

*G. Wells*

*Total 9 pages*

*lan - FYI. + followup.*

825712  
Todd

**GEOFINE EXPLORATION CONSULTANTS LTD.**

**"ORE TARGETS AND EXPLORATION MANAGEMENT ALTERNATIVES"**  
49 Normandale Rd.  
Unionville, Ontario, Canada L3R 4J8  
Tel: 905-477-7072 Fax: 905-946-0366  
INTERNET: GEOFINEINFORAMP.NET

**GEOFINE MEMORANDUM/PACSIMILE TRANSMISSION COVER SHEET**

**Date:** AUG. 15, 1995 **Number of Pages:** 9

**TO:**

**NAME:** BELLA BOGNAR; FRANK VALINT  
**COMPANY:** METALL MINING CORPORATION  
**TELEPHONE:** 416-361-6400  
**FAX:** 416-361-3564

**FROM:**

**NAME:** DAVID MOLLOY */ Dave Kennedy*  
**COMPANY:** GEOFINE EXPLORATION CONSULTANTS LTD.  
**TELEPHONE:** 905-477-7073  
**FAX:** 905-946-0366

**COMMENTS:**

**Dear Sirs:**

As per our telephone conversation today, please find attached a summary and exploration proposal on the Todd property located in the Stewart Gold Camp of northwestern B.C.

Geofund, a private investment group, has a 100% interest in the Todd property. Geofine is a member of Geofund and is the group's nominee and business agent.

A 100% interest is available to Metall by fulfilling escalating option payments and work conditions over 4 years. The interest is subject to a 3% NSR royalty with a \$ 2 M buyout. No confidentiality agreement is required.

If you are interested, we can give you a presentation that includes a detailed report on the Phase 1 program we carried out on Todd property in 1994.

Please let us know your thoughts on this matter.

Sincerely,

Geofine Exploration Consultants Ltd.

*David E. Molloy*  
David E. Molloy  
President

## TODD PROPERTY:

### SUMMARY:

The Todd Creek Property is located in the Stewart Gold Camp in Northwestern British Columbia, about 35 km north-northeast of the town of Stewart (Figure 1). The 23 mining claims (Figure 2, Table 1) are concentrated in the Todd Creek valley about 10 km north of the Stewart Highway. The claims comprise 430 claim units that cover 107.6 square kilometres. The Todd Creek Property is owned by Geofund, a small group of investors and geologists. Geofine is the nominee and business agent of Geofund. An interested party can obtain a 100% interest by making escalating option payments totalling \$200,000 and by funding work conditions of \$1.2 M.

Much of the Todd Creek Property is underlain by volcanic and pyroclastic rocks of the Jurassic Age Hazelton Group that elsewhere in the Stewart camp hosts the Red Mountain, Silbak-Premier and Eskay Creek gold deposits. The apparent attributes of the Todd geological environment, like Red Mountain, are epitomized by a large colour anomaly (Orange Mountain) associated with iron oxide and clay alteration.

Such gossans elsewhere in the Camp have proven to be particularly prospective when associated with strong alteration (including silica, pyrite, jarosite/alunite, chlorite, sericite, epidote, hematite, etc.) and with polymetallic signatures often including arsenic, zinc, lead, cadmium, beryllium, manganese, etc., with or without gold, copper, barium etc. Structurally controlled gold and/or polymetallic mineralization is often found within such halos. Polymetallic geochemical signatures with or without anomalous gold can evidence blind, auriferous deposits and careful evaluation of such signatures is required since gold mineralization often has a plunging ore shoot morphology that constitutes a difficult drill target.

The auriferous potential of the Todd Creek property is somewhat evidenced by the historical work of Noranda on some of the at least 12 gold and base metal showings located in the vicinity of Orange Mountain. On the South Zone, still held by Noranda, a deposit totalling 307,000 t grading 5.48 g Au/t has been outlined. The deposit is contiguous with and is surrounded by the Todd property.

