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dawsonhouse

From: "dawsonhouse" <dawsonhouse@shaw.ca>
To: "Marc Sandercombe" <marcsandercombe@hotmail.com>
Cc: "Ab Ablett" <amexpl@telus.net>
Sent: Monday, October 17, 2005 9:33 AM
Subject: Ajax

Dear Marc:

I was interested in your news about the availability of the Ajax Moly property. I spent some time there in 1965 doing exploration for Placer during the moly exploration "rush" that followed the discovery of Endako. I subsequently started work at Endako on my PhD thesis reearch.

I checked some of my references on Ajax and was pleased to see that the early workers established that the orebody was steep-sided and tended to expand at depth. The current results by Tenajon are very encouraging- open at depth and an increase of 14% in grade with large diameter core.

Newmont initially found the grade too low, but with today's Mo price, the economics have improved.

I am very interested in following this deal up. Can you give me a preview of the deal that Tenajon is looking for?

I think I could make a meeting in Kamloops in a week's time.

Ken

dawsonhouse

From: "dawsonhouse" <dawsonhouse@shaw.ca>
To: "Ab Ablett" <amexpl@telus.net>
Cc: "Bud Smith" <bsmith@urban-systems.com>; "Joe Monette" <monettelogging@bcwireless.com>; "Brian Groves" <briangroves1903@hotmail.com>; "David J. Goar" <David@GibraltarLawGroup.com>
Sent: Thursday, November 10, 2005 4:48 PM
Subject: Ajax Moly

Dear Ab:

Today I met with Garth Kirkham and Jeff Stibbard, and reviewed data on Ajax Moly, a property that has been offered to CJ for option.

Tenajon Resource Corp drilled three HQ holes in 2005 to twin existing Newmont 1966 holes to test reported loss of Mo in early NQ drilling, and to step out with a third hole to test the western limit of mineralization. Mo assays were reportedly diminished by poor recovery of mineralized core in NQ drilling, and lack of supporting sludge assaying.

Two of the three holes showed a 14% increase in Mo asays over Newmont values. An increase of 14% from 0.074%Mo to 0.084% Mo is projected. At this enhanced grade, the estimated volume of 192 Mt would have a GMV of $US 9.4B at todays Mo price. Furthermore, early workers anticipated an increase in ore volume with depth in the steep sided ore body.

This optimistic picture is clouded with some significant drawbacks.

Topography:
Located on the steep eastern slope of Mt. McGuire, 8 miles N of Alice Arm, at 2400 feet elevation, the property poses problems of access for drilling and development. The old drill roads are washed out in about eight places at creek crossings. Topography limits the size and shape of the potential open pit, where the long axis of the mineralized body plunges downslope to the NE at 34.5%.

Access:
Helicopter only at present. New drill roads, creek crossings need permitting and construction. A large diameter (HQ) drill program with full heli support would be expensive.

Underground Mining Feasibility:
Newmont apparently went through this exercise and decided it was uneconomic at the proven tonnage, grade and Mo price in 1967. The present projected grade of 0.084% Mo is too low for underground mining, regardless of tonnage and present Mo price. By comparison, Blue Pearl Mining is attempting underground development of the Davidson Mo deposit (formerly Glacier Gulch or Yorke Hardy) at Smithers, with reserves of 75 Mt grading 0.3% Mo. Existing work by Amax includes 58,000 m of DDH and 2600 m of underground development. We could anticipate the need of a similar volume of development work at Ajax. The steep topography renders underground adit development, waste rock and eventual tailings disposal difficult. In short, exploration with an underground mining model will be expensive.

Metallurgy:
In mining the BC Moly deposit at Lime Creek, 6.5 km south of Alice Arm, Amax encountered problems with contamination of the moly concentrate with Pb, Sb, Bi and Zn from late stage polymetallic quartz veins that contain an assemblage of pyrite, galena, sphalerite, and chalcopyrite plus a variety of Pb-Bi sulphosalt minerals (Drummond, et al, 1969, Canadian Mineralogist, v. 10, Pt. 1, p.90-96). At Ajax a similar final stage of mineralization is reported by Woodcock and Carter, (1976, CIM Spec Vol.15, p. 471). Coarse grained quartz veins contain sphalerite, pyrite, galena and chalcopyrite. Tenajon assays at Ajax reported elevated Zn, but Pb, Bi and Sb were not assayed for. Similar metallurgical problems to those at Lime Creek are probable, that were instrumental in shutting down that mine.

Option Deal:
Tenajon Resource Corp will let CJ earn 60% of Ajax for an expenditure of $C 2.5 M. Given the other negative factors, this deal is too rich.

Conclusion:
I recommend that CJ does not go forward with a deal on Ajax.

