Summary of Exploration Meeting held in New Denver August 24/72. Present: G.W. Walkey, A.S. Buller, W.M. Sharp, W. Hogg.

Following discussion of the results of the exploration program to date and, a review of alternative areas of exploration the following program in continuing exploration was agreed upon.

4625 adv. crew

- 1. Cut a diamond drill station at the face of 4625 #2 X-CUT (=) and suspend further advance pending drilling results.
- 4625 adv. crew
- 2. Crews from the 4625 #2 X-CUT to advance 4625 West Lateral 185' on a bearing of S80 W for possible ore recovery down dip of the 4690 West series of stopes. - after \$40' tentin adv. e \$30. L. for diver poin.

4625 adv. crew

3. Upon completion of 2 above, extend East Lateral a winimum of 1000' to the east in the footwall of the lode and approximately 70 feet vertically below the lode. Advance of 4625 E. Laterel to be alternated with the probable advance of 4625 #2 N-CUTE & for, the proposed advance of the 4625 #3 X-CUT(F) Centre-line of the #3 X-CUT is leid out at S40°E from the south well of 4625 E. Lateral at co-ordinate 11,250 E.

4690 adv orew 4. Continue the 4690 #2 X-CUT on its due south bearing to co-ordinate 4360 North and cut dismond drill station. Defer further advance pending dismond drilling.

> 5. Further advance of 4690 W. Lateral to be deferred pending completion of diamond drilling from the face of this heading.

- Frovided a suitable drilling site can be located on Surface at a point approximately mid-way between the 4690 W.
  Lateral and the 5480 Level at an elevation of 5700-5750
  feet:

  a) Drill a short hole to the northwest to check for the
  - lode at a shallow depth.
  - b) Drill a deep (± 1400') hole to the southeast at 50° (±) to intersect the lode at approximately the 4700' foot clevation.

(Cont'd)

an line in get Jock Herbert to total pack starte e face.

for steep hade & X XX W. tops King

Jago a 250

Require for the face of the Carnetion 5480 X-CUT drill a hole at + N25 W to test the flat (North) Lode on the north side of the steep (60°) Carnetion lode.

188 hole in Tonge - 70° to- 900 + 18 25 W long.

b) Drill a steep hole at + S25°E to test the Carnation lode and, the possible continuation of the North lode on the south side of the Carnation lode down dip of the 5480 Level. Total drilling + 1300 feet.

On 16 30 w fat. extend K024 by 50' (a 480' back of current face) - to check re port pected off Wm. Hogg on 4855 W Lat (fore) K141 should have been drilled to 200 per K189 - K140 HOLE # NE WORKING INCLIN 4855 W.LAT 5 130.1 10,666.6 K141 +90° a f 15 5 hole 300 1 4920. ± 9,725± 5. +55° 2091 K143 4690 W.LAT. roundery o FW 4163.6 11,225.7 200! - 900 H144 4625 ZX-C. see note pelous such & via 60 paux hore K142 10,665 +650 44855 W.LAT, 14. 790° P322. 4625 W CAT. 4443 10,611 weak looks +70° p323 4625 W. LAT. 44315 10565 550°W. 4652 11,440 +.90° 4625 E. L. L. p324 1625 W Las 4432 10.525 +45°-16 N.42-43 E P 325 Alore C 75.8-78.0 v \$625 2 X-C \$168-6 11,224,2 N 90-21'W. -43°-22 1521 K145 Roleso-40°, 120-180 11 4163.10 11221.01 5880-99°W

11 4164 N 11233 E E. 115 K146 -435 42 -450. K147 1901 4690 = 2 x-c 1380 x 11307 E N. 4625 = 2x-c 4162 x 11233 E 5556 E - 750 128' 1148 181" K149 4504-49 4380× 11312E N.450 E. 4690 +2x-C - 450 1501 H150 4377H 1/3/25 N75 E H151 - 450 verrent How 2/2 fregx-c. - 90° 30 E + S 80 W holes 0-400 to lest stute extins 0 100' E x W of 1625 x-0 (holes 120-130) Imperation that K141 be extended to 200 as drill log notes a possible lode structure @ 170-172' - forther comprimen via holis K1397

K140 or some sect, If K141 made a significant A'n, Then dulling of

prostle stuhe + dip extensions could be more grantly y econ. Some from our .

to define indicated change in lode trend to a 5.W. stuhe.

TEL: BUS. 987-5322 RES: 987-9520

## WILLIAM M. SHARP, M.A.Sc., P.ENG. CONSULTING GEOLOGICAL ENGINEER 171 W. ESPLANADE, NORTH VANCOUVER, B.C.

November 24, 1972

Mr. Wm. Hogg, Mine Manager Kam-Kotia - Burkam Joint Venture Box 1891 New Denver, B.C.

Dear Bill:

Thanks for your recent phone calls re. progress on current exploration in the mine and from the Carnation 5480 level. At the same time I mentioned that I would write you concerning some of the matters discussed by Art and me during his November 22nd visit, hence the following:

- 1. I think that it would be best to keep the crew on the 4625 East Footwall drive until we have at least reached the tentative site of the next AQ drill station which appears to be about 90' beyond the point of advance recorded by Art. However, I remarked to Art that I did not think that the hanging wall (4625 E. Lat.-H.W.) exploration project was getting preference or priority over the complementary footwall project and that I am, in fact, concerned that the proposed hanging wall lateral will not have advanced sufficiently as to permit an adequate drill test of the ore shoot that is tentatively indicated by the K-147 intersection; also we agreed that the scope of the 4625 E-F.W. exploration is limited by the Carnegie boundary.
- 2. The suggestion was made by Art that as it would appear that I am partly instrumental in re-directing exploration in such a way that more attention is being given to exploration for ore below the 4625 horizon than above it, my'consulting relationship' to the project requires that I outline the possible consequences to the Management Committee. These consequences are, in effect, that the expense of developing a sub-4625 ore block may be beyond the financial capabilities of the Joint-Venture group.