Noranda diamond drill intersections on a number of the gold targets on the Todd property returned significant results that include:

### NORTH ZONE:

	3.47 g Au/t	0.75% Cu over	31.85 m
incl	14.47 g Au/t	2.06% Cu over	5.95 m
	2.83 g Au/t	0.58% Cu over	1.95 m
	3.95 g Au/t	0.22% Cu over	2.00 m
	3.43 g Au/t	0.73% Cu over	1.70 m
	6.21 g Au/t	0.60% Cu over	1.75 m

Toc 10  
claim group

FALL CREEK ZONE: *2.000?*

6.72 g Au/t over 1.45 m  
 12.10 g Au/t over 1.25 m ✓  
 2.73 g Au/t and 0.59% Cu over 13.00 m ✓  
 incl 5.41 g Au/t and 0.50% Cu over 5.25 m  
 4.34 g Au/t over 2.00 m  
 3.94 g Au/t over 7.90 m ✓  
 incl 4.71 g Au/t over 4.75 m

The Ice Creek and Fall Creek Zones offer immediate follow-up drill targets based on the historical Noranda work. As indicated in the following table, the Noranda drilling did intersect evidence of the polymetallic halos that are associated with most of the Stewart Camp bulk tonnage gold mineralization:

HOLE NO.:	ANALYTICAL VALUE:		CORE LENGTH: (m)	COMMENTS:
	GOLD (ppb)	COPPER (ppm)		
45	430	400	48.65	As, Zn N.A.
46	519	500	52.25	As, Zn N.A.
47	1330	3890	31.50	As, Zn N.A.
incl.	2730	5900	13.00	
48	1270	1190	27.85	As, Zn N.A.
incl.	3940	3100	7.90	
49	609		17.90	with anomalous As, Cu, Zn
53	119		61.80	with anomalous As and some anomalous Cu
54	186		36.20	with anomalous As and some anomalous Cu
55	424		103.00	with anomalous As
incl.	1840		10.85	
56	153	239	16.10	
	449	630	6.40	
58	221		22.10	at end of hole with avg of 111 ppm As

The available drilling results as referenced above provide rather specific rationale for follow-up drilling: economic gold mineralization is often haloed with anomalous gold and zinc; arsenic and copper increase toward the ore zone and often show direct, positive correlation with ore grade gold values. Ore zones often exhibit plunge morphologies, and once they have been intersected the relative location of holes to ore in the alteration zone can be established usually by geochemical signatures from up to 12 elements, but by usually relying solely on Cu, Zn, As, and Au. Initially, at least two holes on any section where the halo has been intersected are required to establish apparent plunges and direction to ore.

The encouraging intersections on the Fall Creek and Ice Creek Grids have never been followed-up and IP anomalies that were drill tested in a reconnaissance way by Noranda provide further insights into follow-up drill targets. With this rationale in mind, at least 8 holes comprising about 1500 m are required to follow-up the results outlined above.

A \$200,000, Phase 1 exploration program was carried out by Geofine in 1994. The work included the compilation of the available historical data; the regional aerial reconnaissance of alteration zones and the staking of an additional 11 claims; a Geonex Aerodat helicopter borne radiometric, conventional EM and gradiometer survey; the reconnaissance geological and geochemical evaluation of a number of reconnaissance targets; the restoration of Grid A on the North Zone and an initial evaluation of the historical mineralization; the initial evaluation of the Noranda Grid B mineralization on the North Zone; and, the establishing of a new 11 km grid on the North (C Grid). Fall Creek and Ice Creek Zones and the carrying out of geology and geochemical surveys as weather conditions allowed.

The Geonex Aerodat survey was successful in identifying apparent zones of potassic alteration which, in most areas, correspond to the gossan zones observed in the field. The gradiometer survey was useful in outlining structure and apparent geological contacts. Five general target areas are interpreted from the survey data and numerous individual targets are delineated via the potassium channel anomalies, magnetic trends, apparent structural junctions and weak EM anomalies. Based on the positive results of the survey, 10 new claims were staked to encompass the extension of existing targets and the location of new ones.

A total of 656 samples was collected during the Phase 1 program that comprised 365 rock and talus, 123 stream sediment, 140 soil, and 28 check samples. Based on Geofine's discovery experience in the Stewart Camp, that includes the Red Mountain deposit, reconnaissance geological and geochemical surveys on Orange Mountain were successful in delineating geochemical signatures suggestive of the proximity of gold mineralization. For example, the majority of arsenic, lead and zinc values for the 55 rock samples and for the 28 stream sediment samples are considered to be very anomalous. Barium is rather ubiquitous in the Amarillo Zone, suggestive of a higher level in the hydrothermal system. The follow-up of specific polymetallic signatures that include anomalous gold is recommended.

The follow-up of the potassium channel anomaly on the American Creek Zone in the Virginia Creek Target Area resulted in the discovery of anomalous gold values ranging up to 262 ppb in float samples associated with silicified and finely pyritized mafic volcanic rocks. Follow-up of the apparently new target is recommended in conjunction with follow-up activities on the large radiometric anomaly.

