                  |        |     |      |  |
|                    |                     | 1114 - 1115' - chalcopyrite stringers, gobs  |         | 612     | 1160    | 1170 | 10     | .27  | .024       | 35     | L.1              | 21     | 30  | .029 |  |
|                    |                     | 1123' - chalcopyrite   |         | 613     | 1170    | 1180 | 10     | .06  | .010       |        |                  |        |     |      |  |
| 1124               | 1148                | 100  |         | 614     | 1180    | 1190 | 10     | .47  | .017       |        |                  |        |     |      |  |
|                    |                     | Heavily mineralized (30-40%) chlorite-epidote basalt, coarse grained po, minor cpy ( 1%) heavily fractured locally   |         | 615     | 1190    | 1202 | 12     | .20  | .035       |        |                  |        |     |      |  |
|                    |                     |  |         | 616     | 1202    | 1210 | 8      | .39  | .140       |        |                  |        |     |      |  |



# DRILL HOLE RECORD

FALCONBRIDGE NICKEL MINES LIMITED

|               |                    |                |   |  |                              |                 |
|---------------|--------------------|----------------|---|--|------------------------------|-----------------|
| <b>Callar</b> | <b>Inclination</b> | <b>Bearing</b> | <b>PROPERTY</b> Windy-Craggy                  | <b>Length</b> 234.7m (770ft)                     | <b>HOLE No.</b> 8-81         | <b>PAGE #</b> 1 |
|               | -61°               | S53 42' W      | <b>Location</b> Section D-D'                  | <b>Hor. Comp. / Vert Comp.</b>                   | <b>Sheet</b> of              |                 |
| 251 ft        | -61°               |                | <b>Elevation</b> 1653.89m                     | <b>Bearing</b> S 53° 42' W                       | <b>Logged by</b> Don Hoy     |                 |
| 500 ft        | -61°               |                | <b>Coordinates</b> 10,376.33 N<br>10,020.01 E | <b>Begun</b> 8/23/81 / <b>Completed</b> 8/28/81  | <b>Sampled by</b> " "        |                 |
|               |                    |                |   | <b>Core size</b> BQ-410, / <b>Recovery</b> +95 % | <b>DRILLERS</b> LY (FLY #38) | <b>RIG#</b> 1   |

| FOOTAGE<br>From To | RECOVY<br>Run Core | DESCRIPTION  | NO. to bottom<br>GRAPHIC |                 | SAMPLES |     |      | ASSAYS |      | COMPOSITES |     |                |      |     |     |      |      |
|--------------------|--------------------|--|--------------------------|-----------------|---------|-----|------|--------|------|------------|-----|----------------|------|-----|-----|------|------|
|                    |                    |  | No                       | From To         | FR      | Cu% | Co%  | Au     | Pb   | Ag         | ppm | S <sub>2</sub> | Zn   | ppm | Co% | Zn%  |      |
|                    |                    | NOTE**: NQ RODS DRILLED DOWN TO A DEPTH OF 440', AFTER WHICH BQ RODS WERE UTILIZED WITH THE NQ RODS ACTING AS CASING   | 28624                    | SELECTIVE ASSAY |         |     |      | .21    | .065 |            |     |                |      |     |     | L.01 | L.01 |
| 0                  | 127                | Glacier hole, interbedded hard packed snow and ice   | 627                      | 160             | 169     | 9   | .16  | .014   |      |            |     |                |      |     |     | L.01 | L.01 |
| 127                | 160                | 95% Strongly oxidized volcanic? breccia, clasts dominantly subangular to angular, fine grained glassy matrix, clasts become larger towards bottom of interval, extremely porous in places. | 628                      | 169             | 180     | 11  | .17  | .019   |      |            |     |                |      |     |     | L.01 | L.01 |
|                    |                    | 137 - 157' - gossan, extreme oxidation, clay minerals evident  | 629                      | 180             | 190     | 10  | .31  | .034   | 10   | L.1        | 12  | 30             | .024 |     |     | L.01 | L.01 |
| 160                | 169                | 95% Fine to medium grained, chlorite-epidote altered volcanic, moderate fracturing, minor disseminated py, trace cpy.  | 630                      | 190             | 203     | 13  | .45  | .022   |      |            |     |                |      |     |     | L.01 | L.01 |
| 169                | 203                | 100% As above, chloritized fine grained volcanic, stringer and banded cpy&po at regular intervals (perhaps interstitial sulphides between pillow lavas) disseminated po                    | 631                      | 203             | 210     | 7   | .47  | .092   |      |            |     |                |      |     |     | L.01 | L.01 |
|                    |                    | 177' - banded po & cpy (3" wide) @ 45° associated with quartz veining  | 632                      | 210             | 217     | 7   | .73  | .120   | 20   | L.1        | 56  | 18             | .100 |     |     | L.01 | L.01 |
|                    |                    | 182 - 183' - enriched zone in cpy  | 633                      | 217             | 220     | 3   | .47  | .048   |      |            |     |                |      |     |     | L.01 | L.01 |
|                    |                    | 198' - po banding  | 634                      | 220             | 230     | 10  | .84  | .043   |      |            |     |                |      |     |     | L.01 | L.01 |
|                    |                    | 199 - 200' - fine grained massive po band  | 635                      | 230             | 240     | 10  | 1.00 | .040   | 15   | .6         | 47  | 20             | .051 |     |     | L.01 | L.01 |
|                    |                    | 203  | 636                      | 240             | 250     | 10  | 2.63 | .057   |      |            |     |                |      |     |     | L.01 | L.01 |
|                    |                    | 217'   | 637                      | 250             | 260     | 10  | 1.66 | .056   |      |            |     |                |      |     |     | L.01 | L.01 |
|                    |                    | 217'   | 638                      | 260             | 270     | 10  | 1.25 | .040   |      |            |     |                |      |     |     | L.01 | L.01 |
|                    |                    | 217'   | 639                      | 270             | 280     | 10  | .97  | .029   |      |            | .2  | 65             |      |     |     | L.01 | L.01 |
|                    |                    | 217'   | 640                      | 280             | 287     | 7   | .70  | .048   |      |            |     |                |      |     |     | L.01 | L.01 |
|                    |                    | 217'   | 641                      | 287             | 290     | 3   | 1.69 | .061   |      |            |     |                |      |     |     | L.01 | L.01 |
|                    |                    | 217'   | 642                      | 290             | 300     | 10  | 2.97 | .062   |      |            |     |                |      |     |     | L.01 | L.01 |
|                    |                    | 217'   | 643                      | 300             | 310     | 10  | .63  | .055   | 15   | .8         | 42  | 30             | .076 |     |     | L.01 | L.01 |
|                    |                    | 217'   | 644                      | 310             | 320     | 10  | .43  | .150   |      |            |     |                |      |     |     | L.01 | L.01 |
|                    |                    | 217'   | 645                      | 320             | 330     | 10  | .37  | .070   |      |            |     |                |      |     |     | L.01 | L.01 |
|                    |                    | 217'   | 646                      | 330             | 340     | 10  | .40  | .160   | 65   | L.1        | 54  | 25             | .13  |     |     | L.01 | L.01 |
|                    |                    | 217'   | 647                      | 340             | 350     | 10  | .48  | .180   |      |            |     |                |      |     |     | L.01 | L.01 |
|                    |                    | 217'   | 648                      | 350             | 357     | 7   | .60  | .160   |      |            |     |                |      |     |     | L.01 | L.01 |
|                    |                    | 217'   | 649                      | 357             | 360     | 3   | 2.33 | .130   |      |            |     |                |      |     |     | .04  | L.01 |
|                    |                    | 217'   | 650                      | 360             | 370     | 10  | 1.15 | .120   |      |            |     |                |      |     |     | L.01 | L.01 |
|                    |                    | 217'   | 651                      | 370             | 380     | 10  | .87  | .038   | 25   | .4         | 66  | 125            | .064 |     |     | L.01 | L.01 |
|                    |                    | 217'   | 652                      | 380             | 390     | 10  | .58  | .018   |      |            |     |                |      |     |     | L.01 | L.01 |
|                    |                    | 217'   | 653                      | 390             | 400     | 10  | .92  | .024   |      |            |     |                |      |     |     | L.01 | L.01 |
|                    |                    | 217'   | 654                      | 400             | 410     | 10  | .16  | .013   |      |            |     |                |      |     |     | L.01 | L.01 |
|                    |                    | 217'   | 655                      | 410             | 420     | 10  | 1.85 | .047   |      |            |     |                |      |     |     | L.01 | L.01 |
|                    |                    | 217'   | 656                      | 420             | 430     | 10  | .38  | .031   | 10   | .5         | 46  | 45             | .027 |     |     | L.01 | L.01 |
|                    |                    | 217'   | 657                      | 430             | 441     | 11  | .38  | .025   |      |            |     |                |      |     |     | L.01 | L.01 |
|                    |                    | 217'   | 658                      | 447             | 450     | 3   | 2.26 | .092   |      |            |     |                |      |     |     | L.01 | L.01 |
|                    |                    | 217'   | 659                      | 450             | 460     | 10  | 3.64 | .098   |      |            |     |                |      |     |     | .03  | L.01 |
|                    |                    | 217'   | 660                      | 460             | 470     | 10  | 1.61 | .100   | 30   | .5         | 37  | 110            | .10  |     |     | L.01 | L.01 |
|                    |                    | 217'   | 661                      | 470             | 480     | 10  | 1.38 | .120   |      |            |     |                |      |     |     | L.01 | L.01 |
|                    |                    | 217'   | 662                      | 480             | 490     | 10  | 1.50 | .130   |      |            |     |                |      |     |     | L.01 | L.01 |
|                    |                    | 217'   | 663                      | 490             | 500     | 10  | .74  | .150   |      |            |     |                |      |     |     | END  | END  |
|                    |                    | 217'   | 664                      | 500             | 510     | 10  | .75  | .140   |      |            |     |                |      |     |     |      |      |
|                    |                    | 217'   | 665                      | 510             | 520     | 10  | .59  | .130   | 75   | .3         | 83  | 160            | .13  |     |     |      |      |
|                    |                    | 217'   | 666                      | 520             | 530     | 10  | .70  | .130   |      |            |     |                |      |     |     |      |      |
|                    |                    | 217'   | 667                      | 530             | 540     | 10  | 1.69 | .130   |      |            |     |                |      |     |     |      |      |
|                    |                    | 217'   | 668                      | 540             | 550     | 10  | 1.65 | .130   |      |            |     |                |      |     |     |      |      |
|                    |                    | 217'   | 669                      | 550             | 560     | 10  | 2.13 | .150   |      |            |     |                |      |     |     |      |      |

