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An Overview of the Ajax Molybdenum Property, B.C.
Andrew Wilkins, Tenajon Resources Corp.

The Ajax Molybdenum Property is located 13 km north of Alice Arm, northwestern British Columbia. The property occurs at the north end of a 25 km long trend of molybdenum showings and deposits genetically related to a series of Eocene stocks and plugs referred to as the Alice Arm Intrusives. Major deposits in the trend include the formerly producing Kitsault (B.C. Moly) Mine and the Ajax deposit.

Molybdenite was first documented on the Ajax Property in 1926 government reports. In 1965, Newmont Mining Corporation acquired the property and in a joint venture with Canadian Nickel Company undertook an exploration program at Ajax that resulted in 26, mainly small diameter sized, diamond drill holes totalling 8,101 m in length being drilled. From 1967 to 1996 little work was completed on the property. In 1996, Tenajon acquired the property through staking.

The Ajax Property is underlain by Jurassic Hazelton Group sediments and volcaniclastics that locally have been intruded by four closely spaced quartz monzonite porphyry intrusions. Hydrothermal alteration ranges from an outer biotite hornfels shell to an inner potassic core. Sulphides, consisting primarily of up to 2% combined pyrrhotite and lesser molybdenite, form zoned patterns. At the outer limits of the biotite hornfels zone, minor disseminated pyrrhotite occurs in both the host and widely spaced fractures. Proceeding inwards, towards the intrusive complex, hairline fractures contain chlorite and pyrrhotite. Nearer the intrusives, these fractures become wider and are filled with quartz and pyrrhotite as well as coatings and minute bands of molybdenite. The better, >0.100% molybdenite, grades are in areas of high fracture density where quartz vein stockwork is well developed. Stockworks of suitable intensity closely reflect major zones of faulting and fracturing that, in plan, form a parallelogram with three sides hosting significant molybdenite. When rock grading 0.05 to 0.10% molybdenite is considered, the deposit assumes a more conventional cylindrical form that totally encompasses the higher grade parallelogram.

In 1967, Newmont personnel calculated the Ajax Property hosted a drill indicated" (pre-NI43-101) undiluted resource of 192 million tons averaging 0.123% MoS2 (0.074% Mo) with the deposit being open to the north, southeast and at depth. At the time the grade was thought to be underrepresented due to poor core recovery especially in areas of higher grade and molybenite washing from along fracture faces. It was also thought that the grade would increase with depth as studies had shown alteration (both K-feldspathic and silicic) was increasing in intensity and size with depth and a second silica front was indicated in some of the deeper drill holes.

In 2005, Tenajon completed a three hole drill program using large diameter (HQ and NQ-2) sized drill core. The program resulted in two holes being twinned while the third tested the continuity on the zone between drill holes. All three holes were drilled to the rigs' depth capability (1100 to 1400 feet). The twinned holes showed a combined increase of 14% in Mo grade over the same interval as their original counterparts. In addition, both holes extended the mineralized zones vertically by 50 metres and ended in significant molybdenite mineralization. The third hole, located 50 metres from historical drill holes showed the mineralization to be continuous and ended in high-grade molybdenite mineralization (38m of 0.106% Mo). Limited analysis for rhenium returned anomalous values 8 of 30 samples assaying >0.1 gpt to a maximum of 0.3 gpt.

A comprehensive deep-drilling program to test the deposit at depth (roughly 400m below the drilling to date) is planned for 2006. This program should result in a significant increase to both the size and grade of the Ajax deposit as it is currently defined. In addition, the resource estimate is to be updated to make it compliant with NI 43-101.