*Yellow*  
Noranda's Mid Zone Target Area contains prospective alteration that may represent the southern extension of the Fall Creek and Ice Creek Zones. Phase 1 surveys in the Yellow Bowl Zone discovered apparently new mineralization with a strong arsenic-gold-copper correlation. Anomalous gold, arsenic and copper values have been obtained over fairly wide widths in chip samples: 512 ppb, 1150 ppm and 1510 ppm, respectively, over 4 m; and, 209 ppb, 600 ppm and 3410 ppm, respectively, over 6 m. Gold and copper values returned in chip samples ranged up to 1.67 g Au/t and 9.8% Cu over 1 m. Most of the stream sediment samples have anomalous gold and copper values, suggesting a large target area.

Initial work on the new Grid C on the North Zone located anomalous gold values ranging up to 1310 ppb in float rocks and 648 ppb in in-situ samples of altered pyroclastic rocks near the Base Line. On the east side of the Base Line an interesting soil gold anomaly, as partially outlined by the 50 ppb contour, transcends the A Zone, suggesting additional targets.

Initial sampling of the historical mineralization on the A Zone returned positive gold and copper values. Forty-eight rock samples have average gold, arsenic, copper, lead and zinc contents of 1689 ppb, 537 ppm, 3125 ppm, 130 ppm and 466 ppm, respectively. Twenty-one percent of the rock samples have gold contents over 1150 ppb. Compilation of the Noranda historical data suggests that the targets remain open and that additional drilling is warranted.

*B*  
Initial sampling of historical mineralization on the B Zone of the North Zone also returned encouraging results. Twenty eight rock samples have average gold, arsenic, copper, lead and zinc values of 1778 ppb, 630 ppm, 12548 ppm, 48 ppm and 123 ppm, respectively. Individual composite samples returned up to 2207 ppb gold, 1130 ppm arsenic, and 22800 ppm copper over a width of 6.5 m. A sample of a large angular massive sulfide boulder returned 4490 ppb gold and 6.03% copper. Two samples of altered (silicified, sulfidized, chloritized, sericitized) angular float boulders had gold contents of 4700 and 4800 ppb gold and copper contents of 16300 ppm and 7400 ppm, respectively. One stream sample taken at the north limit of the Geofine sampling returned 94 ppb gold and 775 ppm copper, indicating further potential to the north. The Grid C and B Zone areas are considered particularly prospective since Noranda did not carry out geophysical surveys or soil sampling to fully evaluate the auriferous environment.

Work carried out on the Fall Creek and Ice Creek Zones was limited by snow conditions of an early winter and by the steep conditions that prohibited the expansion of the Noranda grid. However, the anomalous gold contents (up to 304 ppb) of stream sediment samples collected on the Zones confirm the importance of the target area; and, along with the



anomalous gold contents of rock samples (up to 4.0 g Au/t in float samples and 13.2 grams in narrow chip samples) collected along the east edge of the Ice Creek Glacier, provide an area of focus at least 300 m long for detailed follow-up activities.

Historical exploration on the Fall Creek and Ice Creek Zones had located strong soil and IP anomalies associated with extensive zones silicified and sulfidized agglomerates and mafic volcanic rocks of the Unik River Formation. Noranda drilling was initially successful as noted by the Fall Creek and Ice Creek Zone intersections reported above. However, the intersections were never followed-up but they did generate additional follow-up targets via the delineation of wide pyritic haloes that contain encouraging geochemical signatures over core lengths of up to 103 m. In the Stewart Camp, such signatures are often indicative of the proximity of significant gold mineralization.

The proposed, 1995 Phase 2 program totals \$600,000 and includes the provision for 1800 m of diamond drilling. The drill evaluation is recommended to initially focus on the follow-up (1000 m) of the most prospective drill intersections and geochemical haloes outlined by the historical Noranda work on the Fall Creek and Ice Creek Zones. The drill program would also initially allocate 800 m to existing drill targets and new targets outlined via IP, gradiometer, geological and geochemical surveys that are proposed on an expanded (15 km) Grid C on the North Zone. Systematic drilling, initially utilizing shallow holes to ascertain plunge morphologies, is recommended. Quantitative multi-element analyses are proposed to delineate geochemical signatures that can often indicate proximity to ore sheets.

Detailed follow-up surveys are proposed on the Amarillo Zone of the Orange Mountain Target Area and on the Yellow Bowl Zone of the Mid Zone Target Area. The 1994 reconnaissance activities would be expanded in each of the above areas and would also focus on evaluating the potential of weak EM anomalies, historical geochemical anomalies and the anomalous gold mineralization referenced above that are associated with the potassium channel anomaly in the Virginia Creek Target Area. The reconnaissance evaluation of a number of interesting weak EM anomalies is proposed in the Northeast Target Area. The most prospective of the unexplored regional alteration zones are also recommended for follow-up.