CONT ON NEXT PAGE









# DRILL HOLE RECORD

FALCONBRIDGE NICKEL MINES LIMITED

|             |  |         |             |             |            |       |          |      |
|-------------|--|---------|-------------|-------------|------------|-------|----------|------|
| Inclination |  | Bearing | PROPERTY    | Length      | HOLE No.   | 10-31 | PAGE #   | 2    |
| Callar      |  |         | Location    | Hor. Comp.  | Sheet      | of    |          |      |
|             |  |         | Elevation   | Bearing     | Logged by  |       |          |      |
|             |  |         | Coordinates | N Begun     | Sampled by |       |          |      |
|             |  |         |             | E Core size | /Completed |       |          |      |
|             |  |         |             |             | /Recovery  | %     | DRILLERS | RIG# |

| FOOTAGE |      | RECOV'Y  | DESCRIPTION   | GRAPHIC | SAMPLES |      |      |    | ASSAYS |      | COMPOSITES |        |                  |       |
|---------|------|----------|---|---------|---------|------|------|----|--------|------|------------|--------|------------------|-------|
| From    | To   | Run Core |   |         | No.     | From | To   | Ft | Cu%    | Co%  | Au Ppb     | Ag ppb | S <sub>2</sub> % | Znppm |
| 1026    | 1311 | 100      | Fine to medium grained, dark green chlorite volcanic, stringer and banded po & cpy up to 10% sulphide.  |         | 2874    | 1046 | 1056 | 10 | .66    | .017 |            |        |                  |       |
|         |      |          | 1043' - banded po @ 90°   |         | 41      | 1056 | 1066 | 10 | .07    | .013 | 5          | 0.3    | 13               | 25    |
|         |      |          | 1053 - 1054' - cpy gobs & stringers assoc. with quartz & po   |         | 42      | 1066 | 1076 | 10 | .13    | .016 |            |        |                  |       |
|         |      |          | 1072 - cpy assoc with patchy quartz & po  |         | 43      | 1076 | 1086 | 10 | .14    | .015 |            |        |                  |       |
|         |      |          | 1082 - 1084' - host rock coarser grained, more siliceous  |         | 44      | 1086 | 1096 | 10 | .28    | .015 | 5          | 0.4    | 11               | 20    |
|         |      |          | 1101 - 1120' - banded and stringer po & assoc. cpy trending @ 125°  |         | 45      | 1096 | 1106 | 10 | .09    | .012 |            |        |                  |       |
|         |      |          | 1139 - 1142' - fault gouge, highly sheared, chlorite  |         | 46      | 1106 | 1116 | 10 | .21    | .034 |            |        |                  |       |
|         |      |          | 1144 - 1183' - host rock coarser grained equivalent, diorite-gabbro?  |         | 47      | 1116 | 1126 | 10 | .10    | .020 |            |        |                  |       |
|         |      |          | 1183 - 1197' - cherty subunit, appreciable po & minor cpy @ 90°   |         | 48      | 1126 | 1136 | 10 | .05    | .017 |            |        |                  |       |
|         |      |          | 1197 - 1269' - fine grained, chlorite-epidote rich volcanic, interbedded chert horizons appreciable patchy & gobby po 10-20%  |         | 49      | 1136 | 1146 | 10 | .12    | .016 | 5          | 0.4    | 7                | 20    |
|         |      |          | 1248 - 1252' - appreciable patchy po in sheared, altered chloritic volcanic   |         | 50      | 1146 | 1156 | 10 | .16    | .018 |            |        |                  |       |
|         |      |          | 1269 - 1311' - coarser grained equivalent, chloritic, contains disseminated po  |         | 51      | 1156 | 1166 | 10 | .02    | .013 |            |        |                  |       |
|         |      |          | 1309 - 1311' - stringer po  |         | 52      | 1166 | 1176 | 10 | .04    | .024 |            |        |                  |       |
|         |      |          | HOLE MAY NOT HAVE PENETRATED MAIN SULPHIDE ZONE AS ROCKS STILL MORE CHLORITIC THAN FOUND TO THE WEST. POSSIBLE FAULT OFFSET? HOLE FAILED TO FLATTEN AS ANTICIPATED AND WAS ABANDONED DUE LACK OF WATER. |         | 53      | 1176 | 1186 | 10 | .25    | .072 |            |        |                  |       |
|         |      |          |   |         | 54      | 1186 | 1196 | 10 | .15    | .043 | 5          | 0.2    | 15               | 20    |
|         |      |          |   |         | 55      | 1196 | 1206 | 10 | .05    | .023 |            |        |                  |       |
|         |      |          |   |         | 56      | 1206 | 1216 | 10 | .04    | .016 |            |        |                  |       |
|         |      |          |   |         | 57      | 1216 | 1226 | 10 | .06    | .045 |            |        |                  |       |
|         |      |          |   |         | 58      | 1226 | 1236 | 10 | .17    | .050 |            |        |                  |       |
|         |      |          |   |         | 59      | 1236 | 1246 | 10 | .12    | .022 | 5          | .03    | 14               | 115   |
|         |      |          |   |         | 60      | 1246 | 1256 | 10 | .23    | .027 |            |        |                  |       |
|         |      |          |   |         | 61      | 1256 | 1266 | 10 | .03    | .008 |            |        |                  |       |
|         |      |          |   |         | 62      | 1266 | 1276 | 10 | .04    | .009 |            |        |                  |       |
|         |      |          |   |         | 63      | 1276 | 1286 | 10 | .05    | .014 |            |        |                  |       |
|         |      |          |   |         | 64      | 1286 | 1296 | 10 | .02    | .015 | 5          | 0.1    | 6                | 20    |
|         |      |          |   |         | 65      | 1296 | 1306 | 10 | .03    | .014 |            |        |                  |       |
|         |      |          |   |         | 66      | 1306 | 1311 | 5  | .08    | .025 |            |        |                  |       |

