FAM-KOTTA - DURHAM JOINT VENTURE
New Denver, B.C.
Summary of Exploration Meeting
held in Now Denver Ausuat 24/72.
present: G.W. Nalkey, A.E. Butler,
W. M. sharp, W. Wogs.

Following discussion of the results of the exploration progress to date and, a review of alterative areas of exploration the following program in continuing exploration was agreed upon.
2. Cut a diamond drill station at the face of 4625 \%2x-ctr (E.) and suspend further advance pending drilling results.
2. Crew a from the 4625 th X-CuT to advance 4025 Hest Lateral $185^{\prime \prime}$ on a bearing of $580^{\circ}$ for posable ore recovery town dip of the 4690 Nest series of topes. of oft $140^{\prime}$ colin adv..
4625
4625 adder cream mandrutu of $1000^{\prime}$ to the east in the footwall of tho lode and approximately 70 feet vertically below the lode. Advance of 4625 E . Lateral to be alternated with the


 Lateral at coordinate 11,250\%.
4. Continue the $4690 / 2$ x-CuT on 2 es duo south bearing to coordinate 4360 North and cut dismal tran stackorn. Defer further advance pending diamond drilling.
5. Further advance of 4690 W. Lateral to be deferred pending completion of diamond drilling from the Ease of this handing.

G. Provided a mutable exiling ate can be located on Surface at. a point approxtantely tideway between the 4690 U. Lateral and the 5490 Level at an elevation of $5700-5750$ feet:
0) Drill a phot hole to the northwest to check for the lode at a shallow depth.
b) Dr -122 a deep $\left(41400^{\circ}\right.$ ) hold to the southeast as $-50^{\circ}( \pm)$ to fnemersect the lode bt apprortwately the $4700^{\circ}$ soot elevation.

## (Cont ${ }^{1}$ d)

Pequiri nom 7. a) From the face of the Carnation $5480 \mathrm{X}-\mathrm{CUT}$ Grill
hole at $+N 25^{\circ}$ it to st the Elat (North) Lode on




Dricl $k \ldots \ldots+15^{\circ} \equiv 300^{\prime}$ sont\% fa 1690 (Gal. 9725 E)
to deferie indinted itange mi lode trend to a 5.0. athke


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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 $90^{\circ}$ 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 $t_{\mu}$ 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 $200^{\prime}$ 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 - $50^{\circ}$ (bearing $N 15 \mathrm{~W}$ ) now appears to necessary for an evaluation of intersections (or lack of same) 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 luth meeting.

Best regards


WMS/kck

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& \text { mail. }
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December 14,1972
Sumatry of Meeting on Development \& Exploration - Vancouver,B.C. December 11,1972

The Meeting was held in Mr. Sharp's office with Messes Walkey, Buller, Sharp 6 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 \# $2 \mathrm{X}-\mathrm{Cut}$ to $573^{\circ} \mathrm{g}$ and advance to coordinate 4100 N , contime givance as a hanging wall lateral on a bearing of $180^{\circ}$ E to reach coordinate 11,500E. Expedite diamond drilLing by cutting drill
 station while heading is advancing.
2. Further advance on 4625 B , Lateral held in abeyance. Company diamond 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 $\mathrm{C}-1 \% \mathrm{Cm}$. b) Move contractors crews (2) to 4625 w. Lateral and contime 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 contract tors 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 县 2 思-Cut.
S. 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.
5. 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.

(3) ENST END:
-1625 E. 4.w. Kat. - Non dwell stane 1/325-350E.

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 $11,500 \mathrm{E}$ and $4,100 \mathrm{~N}$ about January 15th. At the Vancouver meeting December 11th, further developraent advance was left open pending diamond drilling results from the 4625
 a short period of time, I would recommend that we continue advancing the $4625 \mathrm{H} . \mathrm{W}$. Leteral, but on a bearing of $\mathbb{N} 40 \mathrm{E}$ starting at co-ordinate 11500,. This new bearing matches the inferred swing in the strike of the Lode from N80E to $+\mathbb{N} 40 \mathrm{E}$ as indicated in D.D. Holes K110 to K129 and thence to k156 just completed.

Upon completing Hole K 160 in 4625 West, the drill will be moved to the 4625 H.W. Lateral where a D.D. station has been cut at co-ordinate 11350 E . An additional 2 or 3 drili holes are considered necessary to complete the drilling from 4690 \#2 x-Cut. The company diamond drill is now drilling a $45^{\circ}$ hole-K/G2 ? $a t+S 60 \mathrm{E}$ 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.

c.c. A. I. Buller
W.M. Sharp
Thle

Encl.