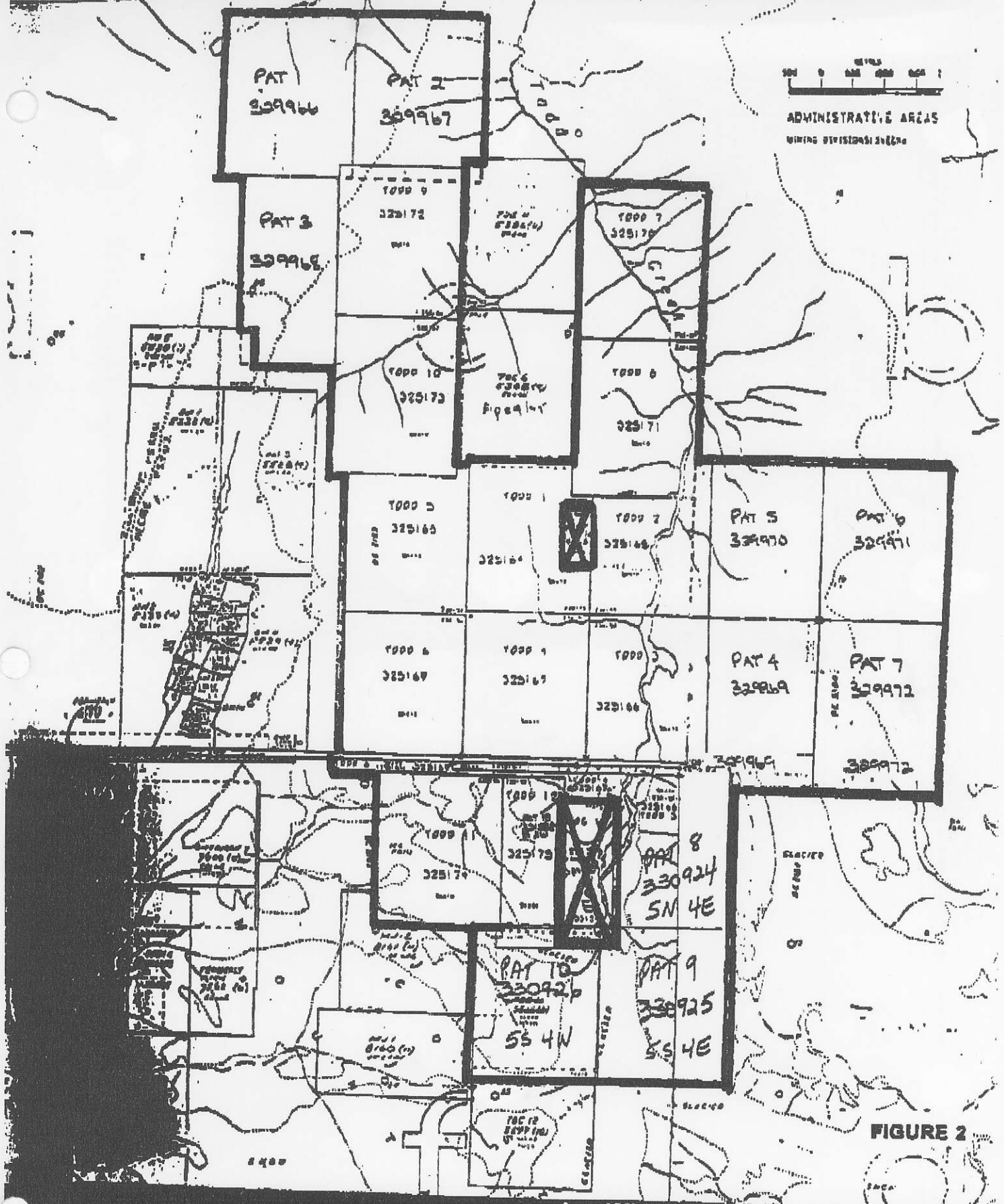


FIGURE 2

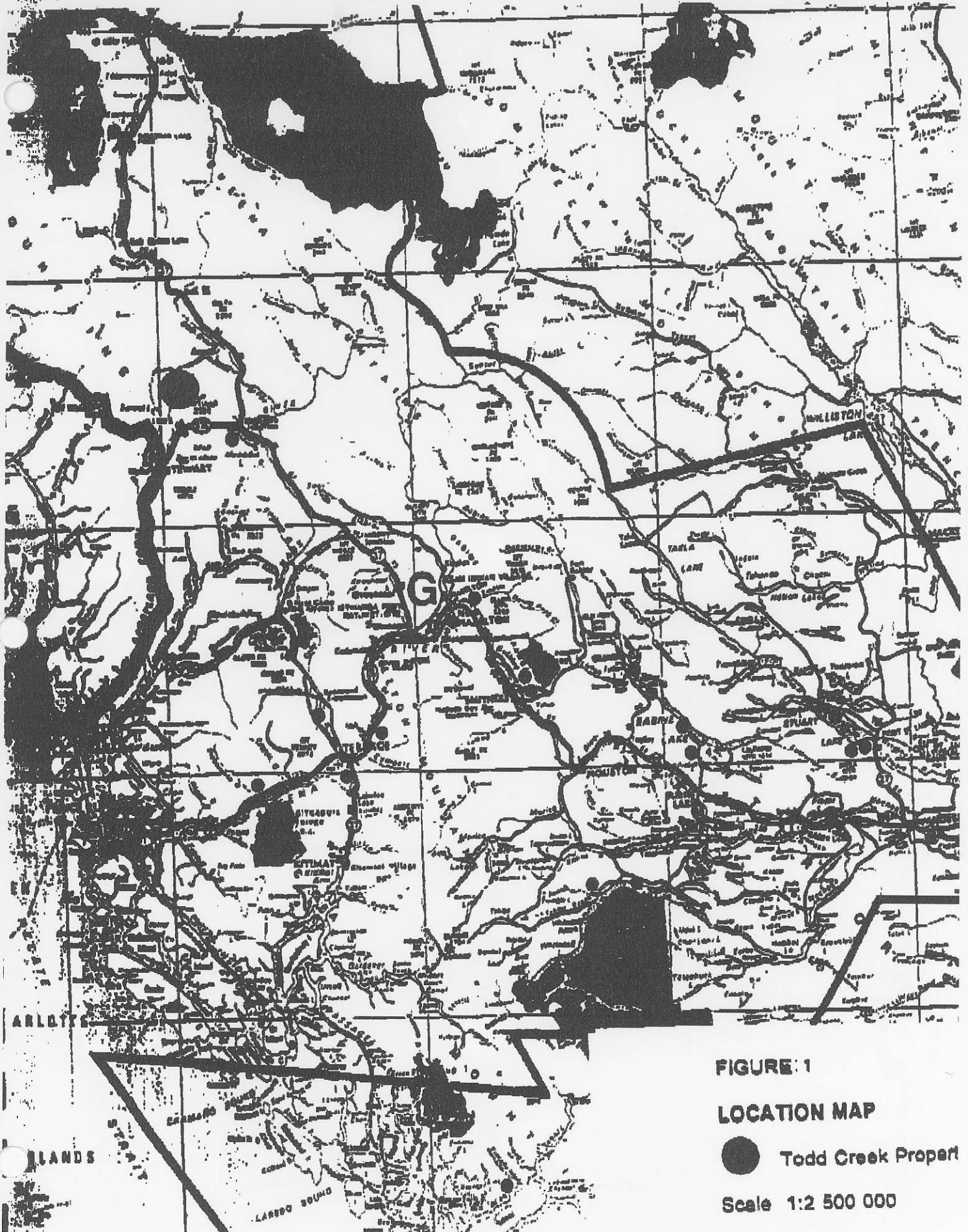


FIGURE 1

LOCATION MAP

● Todd Creek Property

Scale 1:2 500 000



August 3, 1995

TABLE 1  
TODD CREEK PROPERTY  
LIST OF CLAIMS

NAME	TAG NO	RECORD	UNITS	STAKED	EXPIRY
TODD 1	230148	325164	20	April 17/94	April 17/98
TODD 2	230149	325165	20	April 17/94	April 17/98
TODD 3	230180	325166	20	April 17/94	April 17/98
TODD 4	230151	325167	20	April 17/94	April 17/98
TODD 5	230152	325168	20	April 17/94	April 17/98
TODD 6	230153	325169	20	April 17/94	April 17/98
TODD 7	230164	325170	20	April 17/94	April 17/98
TODD 8	230158	325171	20	April 17/94	April 17/98
TODD 9	230156	325172	20	April 17/94	April 17/98
TODD 10	230157	325173	20	April 17/94	April 17/98
TODD 11	230159	325174	18	April 17/94	April 17/98
TODD 12	230159	325175	18	April 17/94	April 17/98
PAT 1	219257	329966	20	Aug 17/94	Aug 17/98
PAT 2	219258	329967	20	Aug 17/94	Aug 17/98
PAT 3	219259	329968	18	Aug 17/94	Aug 17/98
PAT 4	219260	329969	20	Aug 17/94	Aug 17/98
PAT 5	229769	329970	20	Aug 17/94	Aug 17/98
PAT 6	228953	329971	20	Aug 17/94	Aug 17/98
PAT 7	228964	329972	20	Aug 17/94	Aug 17/98
PAT 8	232055	330924	20	Sept 26/94	Sept 26/98
PAT 9	232056	330925	20	Sept 26/94	Sept 26/98
PAT 10	232057	330926	20	Sept 26/94	Sept 26/98
PAT 18	226929	331592	2	Sept 28/94	Sept 26/98