APPENDIX 3

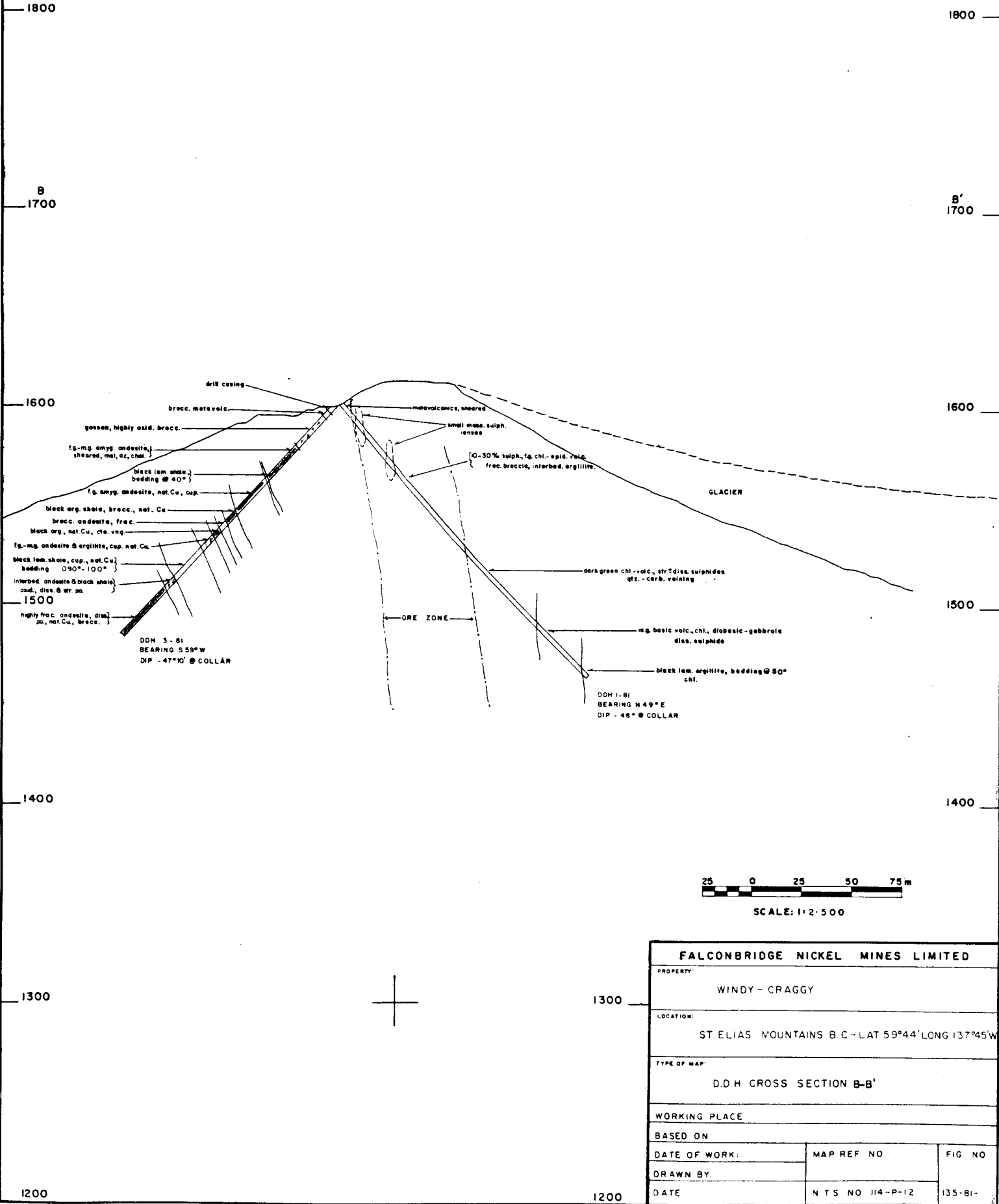
Drill and Assay Sections

- Massive sulphides (50-100%), pyrrhotite, pyrite, chalcopyrite.
- Sulphides (10-50%), pyrrhotite, pyrite, chalcopyrite largely as stringers, bands & patchy mineralization.
- Sulphides (0-10%), pyrrhotite, pyrite, chalcopyrite as disseminations, vein & fracture fillings.
- Rusty gossan-highly oxidized.
- 1 Relatively unaltered basic-intermediate flows, sills & dykes (andesitic)
- 2 Schistose fine grained basic volcanics, pillow lavas, chlorite & epidote alteration (spilitic basalts?) commonly interbedded with chert & argillite.
- 3 Relatively unaltered medium to coarse grained basic-ultrabasic intrusives (dioritic - gabbroic?).
- 4 Felsic dykes, light grey, medium grained.
- 5 Black shale, laminated, often argillaceous & calcareous.
- 6 Argillite, black, thinly bedded & massive, commonly calcareous & pyritic.
- 7 Undivided minor metasediments & metavolcanics, thinly bedded.
- 8 Light grey to black limestone, argillaceous.
- 9 Dark green to grey chert, commonly chloritic, resembles fine grained rhyolitic volcanics in places.
- 10 Volcanic breccia-conglomerate, subangular foreign clastics, tuffaceous matrix (laharic breccia).

#### ABBREVIATIONS

|      |               |         |                       |      |                |
|------|---------------|---------|-----------------------|------|----------------|
| po   | pyrrhotite    | volc    | volcanics             | fg   | fine grained   |
| py   | pyrite        | arg     | argillite             | mg   | medium grained |
| cpy  | chalcopyrite  | calc    | calcareous            | cg   | coarse grained |
| n cu | native copper | qtz vng | quartz veining        | diss | disseminated   |
| mal  | malachite     | cte vng | calcite veining       | amyg | amygdaloidal   |
| az   | azurite       | oxid    | oxidized              | bx   | brecciated     |
| chal | chalcanthite  | sulph   | sulphides             | frac | fractured      |
| cup  | cuprite       | vnlt    | veinlets              | str  | stringers      |
| chl  | chlorite      |         | Ore Zone Margin       |      |                |
| epte | epidote       |         | Massive Sulphide Zone |      |                |
| sph  | sphalerite    |         | Geological Contacts   |      |                |
| cte  | calcite       |         | Possible Fault        |      |                |
| qtz  | quartz        |         |                       |      |                |

BASELINE



drill casing

brecc. meta volc.

gosses, highly oxid. brecc.

fg.-mg. amyg. andesite, sheared, mal, az, chal.

black lem shale bedding @ 40°

fg. amyg. andesite, nat. Cu, cup.

black arg. shale, brecc., nat. Cu

brecc. andesite, frac.

black arg., nat. Cu, cle. vng.

fg.-mg. andesite & argillite, cup. nat. Cu

black lem. shale, cup., nat. Cu bedding @ 90°-100°

interbed. andesite & black shale, oxid., disc. & wr. pa.

highly frac. andesite, disc. pa., nat. Cu, brecc.

DDM 3-81  
BEARING S 59° W  
DIP - 47° @ COLLAR

metavolcanics, sheared

small mass. sulph. lenses

0-30% sulph., fg. chl.-epid. volc. frac. breccia, interbed. argillite

GLACIER

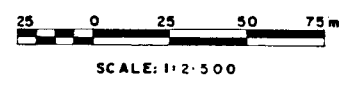
dark green chl.-volc., str. disc. sulphides, qtz.-carb. veining

ORE ZONE

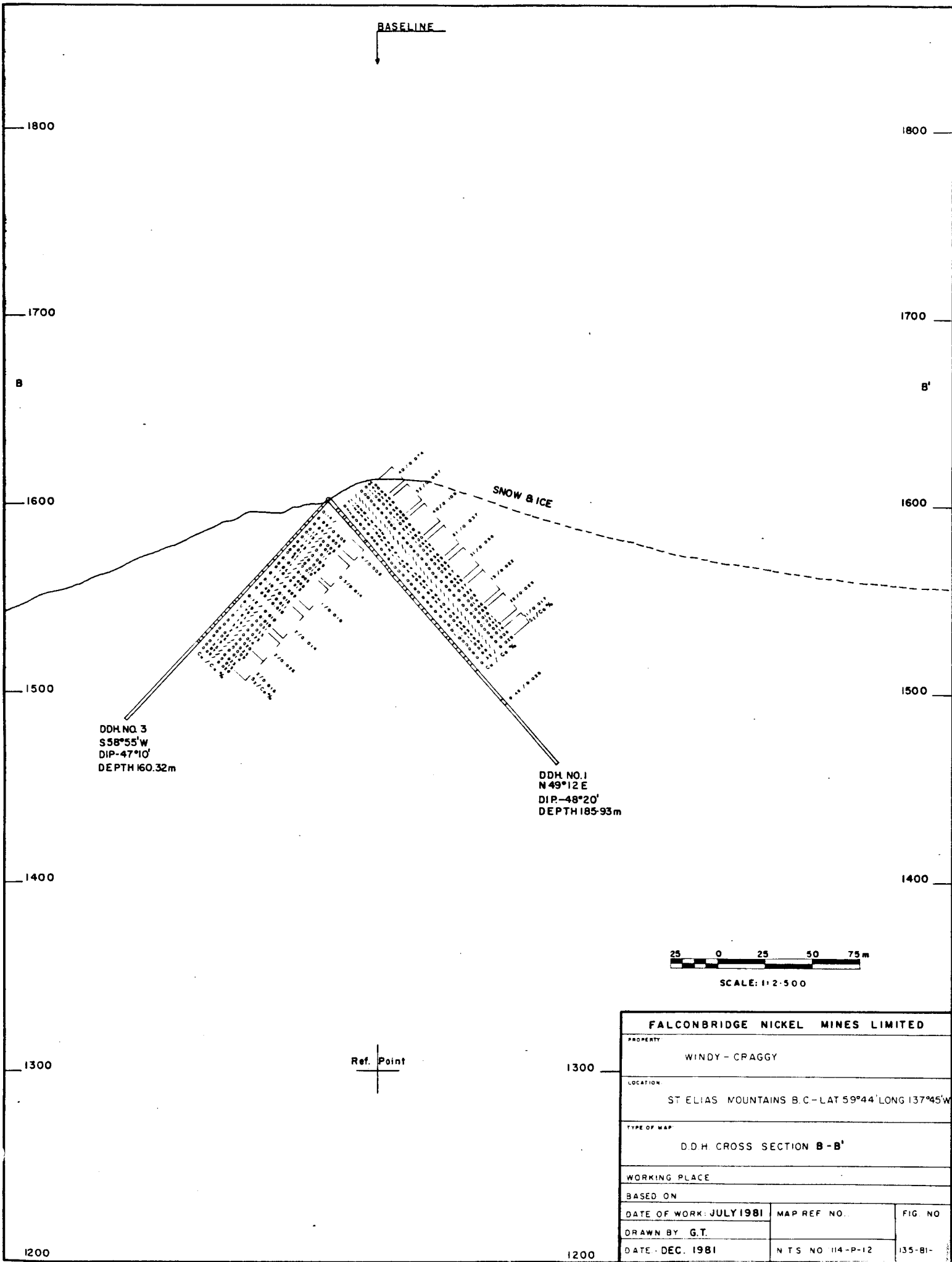
mg. basic volc., chl., diabasic-gabbroite, disc. sulphide

black lem. argillite, bedding @ 80° chl.