In this regard, some of the factors I presently envisage are:

- (a) Both H.W. & F.W. laterals are required; however, the hanging wall lateral should be the more efficient of these as regards the search for ore down-rake of the existing stopes and mine porphyries and up-dip of the lode structure, mineralization, and porphyries indicated by the former exploration program at the 4000-horizon.
- (b) The "mean position" of a possible ore body or ore bodies could conceivably occur within a dip-range of 200' to 400' below the 4625 lode contour.

- (c) Some 30,000 tons of ore might be outlined by the hanging wall exploration, in that an ore block (or blocks) measuring 225'x225'x6' would yield this tonnage.
- (d) The main extra-normal cost of development would be for sinking 400' of winze, and that an adequately sized winze for access and service purposes would cost \$150.00 per foot as a "rough geological estimate." The unit cost of this would be only \$2.00 per ton of ore mined, and that double this unit cost be acceptable if ore of mine average grade and width is revealed.

The enclosed sketch is traced from the one over which we discussed the 5480 drilling project. On the basis of the results which you described by phone today, a minus - 50° (bearing N 15 W) now appears to necessary for an evaluation of intersections (or lack of some) made by the current minus - 90 hole.

It is expected that the above noted matters relating to Art's recent visit will be reviewed at our projected December 10th meeting.

Best regards

W.M. Sharp

WMS/kck

Received Due 22/72

## December 14,1972

Summary of Meeting on Development & Exploration - Vancouver, B.C. December 11,1972

The Meeting was held in Mr. Sharp's office with Messrs Walkey. Buller, Sharp & Hogg in attendance. Progress of the program to date was reviewed and, discussion on continuing the program set forth the following guide lines.

- 1. Change the bearing of 4625 #2 X-Cut to 873°E and advance to co-ordinate 4100 N, continue advance as a hanging they attempt to wall lateral on a bearing of N80 E to reach co-ordinate be brode to compute 11,500E. Expedite diamond drilling by cutting drill this by Jan. 31/29 station while heading is advancing.
- 2. Further advance on 4625 E Lateral held in abeyance. Company dismond drill to do required drilling from this heading as quickly as possible.
- 3. a) Abandon further drilling on Carnation 5480 Level because of unfavourable results in Holes C-1 & C-2. b) Move contractors crews (2) to 4625 W. Lateral and continue testing the down dip extension of the lode to the east and west of the present location. -
- 4. If diamond drill crews are available, increase contractors crew to four crews per day to get maximum drill information by January 31st. The additional crews would initially be used to complete drill information from the 4690 #2 X-Cut.
- 5. Extend production, even on an intermittent basis as long as possible to help defray development cost. Further test the areas where some potential tonnage is indicated.
- 6. Late in December prepare the following estimates:
  - a) Possible ore tonnage remaining
  - b) Operating costs for development and diamond drilling for the months of January and Febraury 1973.

Wm. Hogg.

Manager

additional per sec. 11/72. notes G.W. Walkey Peanund Prelling - Designated order of preoutryA. B. Buller Swess English (x-c) af 4625 w. hasteral. \$ 1500-2000'
W.M. Sharp
Pile

(2) EAST END: 1625 E. 4.W. Kat. - from dull sting 11325-350 E. from " " @ 11,500 E.

File

Received Jan 5/73 January 3,1973 Mr. G. W. Walkey Suite 416 25 Adelaide St. West Toronto 1, Ont. Dear Graham: Advance of the 4625 H.W. Lateral will reach its projected position of 11,500 E and 4,100 N about January 15th. At the It have to way Vancouver meeting December 11th, further development advance was left open pending diamond drilling results from the 4625 West and the 4690 #2 X-Cut. At this time diamond drill infor-one, Them recomme mation is not complete enough to recommend further advance of a H.W. Lateral an Thro ones for son either the 4625 West or the 4690 #2 X-Cut. adequate local However, rather than defer development advance for even a short period of time, I would recommend that we continue advancing the 4625 H.W. Laeral, but on a bearing of N40E starting at co-ordinate 11500E. This new bearing matches the inferred swing in the strike of the Lode from N80E to + N40E as indicated in D.D. Holes K110 to K129 and thence to K156 NO-6508-750/4080 W & recomm hole to & looks clow-dep 1 K 151 just completed. Upon completing Hole K160 in 4625 West, the drill will be moved to the 4625 H.W. Lateral where a D.D. station has been let had = 900 cut at co-ordinate 11350E. An additional 2 or 3 drill holes are considered necessary to complete the drilling from 4690 #2 X-Cut. The company diamond drill is now drilling a +45 hole- k/42? at + S60E at the face of the 4625 E. Lateral. I enclose herewith a 20 scale plan of the drilling from 4625 W and 4690 #2 X-Cut which is right up to date. Similar copies will be forwarded to Buller and Sharp along with the D.D. logs to bring them up to date. Wm. Hogg. Manager c.c. - A.E. Buller W.M. Sharp File Encl. WmH/gm