**GEOFINE EXPLORATION CONSULTANTS LTD.****"ORE TARGETS AND EXPLORATION MANAGEMENT ALTERNATIVES"**

49 Normandale Rd.

Unionville, Ontario, Canada L3R 4J8

Tel: 905-477-7072 Fax: 905-946-0366

INTERNET: GEOFINE@INFORAMP.NET

**GEOFINE MEMORANDUM/FACSIMILE TRANSMISSION COVER SHEET****Date:** SEPT. 20, 1995**Number of Pages:** 7**TO:****NAME:** IAN MORRISON  
**COMPANY:** INMET  
**TELEPHONE:** 604-681-3771  
**FAX:** 604-681-3360**FROM:****NAME:** DAVID MOLLOY  
**COMPANY:** GEOFINE EXPLORATION CONSULTANTS LTD.  
**TELEPHONE:** 905-477-7072  
**FAX:** 905-946-0366**COMMENTS:**

Dear Ian:

Re. Stewart and Todd Property Submittals, Stewart Gold Camp, Northwestern British Columbia:

We understand that you will fax back the confidentiality agreement on the Stewart Property tomorrow. At that time we can send you a copy of the Barrick-Cominco-Geofund Memorandum of Agreement and additional information on the two submittals. We can provide you with a detailed overview when we meet.

With regard to the Stewart Property, there are some new developments with regard to the business terms that could fit your corporate strategy: it may now be possible to obtain a majority interest by negotiating directly with Barrick re. the company's 32.5% participation right. If you are so interested, you should talk with Alex Davidson at Barrick at 416-307-7416.

We would appreciate if you can let us know what your travel schedule is with regard to Stewart - would it be possible to meet you on Wednesday? Weather is a factor in the camp and if we can hit a window, much can be accomplished in one day.

We have also documented our current thoughts on the Phase 2, 1996 follow-up program on the Stewart Property for your consideration. As we have referenced the Phase 2 program entails a \$500,000 commitment. We have considered 2 exploration strategies: Strategy 1 includes detailed geological mapping, 1500 m of diamond drilling, and a property wide airborne conventional EM, radiometric and

gradiometer survey. The total cost of this program including GST, option payments, contingencies and overhead is estimated at \$585,000. Government compensation monies, for which there are no guarantees, possibly could reduce the cost of the Phase 2 program to about \$365,000.

Strategy 2 includes the Strategy 1 program, but also contemplates an expansion of the Deltaic Grid on which additional geophysical, geological and geochemical surveys would be carried out to further delineate and prioritize drill targets. Some trenching would be carried out on the highest priority drill targets and regional geological and geochemical surveys would be expanded to the East Creek area, the Old Claims and the area north of the Deltaic Grid. The total cost of this program including GST, option payments, contingencies and overhead is estimated at \$660,000. Government compensation monies, for which there are no guarantees, possibly could reduce the cost of the program to about \$440,000.

The government compensation monies referenced above would be repayable to Barrick and Geofine if and when the in-coming party exercises its earn-in option to acquire the initial 100% interest.

As we have indicated to you, the Phase 1 program has been very successful in delineating high priority drill targets on the Deltaic Grid. The drill targets are generally coincident with strong soil gold and copper anomalies and strong IP chargeability anomalies. Indications of Red Mountain style of polymetallic zoning are also present.

The targets are hosted by sulfidized and silicified pyroclastic and felsic volcanic rocks of the prospective Hazelton Formation, and the size and morphology of postulated quartz porphyry intrusions remain to be ascertained. The Grid area has never been mapped in detail and this would be the proposed first step of any Phase 2 program.

The gold mineralization may be associated with structures that trend northeast and that may be splays off the Bear Creek Fault. Most of the targets remain open for further delineation and new targets in the favourable geological environment are apparent. The exploration targets as envisaged by Geofine are large lenses or cylinders of high grade gold mineralization within the auriferous, pyritic alteration halos.