DDM 1-81  
BEARING N 49° E  
DIP - 48° @ COLLAR



|  |                   |          |
|--|-------------------|----------|
| <b>FALCONBRIDGE NICKEL MINES LIMITED</b>             |                   |          |
| PROPERTY   |                   |          |
| WINDY - CRAGGY                                       |                   |          |
| LOCATION   |                   |          |
| ST. ELIAS MOUNTAINS B.C. - LAT 59°44' LONG 137°45' W |                   |          |
| TYPE OF MAP  |                   |          |
| D.D.H CROSS SECTION B-B'                             |                   |          |
| WORKING PLACE  |                   |          |
| BASED ON   |                   |          |
| DATE OF WORK:  | MAP REF. NO.      | FIG. NO. |
| DRAWN BY:  |                   |          |
| DATE   | N T S NO 114-P-12 | 135-81-  |



DDH NO. 3  
 S58°55'W  
 DIP-47°10'  
 DEPTH 160.32m

DDH NO. 1  
 N49°12'E  
 DIP-48°20'  
 DEPTH 185.93m



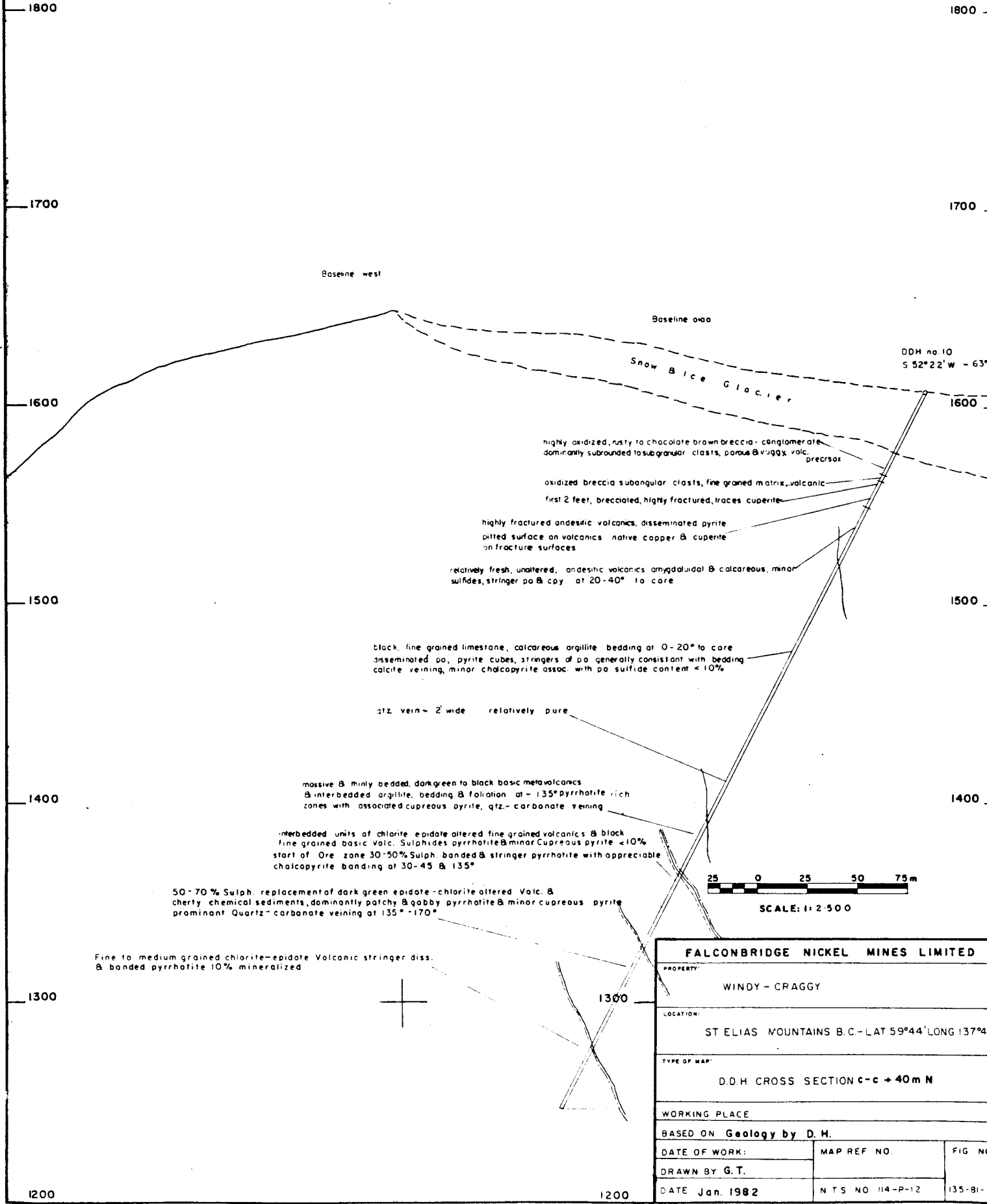
SCALE: 1:2500

Ref. Point

|  |                   |         |
|--|-------------------|---------|
| <b>FALCONBRIDGE NICKEL MINES LIMITED</b>                       |                   |         |
| PROPERTY<br>WINDY - CRAGGY                                     |                   |         |
| LOCATION<br>ST ELIAS MOUNTAINS B.C. - LAT 59°44' LONG 137°45'W |                   |         |
| TYPE OF MAP<br>D.D.H. CROSS SECTION B-B'                       |                   |         |
| WORKING PLACE  |                   |         |
| BASED ON   |                   |         |
| DATE OF WORK: JULY 1981  | MAP REF NO.       | FIG NO  |
| DRAWN BY: G.T.   |                   |         |
| DATE: DEC. 1981  | N T S NO 114-P-12 | 135-81- |



BASELINE



1800  
1700  
1600  
1500  
1400  
1300  
1200

1800  
1700  
1600  
1500  
1400  
1300  
1200

Baseline west

Baseline east

Snow & Ice Glacier

DDH no 10  
S 52° 22' W - 63°

highly oxidized, rusty to chocolate brown breccia - conglomerate  
dominantly subrounded to subangular clasts, porous & highly volcanic  
precursor

oxidized breccia subangular clasts, fine grained matrix, volcanic  
first 2 feet, brecciated, highly fractured, traces cuperite

highly fractured andesitic volcanics, disseminated pyrite  
pitted surface on volcanics - native copper & cuperite  
on fracture surfaces

relatively fresh, unaltered, andesitic volcanics amygdaloidal & calcareous, minor  
sulfides, stringer pyrite & copper at 20-40' to core

black, fine grained limestone, calcareous argillite bedding at 0-20' to core  
disseminated pyrite, pyrite cubes, stringers of pyrite generally consistent with bedding  
calcite veining, minor chalcocopyrite assoc. with pyrite sulfide content < 10%

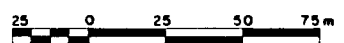
qtz vein - 2' wide relatively pure

massive & finely bedded, dark green to black basic metavolcanics  
& interbedded argillite, bedding & foliation at - 135° pyrrhotite rich  
zones with associated cupreous pyrite, qtz - carbonate veining

interbedded units of chlorite - epidote altered fine grained volcanics & black  
fine grained basic volc. Sulphides pyrrhotite & minor cupreous pyrite < 10%  
start of Ore zone 30-50% Sulph. banded & stringer pyrrhotite with appreciable  
chalcocopyrite banding at 30-45' & 135°

50-70% Sulph. replacement of dark green epidote - chlorite altered Volc. &  
cherty chemical sediments, dominantly patchy & gobby pyrrhotite & minor cupreous pyrite  
prominent Quartz - carbonate veining at 135° - 170°

Fine to medium grained chlorite - epidote Volcanic stringer diss.  
& banded pyrrhotite 10% mineralized