Ken Dawson

dawsonhouse

From: "Marc Sandercombe" <marcsandercombe@hotmail.com>
To: <amexpl@telus.net>; <david@gibraltarlawgroup.com>; <briangroves1903@hotmail.com>; <dawsonhouse@shaw.ca>; <bsmith@urban-systems.com>; <monettelogging@bcwireless.com>; <jdsemi@telus.net>; <colin.hoodspith@raymondjames.ca>; <microlynx1@shaw.ca>
Sent: Monday, October 17, 2005 7:01 AM
Subject: AJAX Drill Results

Tenajon cuts 0.098% Mo over 351.13 m at Ajax

2005-10-17 09:22 ET - News Release

Mr. D. Bruce McLeod reports

TENAJON RESOURCES CORP.: AJAX MOLYBDENUM PROPERTY DRILL RESULTS

Tenajon Resources Corp. has provided the final results from this summer's drilling program at its Ajax molybdenum property, located 14 kilometres from Alice Arm in northwestern British Columbia.

The 2005 drill program was successful in determining that the historically estimated grade of the deposit could be increased using large, HQ and NQ-2 sized drill core and that the zones extended vertically beyond previous drill holes. Three holes totalling 1,165 metres were drilled. The program twinned two of the historical drill holes with a third hole being a 50-metre step-out from the western portion of the deposit. All three holes were drilled to the limit of the drill's capability and all bottomed in significant Mo mineralization. The two twinned drill holes (DDH05-01 and H05-02) together show an overall increase in grade of 14 per cent over the historical data. Both twin holes extended the zone downhole by 50 m and remain open at depth. DDH05-03 intersected two zones ending in strong Mo mineralization, with the last 38 m of DDH05-03 grading 0.106 per cent Mo and open at depth.

historical data not shown.

The Ajax molybdenum property hosts a large porphyry-style molybdenum deposit. Between 1965 and 1967, 26 diamond drill holes, totalling 8,101 metres (26,578 feet) were drilled at Ajax. In 1967, Newmont Mining Corp. estimated the property hosted a drill indicated undiluted resource of 192 million tons averaging 0.123 per cent MoS2 (0.074 per cent Mo) with the deposit being open to the north, southeast and at depth. This resource was completed prior to the implementation of National Instrument 43-101 and is listed only for reference purposes. At the time, the grade was considered to be lower than would be expected due in part to the small size of the drill core and poor recoveries. Until this year's program no other drilling had been completed on the deposit.

.074 × 14%
01036
.08436
ie new avg grade may be 0.084% Mo

192 mt = 1.61 mt Mo
= 1610 M kg.
= 3612 M lb @ $1.26.
= $9391.2 × 10⁶
= $9.39 B

The results are summarized below.

Drill	From	To	Hole length	Mo

10/17/2005

hole	From m	To m	Hole length m	%Mo
DDH05-01*	154.23	351.13	351.13	0.098
Incl.	154.23	166.42		0.300
DDH05-02	1.22	288.95	413.00	0.086
Incl.	80.16	113.69		0.203
and	371.24	413.00		0.036
DDH05-03	2.44	92.35	400.51	0.075
Incl.	40.54	61.87		0.111
and	157.89	400.51		0.062
Incl.	319.43	400.51		0.093
or incl.	362.1	400.51		0.106

Drill hole	From m	To m	Hole length m	MoS2 %
DDH05-01*	154.23	351.13	351.13	0.163
Incl.	154.23	166.42		0.500
DDH05-02	1.22	288.95	413.00	0.143
Incl.	80.16	113.69		0.338
and	371.24	413.00		0.061
DDH05-03	2.44	92.35	400.51	0.125
Incl.	40.54	61.87		0.185
and	157.89	400.51		0.103
Incl.	319.43	400.51		0.156
or incl.	362.1	400.51		0.176

* previously released results

In addition to molybdenum, 30 samples were analyzed for rhenium (Re). Because of its very high melting point, rhenium is used to make high temperature alloys. It is also used to make lead-free gasoline. In addition, rhenium and molybdenum alloys are superconductors of electricity at very low temperatures. The current price for rhenium is approximately $32 (U.S.) per gram. Eight of the 30 samples assayed greater than 0.1 gram per tonne (g/t) Re (up to 0.3 g/t). As there is a direct correlation between Mo and Re, Tenajon plans to analyze for Re all samples with significant Mo values. This will allow the company to evaluate the potential value of Re credits in the Ajax deposit.

At Ajax, drill core was sawed and sampled at 3.05-metre (10-foot) intervals. Acme Analytical Labs was used for assaying, using its 7TD package (four-acid digestion followed by analysis by ICP-ES). A check sampling program using standards and blanks was used by the company.

The company has started to remodel the resource estimate for Ajax (to

National Instrument 43-101 standards) and is planning for a comprehensive drilling program to begin in 2006. This program will include the testing of the deposit at depth with 2,500- to 3,000-foot drill holes.

The technical information in this news release has been prepared in accordance with Canadian regulatory requirements (as defined by NI 43-101) and reviewed by Ali Shahkar, PEng, exploration manager for Tenajon Resources Corp. (a qualified person under NI 43-101). The exploration activities at the Ajax project site were carried out by Andrew Wilkins, PGeo, project manager on behalf of Tenajon Resources Corp. (a qualified person under NI 43-101).