The Phase 1 program has also identified a prospective geological environment on the northern part of the claims; and, an interesting historical target is reported to exist on the Old Claims. In order to evaluate the potential of the only recently identified regional geological environment, an airborne radiometric, conventional EM and gradiometer survey is proposed over all of the property.

The budgets for two possible exploration strategies for a Phase 2 follow-up program are estimated in Tables 1A and 1B.

**STRATEGY 1. GEOLOGICAL MAPPING, DIAMOND DRILLING AND AIRBORNE SURVEY (\$585,000 WITH NET EST. COST INCL. OF ANTICIPATED GOVERNMENT COMPENSATION: \$365,000):**

Detailed mapping of the 1993 grid area is required to fully orchestrate the drill program referenced below.

High priority drill targets have been outlined and an initial drilling for discovery scenario is proposed in Table 2. Nine holes totalling 1525 m are recommended, with three holes being contingent on positive results from initial holes. A minimum recommended scenario for the helicopter supported program would entail 6 holes totalling about 1000 m with an all in estimated cost, subject to drill bids, of about \$225/m including assessment work filing fees and GST. Provision for success, say for another 500 m, to complete the recommended 9 holes is also advised.

In view of the prospective geological environment, an Aerodat helicopterborne survey is recommended over the entire property. The survey, including mob and demob, would total about \$120,000.

**STRATEGY 2. ADDITIONAL GROUND FOLLOW-UP AND STRATEGY 1 PROGRAM (\$660,000 WITH NET EST. COST INCL. ANTICIPATED GOVERNMENT COMPENSATION: \$440,000):**

To date IP surveying has been carried out on four of, and magnetometer surveying on five of the six grid lines. It is obvious from the results of the Phase 1B program, that other, possibly more important targets, such as the Zone S2 soil gold anomaly, remain to be delineated north of the grid and that IP Zone E remains open for delineation to the south and west of the grid. Additional targets are obvious in more rugged topography north of the grid and all existing targets remain open to the east and west.

In order to further delineate and prioritize drill targets and maximize the results of the drilling, a ground program as outlined below is recommended prior to the initiation of diamond drilling:

Grid Lines 48E and 49E and the extension of Lines 50E, 51E and 52E to the north and south could be established as topography permits and detailed mapping could be carried out on the entire grid. Lines 48E, 49E, 51E and 55E and the extensions could also be evaluated with IP, gradiometer surveying and soil sampling. Detailed soil sampling could be carried out on IP Zones D and D1. IP surveying on a grid line in Bear Creek Valley would be useful to determine the eastern continuity and



depth extent of the anomalous zones delineated on the grid.

Geological and geochemical surveys along with prospecting should be carried out in the area north of the grid; in the East Creek target area; and on the Old Claims. Trenching via a mini back-hoe could be attempted where conditions permit on the most prospective drill targets.

If the Phase 2 drill program is successful, the ground program would provide the coherence and necessary target definition for along strike delineation of reserves.

Strategy 2 is recommended, i.e. that the ground follow-up program be carried out prior to the initiation of the 1000 m drill program. A success contingency for an additional 500 m is also included in the budget. With the possible government compensation, the program would total about \$440,000.

As we have mentioned to you, assurance of a larger interest in the project could be obtained by negotiating directly with Barrick for an option on their 32.5% right of participation.

Please contact Janine Calder or myself regarding your travel schedule.

Yours sincerely

GEOFINE EXPLORATION CONSULTANTS LTD.

*David E. Molloy*

David E. Molloy

President

**TABLE 1A**  
**STRATEGY 1: GRID MAPPING AND RECOMMENDED PHASE 2 DRILL PROGRAM, DELTAIC ZONE; AND, AIRBORNE SURVEY ON THE STEWART PROPERTY:**

ITEM	COST 1B
	(\$)
i) Property, assessment work research	
ii) Project permitting, planning, gov't bond	12000*
iii) Geochemical signature analyses	
iv) Property Compensation	
v) Structural fabric studies, airphotos, map maps	
vi) Field equipment, supplies	3500
vii) Mob-demob	5500
viii) Ground transport, helicopter support	15000*
ix) Analyses, assays 750 @ \$20	15000*
x) Linecutting 6 km @ 350 km	
xi) Geophysical surveys: Aerodat EM, Grad., Radiometric Survey 1000 km @ 110/km mob, demob	110000 10000
xii) Land surveys	
xiii) Food, sustenance, accommodation	5500
xiv) Communications - in field	2500
xv) Drafting, reporting, assess. rpts, government filing fees @ 5% and 10%	35000**
xvi) Land acquisition payments, option payments	15000
xvii) Legal fees	
xviii) Licences	
xix) Salaries: local labour, 2 geologists, \$950/day @ 40 days;	38000*
xx) Diamond drilling: 1000 m @ \$178/m 500 m @ 170/m	178000*** 85000***
xxi) Contingency:	35000
SUBTOTAL:	\$565000****
xxii) Overhead	20000
TOTAL:	585000
xxiii) Anticipated Compensation Monies:	-220000*****
POSSIBLE NET TOTAL:	\$365000