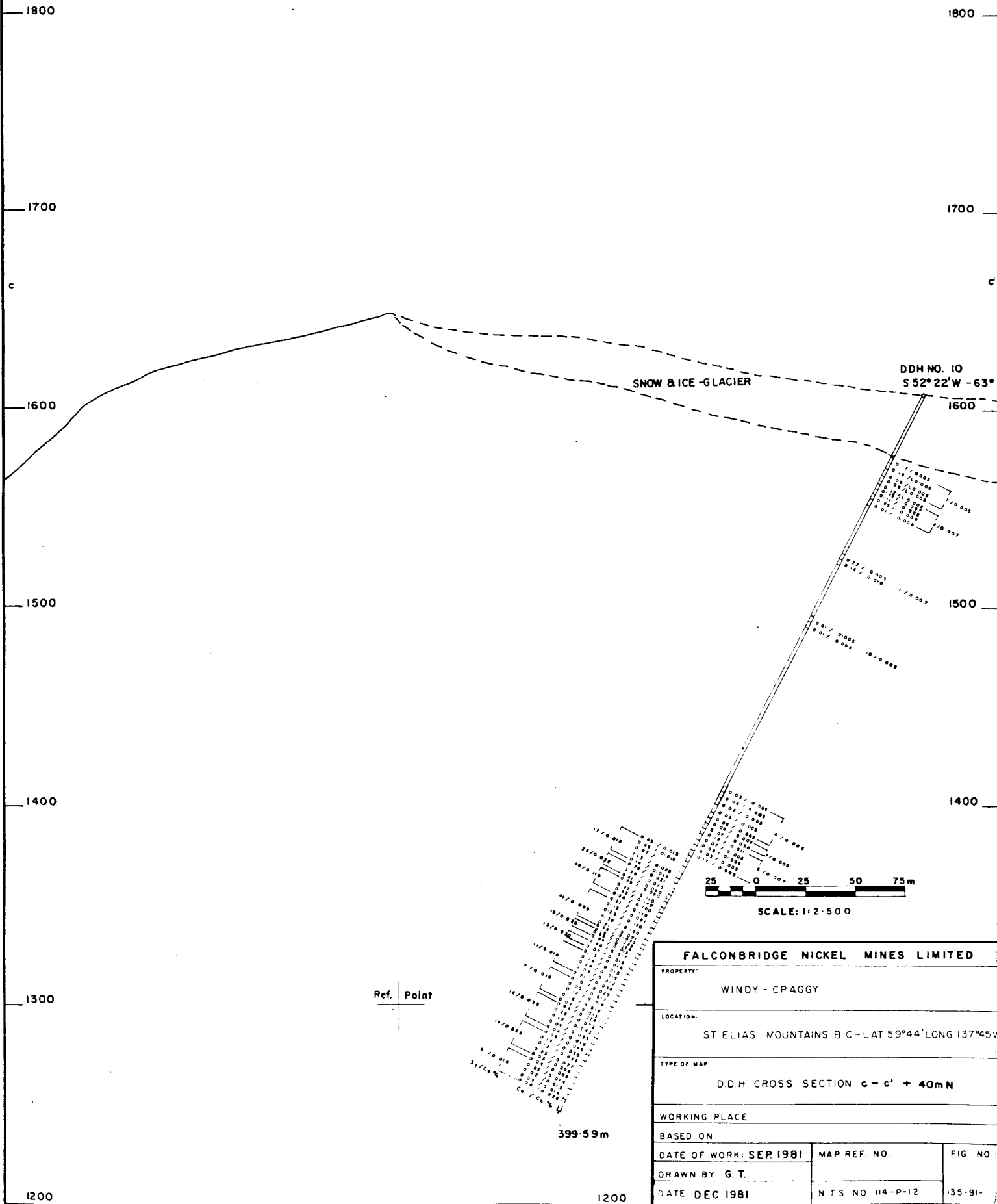


SCALE: 1:2500

FALCONBRIDGE NICKEL MINES LIMITED

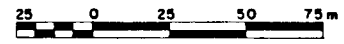
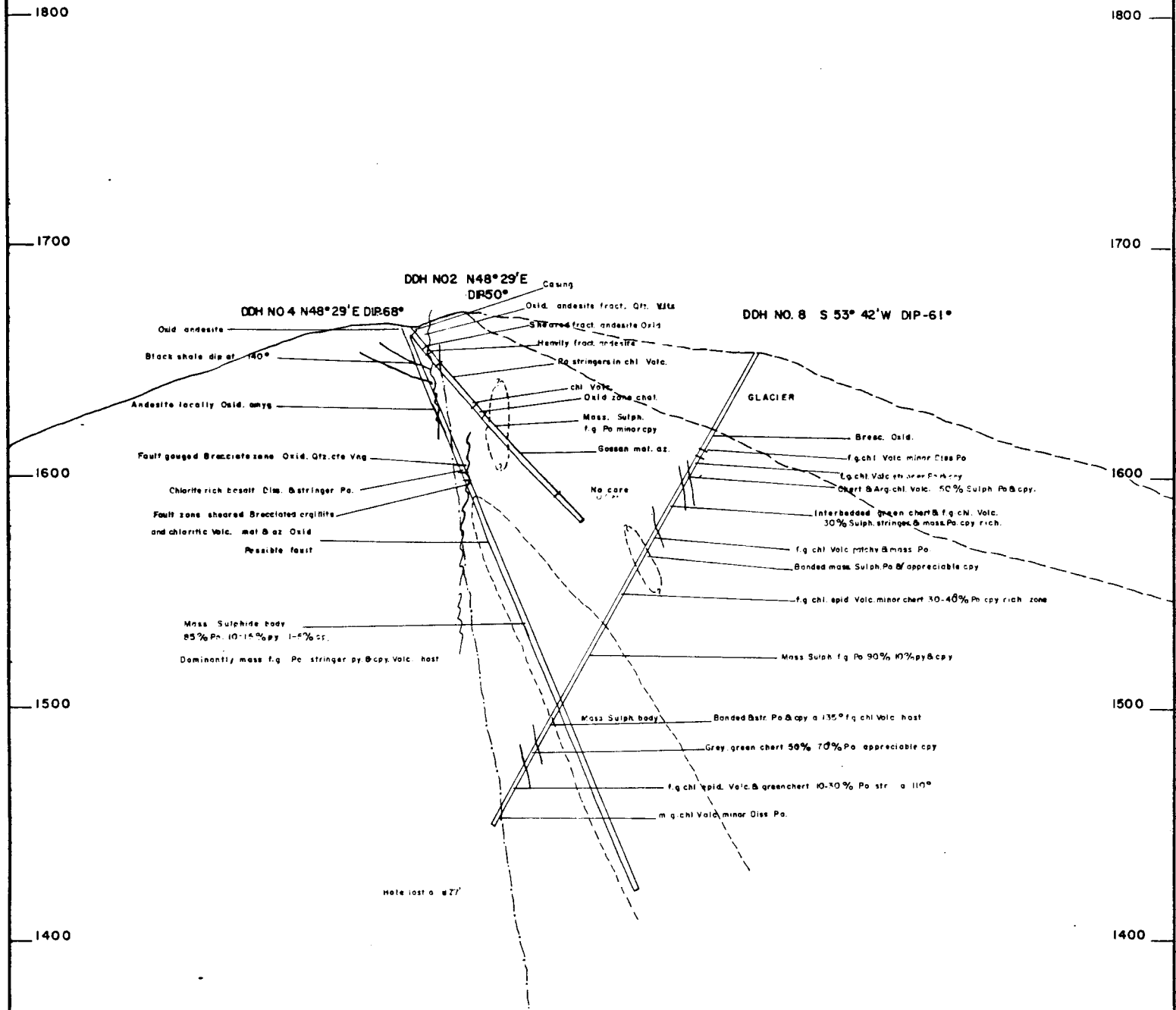
|   |                    |          |
|---|--------------------|----------|
| PROPERTY:   |                    |          |
| WINDY - CRAGGY                                      |                    |          |
| LOCATION:   |                    |          |
| ST ELIAS MOUNTAINS B.C. - LAT 59°44' LONG 137°45' W |                    |          |
| TYPE OF MAP:  |                    |          |
| D.D.H. CROSS SECTION c-c + 40m N                    |                    |          |
| WORKING PLACE:                                      |                    |          |
| BASED ON Geology by D. H.                           |                    |          |
| DATE OF WORK:                                       | MAP REF. NO.       | FIG. NO. |
| DRAWN BY G. T.                                      |                    |          |
| DATE Jan. 1982                                      | N.T.S. NO 114-P-12 | 135-81-  |

BASELINE



|   |                     |         |
|---|---------------------|---------|
| <b>FALCONBRIDGE NICKEL MINES LIMITED</b>                        |                     |         |
| PROPERTY:<br>WINDY - CRAGGY                                     |                     |         |
| LOCATION:<br>ST ELIAS MOUNTAINS B.C. - LAT 59°44' LONG 137°45'W |                     |         |
| TYPE OF MAP:<br>D.D.H. CROSS SECTION c - c' + 40mN              |                     |         |
| WORKING PLACE:  |                     |         |
| BASED ON:   |                     |         |
| DATE OF WORK: SEP 1981  | MAP REF. NO.        | FIG NO. |
| DRAWN BY: G. T.   |                     |         |
| DATE DEC 1981   | N.T.S. NO. 114-P-12 | 135-81- |

BASELINE



SCALE: 1:2,500

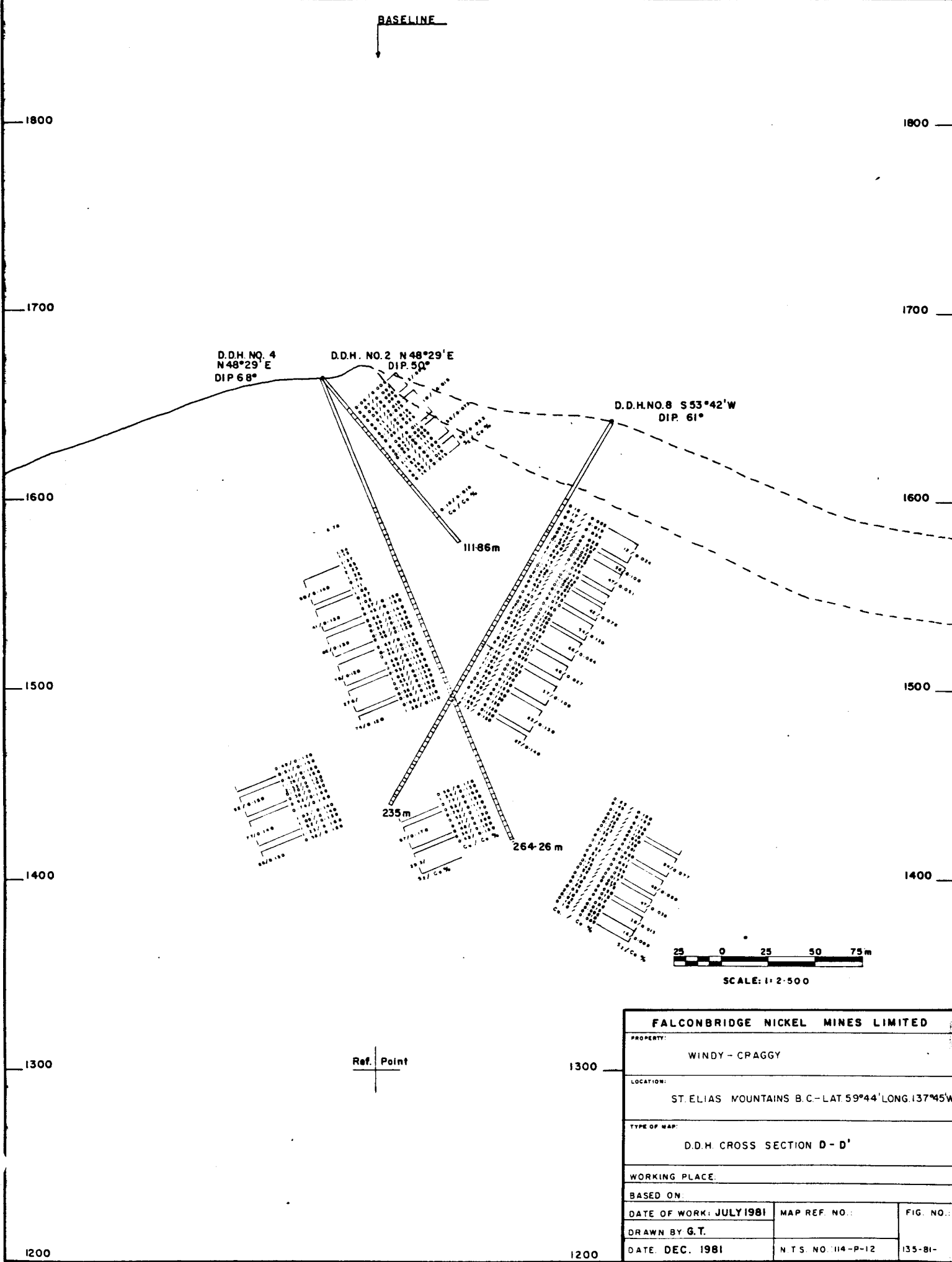
|   |                   |         |
|---|-------------------|---------|
| <b>FALCONBRIDGE NICKEL MINES LIMITED</b>          |                   |         |
| PROPERTY:   |                   |         |
| WINDY - CRAGGY                                    |                   |         |
| LOCATION:   |                   |         |
| ST ELIAS MOUNTAINS B C - LAT 59°44' LONG 137°45'W |                   |         |
| TYPE OF MAP:                                      |                   |         |
| D.D.H CROSS SECTION D-D'                          |                   |         |
| WORKING PLACE                                     |                   |         |
| BASED ON  |                   |         |
| DATE OF WORK:                                     | MAP REF. NO       | FIG NO  |
| DRAWN BY  |                   |         |
| DATE  | N T S NO 114-P-12 | 135-81- |

1300

1200

1200

1200



BASELINE

1800

1800

1700

1700

D.D.H. NO. 4  
N 48° 29' E  
DIP 68°

D.D.H. NO. 2 N 48° 29' E  
DIP 50°

D.D.H. NO. 8 S 53° 42' W  
DIP 61°

111.86m

235m

264.26m

1600

1600

1500

1500

1400

1400

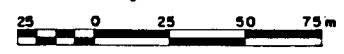
1300

1300

Ref. Point

1200

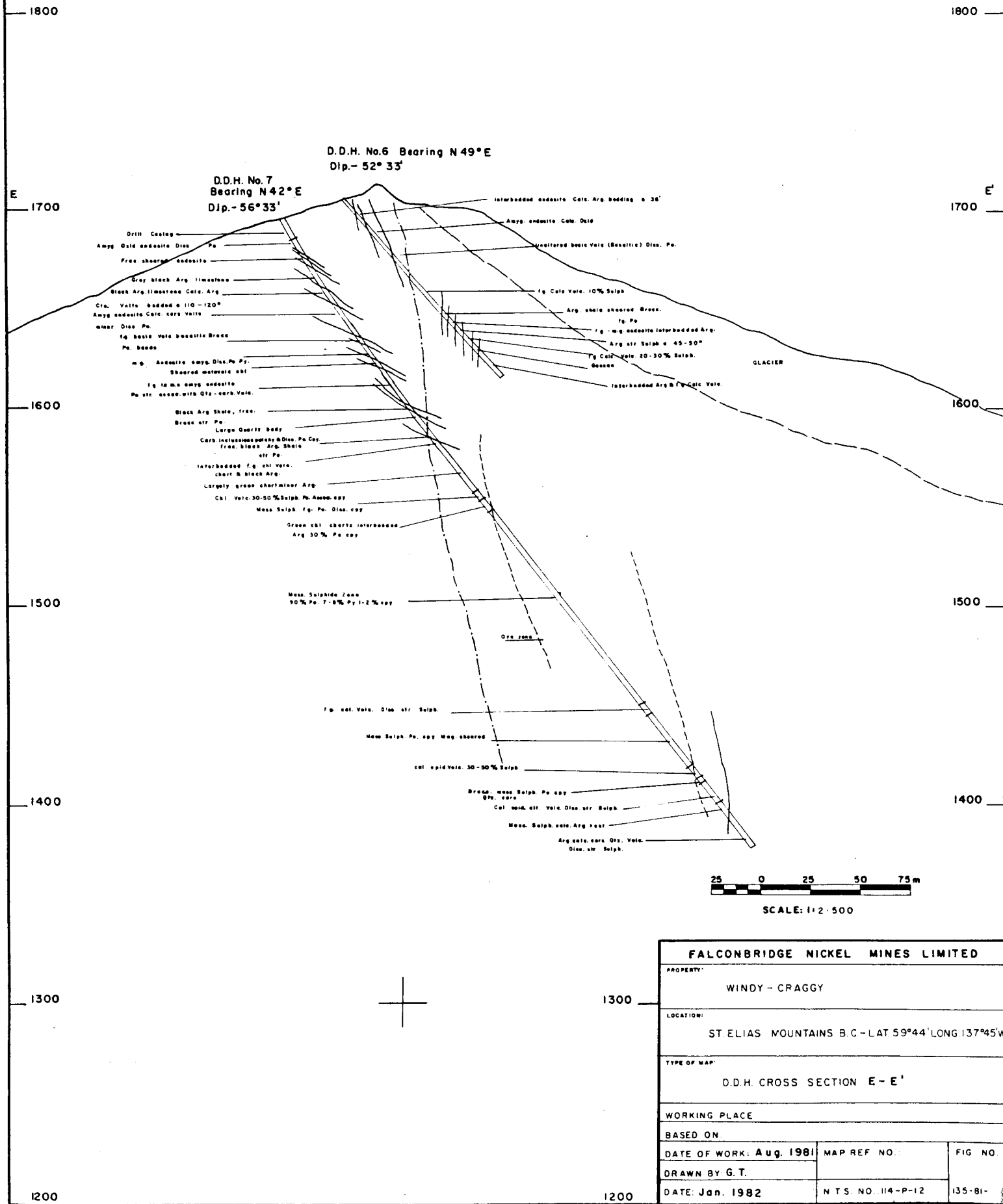
1200



SCALE: 1:2500

|   |                     |           |
|---|---------------------|-----------|
| <b>FALCONBRIDGE NICKEL MINES LIMITED</b>              |                     |           |
| PROPERTY:   |                     |           |
| WINDY - CRAGGY  |                     |           |
| LOCATION:   |                     |           |
| ST. ELIAS MOUNTAINS B.C. - LAT 59°44' LONG. 137°45' W |                     |           |
| TYPE OF MAP:  |                     |           |
| D.D.H. CROSS SECTION D - D'                           |                     |           |
| WORKING PLACE:  |                     |           |
| BASED ON:   |                     |           |
| DATE OF WORK: JULY 1981                               | MAP REF. NO.:       | FIG. NO.: |
| DRAWN BY G.T.   |                     |           |
| DATE: DEC. 1981                                       | N.T.S. NO. 114-P-12 | 135-81-   |

BASELINE



D.D.H. No. 6 Bearing N 49° E  
Dip - 52° 33'

D.D.H. No. 7  
Bearing N 42° E  
Dip - 56° 33'

Drill Casting

Intersbedded andesite Calc. Arg bedding  $\alpha$  30'

Amyg. andesite Calc. Dold

Quartziferous basic Vole (Basaltic) Diss. Pe.

Amyg. Calc andesite Diss. Pe

Free sheared andesite

Arg shale sheared Brass.

fg. Pe

fg. Calc Vole. 10% Sulph

Gray black Arg. limestone

Black Arg. limestone Calc. Arg

Arg str Sulph  $\alpha$  45-50°

fg. Calc Vole. 10-30% Sulph.

Bascon

Calc. Vole bedded  $\alpha$  110-120°

Amyg. andesite Calc. carb. Vole

Interbedded Arg. & Calc. Vole

Interbedded andesite interbedded Arg.

Interbedded andesite interbedded Arg.

fg. Calc Vole. 10-30% Sulph.

Bascon

Interbedded Arg. & Calc. Vole

Black Arg. Shale, free.

Black str. Pe.

Large Quartz body

Calc. inst. andesite & Diss. Pe. Carb.

Free black Arg. Shale

str. Pe.

Interbedded fg. chl. Vole.

chert & black Arg.

Largely green chert/miner. Arg.

Calc. Vole. 30-50% Sulph. Pe. Anom. exp.

Mass Sulph. fg. Pe. Diss. exp.

Green chl. cherts interbedded

Arg. 10% Pe. exp.

Mass Sulphide Zone

90% Pe. 7-8% Py 1-2% exp.

Ore zone

fg. calc. Vole. Diss. str. Sulph.

Mass Sulph. Pe. exp. Mag. sheared

calc. Vole. 30-50% Sulph.

Brass. mass Sulph. Pe. exp.

9% carb.

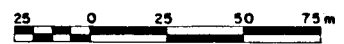
Calc. exp. str. Vole. Diss. str. Sulph.

Mass. Sulph. calc. Arg. host

Arg. calc. carb. Ore. Vole.