\* ASSUMES 1500 M DRILL PROGRAM; GOV'T BOND IS REFUNDABLE  
 \*\* SUBJECT TO AMOUNT OF WORK FILED AND REPORTS REQUIRED  
 \*\*\* SUBJECT TO DRILL BIDS - BASED ON FALCON ALL IN BID INC GST  
 \*\*\*\* INCL. GST; FOR 1000 M PROGRAM, TOTAL WOULD BE ABOUT \$225,000  
 \*\*\*\*\*GOV'T COMP. CLAIM EXPECTED TO BE SETTLED IN NOV. 1995

TABLE 2: TENTATIVE PHASE 2 DRILL PROGRAM

Hole No.:	Target, Location:	Azimuth/ Inclination:	Estimated Length:	Comments:
DZ 96-1	IP ZONE A, LINE 54E, 46+25N	330°/-45°	200 m	
DZ 96-2	IP ZONE A2, LINE 54E, 47+75N	330°/-45°	125 m	drilling contingent on results of 96-1
DZ 96-3	IP ZONE A1, LINE 54 E, 45+25N	330°/45°	125 m	
DZ 96-4	IP ZONES A, LINE 52E, 45+50N	330°/45°	250 m	
DZ 96-5	IP ZONES A1, B, LINE 53, 44+00	330°/45°	200 m	contingent on results of 96-3, 96-4
DZ 96-6	IP ZONE D1, LINE 54, 41+75N	330°/45°	200 m	
DZ 96-7	IP ZONE E, LINE 50E, 39+00N	330°/45°	125 m	
DZ 96-8	IP ZONE E1, LINE 50E, 37+75N	330°/45°	150 m	
DZ 96-9	IP ZONE E, LINE 52E, 39+50N	330°/45°	150 m	contingent on results of 96-7
<b>TOTALS:</b>			<b>1525 m</b>	

TABLE 1B  
STRATEGY 2: GROUND FOLLOW-UP SURVEYS AND STRATEGY 1 PROGRAM  
(TABLE 1B):

ITEM	COST 1B (\$)
i) Property, assessment work research	
ii) Project permitting, planning, gov't bond	12000
iii) Geochemical signature analyses	
iv) Property Compensation	
v) Structural fabric studies, airphotos, map maps	
vi) Field equipment, supplies, backhoe	12500
vii) Mob-demob, all crews	10000
viii) Ground transport, helicopter support	25000*
ix) Analyses, assays 1200 @ \$20	24000*
x) Linecutting 6 km @ 500 km	3000
xi) Geophysical surveys: Aerodat EM, Grad., Radiometric Survey: 1000 km @ 110/km	110000
heli mob, demob	10000
IP, Grad. Survey: 7 km at \$2500/km	17500
xii) Land surveys	
xiii) Food, sustenance, accommodation	7500
xiv) Communications - in field	3500
xv) Drafting, reporting, assess. rpts, fees	40000**
xvi) Land acquisition payments, option payments	15000
xvii) Legal fees	
xviii) Licences	
xix) Salaries: local labour, 2 geologists, \$900/day @ 50 days;	45000*
xx) Diamond drilling: 1000 m @ \$178/m	178000***
500 m @ 170/m	85000***
xxi) Contingency:	42000
	SUBTOTAL: \$640000****
xxii) Overhead	20000
	TOTAL: 660000
xxiii) Anticipated Compensation Monies:	-220000*****
	POSSIBLE NET TOTAL 440000

- \* ASSUMES 1500 M DRILL PROGRAM; GOV'T BOND IS REFUNDABLE  
 \*\* SUBJECT TO AMOUNT OF WORK FILED AND REPORTS REQUIRED  
 \*\*\* SUBJECT TO DRILL BIDS- BASED ON FALCON ALL IN BID INC GST  
 \*\*\*\* INCLUDES GST; FOR 1000 M PROGRAM TOTAL WOULD BE ABOUT \$120,000  
 LESS  
 \*\*\*\*\*GOV'T COMP. CLAIM EXPECTED TO BE SETTLED IN NOV. 1995