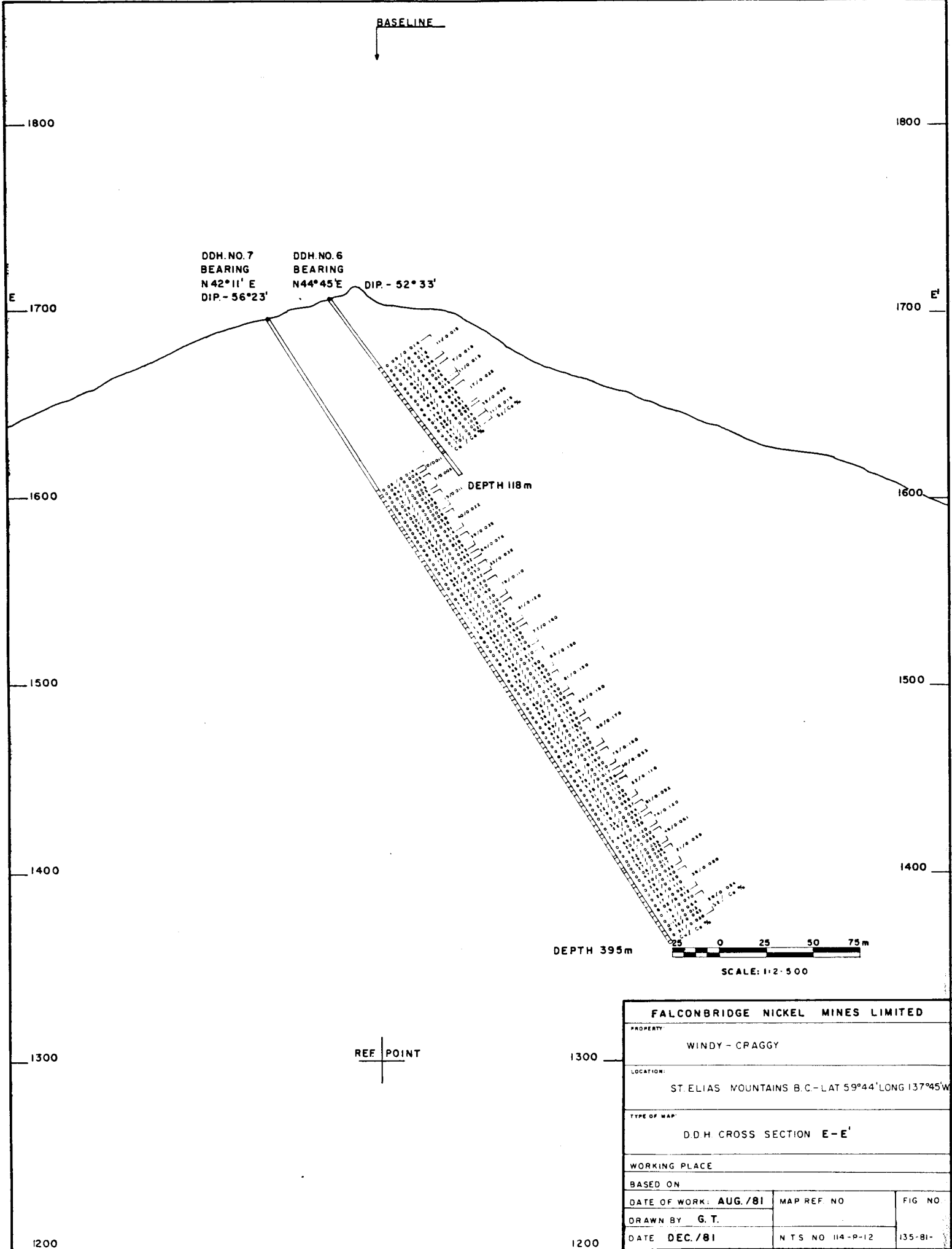
Diss. str. Sulph.

GLACIER



SCALE: 1:2,500

|  |                     |          |
|--|---------------------|----------|
| <b>FALCONBRIDGE NICKEL MINES LIMITED</b>           |                     |          |
| PROPERTY:  |                     |          |
| WINDY - CRAGGY                                     |                     |          |
| LOCATION:  |                     |          |
| ST ELIAS MOUNTAINS B.C. - LAT 59°44' LONG 137°45'W |                     |          |
| TYPE OF MAP:                                       |                     |          |
| D.D.H. CROSS SECTION E - E'                        |                     |          |
| WORKING PLACE                                      |                     |          |
| BASED ON   |                     |          |
| DATE OF WORK: Aug. 1981                            | MAP REF. NO.        | FIG. NO. |
| DRAWN BY G. T.                                     |                     |          |
| DATE: Jan. 1982                                    | N.T.S. NO. 114-P-12 | 135-81-  |



DDH. NO. 7  
BEARING  
N 42° 11' E  
DIP - 56° 23'

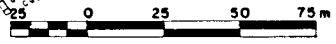
DDH. NO. 6  
BEARING  
N 44° 45' E  
DIP - 52° 33'

BASELINE

DIP - 52° 33'

DEPTH 118 m

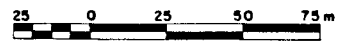
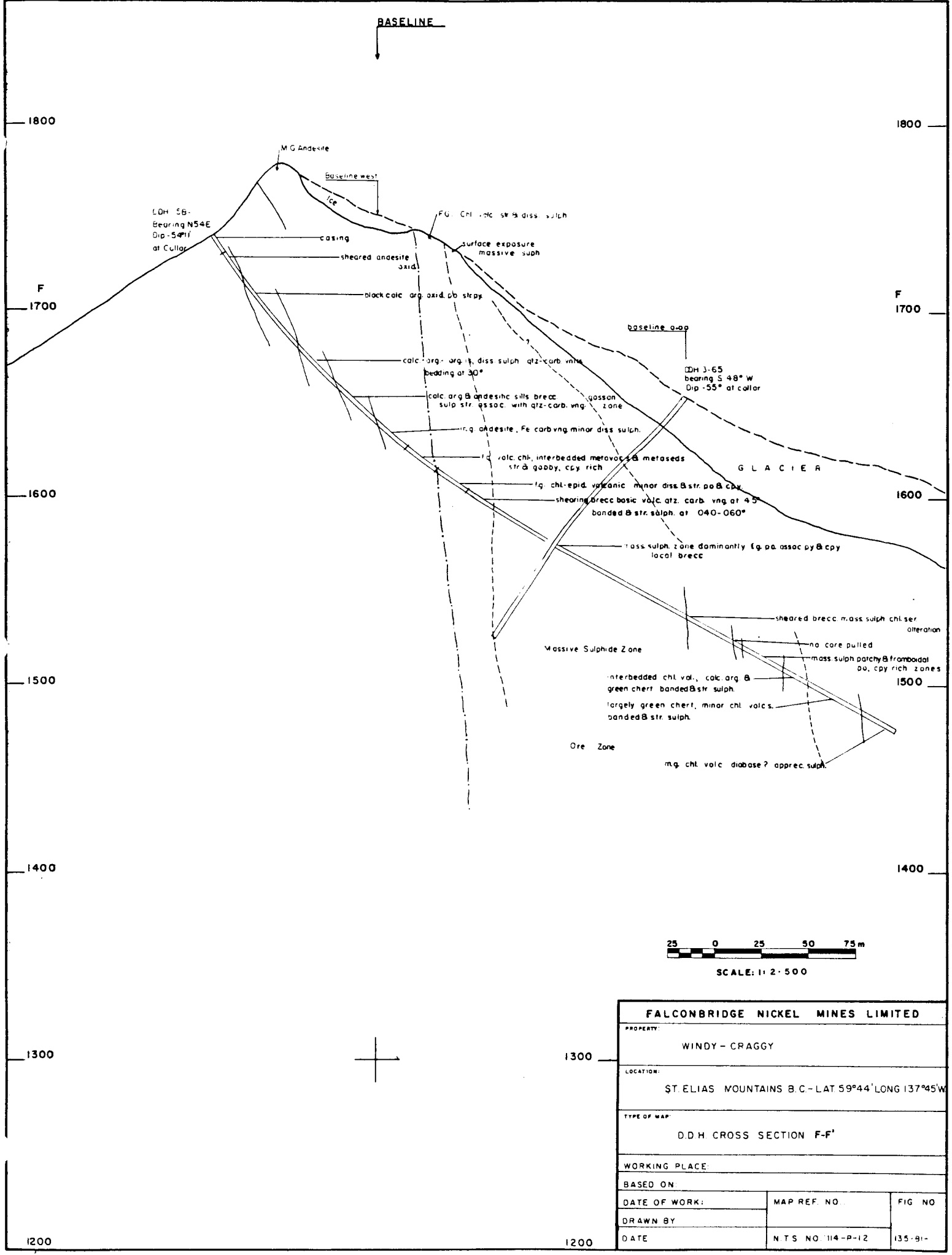
DEPTH 395 m



SCALE: 1:2 500

REF POINT

|  |                     |          |
|--|---------------------|----------|
| <b>FALCONBRIDGE NICKEL MINES LIMITED</b>           |                     |          |
| PROPERTY:  |                     |          |
| WINDY - CRAGGY                                     |                     |          |
| LOCATION:  |                     |          |
| ST ELIAS MOUNTAINS B.C. - LAT 59°44' LONG 137°45'W |                     |          |
| TYPE OF MAP:                                       |                     |          |
| D.D.H. CROSS SECTION E-E'                          |                     |          |
| WORKING PLACE:                                     |                     |          |
| BASED ON:  |                     |          |
| DATE OF WORK: <b>AUG./81</b>                       | MAP REF. NO.        | FIG. NO. |
| DRAWN BY <b>G. T.</b>                              |                     |          |
| DATE <b>DEC./81</b>                                | N.T.S. NO. 114-P-12 | 135-81-  |

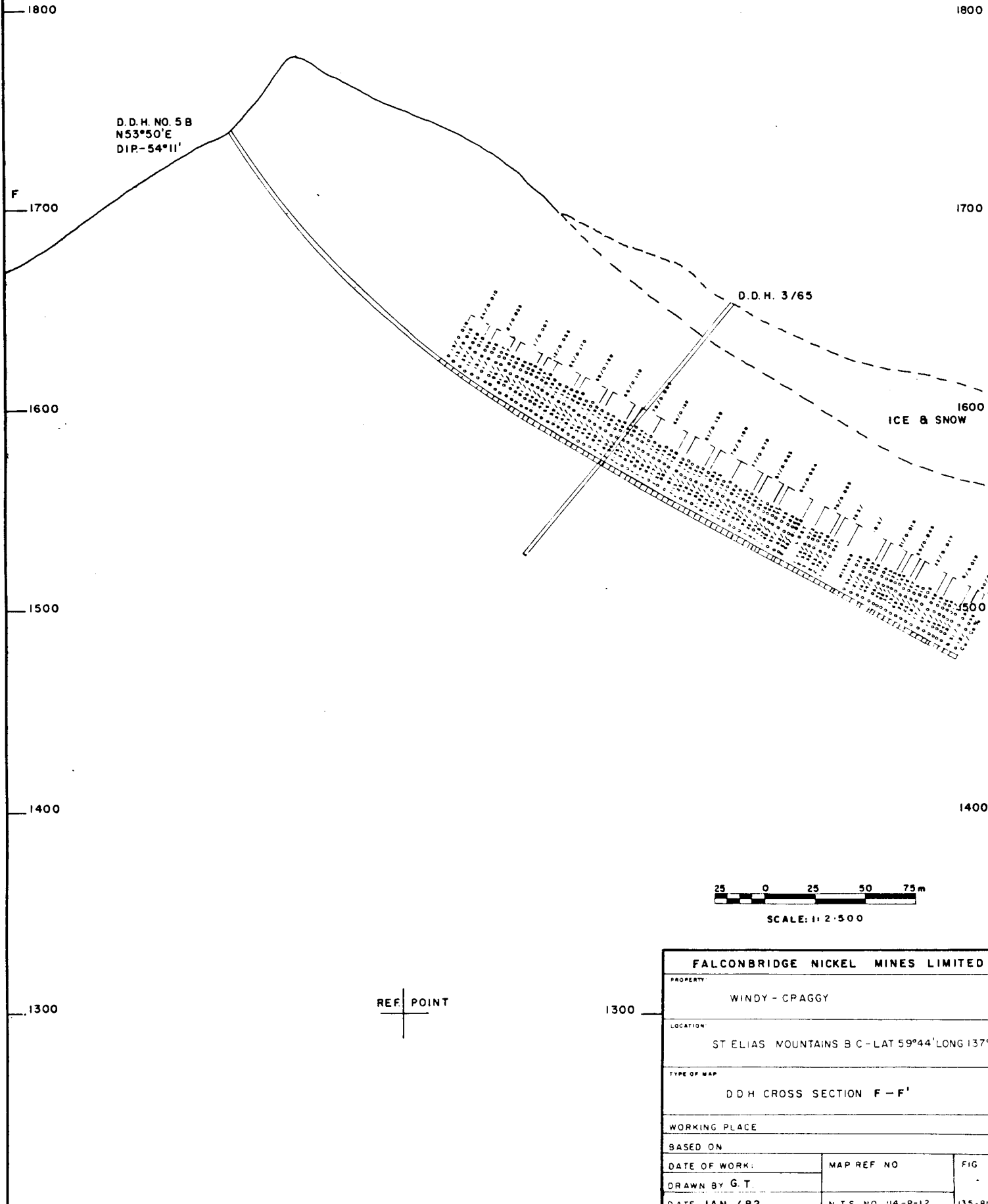


SCALE: 1:2500

|  |                     |          |
|--|---------------------|----------|
| <b>FALCONBRIDGE NICKEL MINES LIMITED</b>           |                     |          |
| PROPERTY:  |                     |          |
| WINDY - CRAGGY                                     |                     |          |
| LOCATION:  |                     |          |
| ST ELIAS MOUNTAINS B.C. - LAT 59°44' LONG 137°45'W |                     |          |
| TYPE OF MAP:                                       |                     |          |
| D.D.H. CROSS SECTION F-F'                          |                     |          |
| WORKING PLACE:                                     |                     |          |
| BASED ON:  |                     |          |
| DATE OF WORK:                                      | MAP REF. NO.        | FIG. NO. |
| DRAWN BY:  |                     |          |
| DATE:  | N.T.S. NO. 114-P-12 | 135-91-  |



BASELINE



D.D.H. NO. 5 B  
N53°50'E  
DIP-54°11'

D.D.H. 3/65

ICE & SNOW

REF. POINT



SCALE: 1:2500

|   |                   |         |
|---|-------------------|---------|
| <b>FALCONBRIDGE NICKEL MINES LIMITED</b>                        |                   |         |
| PROPERTY:<br>WINDY - CRAGGY                                     |                   |         |
| LOCATION:<br>ST ELIAS MOUNTAINS B C - LAT 59°44' LONG 137°45' W |                   |         |
| TYPE OF MAP:<br>D D H CROSS SECTION F - F'                      |                   |         |
| WORKING PLACE   |                   |         |
| BASED ON  |                   |         |
| DATE OF WORK:   | MAP REF NO        | FIG NO  |
| DRAWN BY G. T.  |                   |         |
| DATE JAN. / 82  | N T S NO 114-P-12 | 135-81- |

BASELINE

DDH 9-81  
Bear 48° 29' E  
Dip -58° 46' N Collar

Very little core  
Recovery Poor, Med

Interbedded gray limestone  
Black calcareous argill. oxidized  
Bedding @ 150° - 160° to core, heavily fractured  
Calcite veining prominent

Medium grained gray Andesite  
Calcic, calcite veins, dms. pe

Black shale, laminated, locally calcareous  
Pyrite framboids, numerous calcite veins 150°-160° to core

Shearing generally consistent with bedding

Grey, sheared volcanic, cherty, calcareous  
Moderately to heavily fractured, minor argillaceous interbeds

Oxidized, sheared volcanic, heavily fractured  
Feet zone? minor interbedded shaly units

Grey-green chert, intercalated FG. basic volcanic, chloritic  
Pe assoc with fracture fillings. Pillow lenses?

Medium grained gray andesite, amygdaloidal  
Calcareous amygdaloids

Basic fine grained chloritic volcanic, cherty in places,  
Also fresh volcanics intercalated, minor stringer pe & py

Cherty, appreciable sulphides 10-20%, pyrrhotite carbonate veinlets

Probable fault

Relatively fresh basic volcanics, less altered than pale basalt  
Stringer sulphides assoc. with carbonate veining

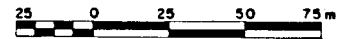
Zone of prominent quartz veining  
Primary at 90° Secondary at 40° to bore minor cpy & po

Hole stopped at this point  
Broken core barrel stuck in hole

GLACIER - SNOW & ICE

Projected ore zone

REF POINT



SCALE: 1" = 25.00

FALCONBRIDGE NICKEL MINES LIMITED

PROPERTY:

WINDY - CRAGGY

LOCATION:

ST ELIAS MOUNTAINS B.C. - LAT 59°44' LONG 137°45' W

TYPE OF MAP:

D.D.H. CROSS SECTION G-G'  
LOOKING N 42° W

WORKING PLACE

BASED ON

DATE OF WORK:

MAP REF. NO.

FIG. NO.

DRAWN BY:

DATE

N.T.S. NO. 114-P-12

135-81-

1200

1200

Appendix IV

1982 Preliminary Budget Estimate





## EXPLORATION FORECAST

FORM 4

1982

Project Name Windy-Craggy Project Number 135

## \$ Estimate

## SURVEYS

|                                |                  |                  |
|--------------------------------|------------------|------------------|
| Salaries                       | <u>5,000.00</u>  |                  |
| Transportation                 | <u>7,000.00</u>  |                  |
| Contract Payments (Legal Land) | <u>30,000.00</u> |                  |
| (Other)                        | <u>8,000.00</u>  |                  |
| Field Expenses                 | <u>12,000.00</u> |                  |
| Assays                         | <u>3,000.00</u>  | <u>65,000.00</u> |

## DIAMOND DRILLING

|                   |                   |                   |
|-------------------|-------------------|-------------------|
| Salaries          | <u>15,000.00</u>  |                   |
| Transportation    | <u>7,000.00</u>   |                   |
| Contract Payments | <u>221,000.00</u> |                   |
| Field Expenses    | <u>245,000.00</u> |                   |
| Assays            | <u>5,000.00</u>   | <u>493,000.00</u> |

## CAMP OPERATION

|                |                  |                  |
|----------------|------------------|------------------|
| Salaries       | <u>8,000.00</u>  |                  |
| Camp Supplies  | <u>21,000.00</u> |                  |
| Hotels & Meals | <u>2,000.00</u>  | <u>31,000.00</u> |

## METALLURGY AND MINERALOGY

5,000.00

## OPTION PAYMENTS AND PARTICIPATIONS

## PROPERTY MAINTENANCE

61,000.00

## TOTAL FOR PROJECT

600,000.00

Notes -