DIAMOND DRILLING REPORT

FOR

DON 1 MINERAL CLAIM

BY

PLACER DEVELOPMENT LIMITED

ENDAKO MINES DIVISION

OMINECA MINING DIVISION

TAKLA LAKE

LATITUDE 55° 15'  LONGITUDE 125° 30'

DIAMOND DRILLING AND LOGGING UNDERTAKING DURING
PERIOD AUGUST 14, 1980 TO AUGUST 26, 1980

P. BUCKLEY  AUGUST 1980
1. INTRODUCTION

One 35 millimetre diamond drill hole totalling 15.7 metres was drilled during period 14 August 1980 to 26 August 1980. Drilling, Crew transporation and demobilization costs are being submitted for assessment work on Don 1 Mineral Claim (12 units).

2. SUMMARY

One vertical IAAX diamond drill hole 15.7 metres long was drilled on Don 1 Mineral Claim.

Trace amounts of molybdenum mineralization was intersected in this drill hole.

3. MINERAL CLAIM

Don 1 Mineral Claim is located about 32 kilometres southeast of Takla Landing and about four and one-half kilometres due north of Nesabut Peak in the Omineca Mining Division. The property is geographically located in the southeast quadrant of quadrilateral Latitude 55° 15' Longitude 125° 30'. (Figure 1).

Description of Claim is as follows:

<table>
<thead>
<tr>
<th>Claim</th>
<th>No. of Units</th>
<th>Month of Record</th>
<th>Record No.</th>
<th>Owner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Don 1</td>
<td>12</td>
<td>September</td>
<td>2047</td>
<td>P. Buckley</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Box 101</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Fraser Lk, B.C.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>VOJ 150</td>
</tr>
</tbody>
</table>

The index map on 1:50,000 scale shows spatial location of Don 1 Mineral Claim.

4. LOCATION AND ACCESS

This property is in the Mitchell Mountain Range which is 12 kilometres east of Takla Lake. These mountains are characterized by a series of rugged peaks that rise 1400 meters from Takla Lake (Figure 2).

Access to the property is by fixed wing aircraft to Takla Lake and then by helicopter from Takla Lake to property. Access may also be directly from helicopter base at Burns Lake to property.
5. **HISTORY**

The Don 1 Mineral Claim was originally staked in 1977 as the Don Mineral Claim. (Rec. No. 693) by Placer Development Limited, Endako Mines Division.

Geochemical Sampling was conducted of the claim and a report titled "Geochemical Report Don & John Mineral Claims Omineca Mining Division" was filed in August 1978.

The claim was allowed to lapse in 1979 and was restaked as the Don 1 Mineral Claim by Paul Buckley, the current owner.

6. **OWNER AND OPERATOR**

Don 1 Mineral Claim is owned by Paul Buckley of Box 101, Fraser Lake, B.C. and is held in trust for the only use, benefit and advantage of Placer Development Limited of 700-1030 West Georgia Street, Vancouver, B.C.

Placer Development, Endako Mines Division, is the operator.

7. **GENERAL ECONOMIC ASSESSMENT**

A trace amount of molybdenite and chalcopyrite was intersected in the drill hole.

8. **DIAMOND DRILL PROGRAM**

8.1 **Personnel Employed on Project**

All diamond drilling was conducted by personnel from Placer Development Limited, Endako Mines Division.

Alpine Helicopters Ltd. and Lakes District Air Service Ltd. provided air support for transporation of field crews and equipment.

8.2 **Drilling Project**

One vertical IAX diamond drill hole 15.7 metres was drilled on Don 1 to explore a projection of mineralization from a known source.

Actual diamond drilling commenced on August 18, 1980 with a model GW-15 Winkie diamond drill. Hole was completed by August 21, 1980. Drill and all associated equipment demobilized on August 26, 1980. Expenses for above are being submitted for assessment purposes.
Entire program was conducted with helicopter and fixed wing aircraft support. This included weekly transportation of drill crews and supplies.

8.3 Core Logging

Drill core was geologically logged on 1" = 10' graphic log by P. Buckley. Due to only trace amounts of molybdenite and chalcopyrite the core was not sampled for assay data.

9. GEOLOGICAL INTERPRETATION

The mineral claim is underlain by two granitic rock units. The peripheral rock is Mitchell Quartz Monzonite which is core phase of Juro-Cretaceous Mitchell Batholith. It is a pink-to-grey medium grained, equigranular to porphyritic quartz monzonite. Off-white apilitic and myremekitic varieties have been noted. Pervasive argillic alteration ranges from fresh to weakly altered. Porphyritic varieties contain subhedral phenocrysts of orthoclase or plagioclase up to 5 centimetres in length. Either biotite or hornblende may be the major mafic mineral. The most common variety in this unit is pale pink, weakly-altered, subporphyritic biotite quartz monzonite.

Most of the property is underlain by the Nesabut Stock which is a later homogeneous consisting of a medium-grained, equigranular, grey, biotite quartz monzonite. The rock is commonly fairly fresh, but locally shows weak argillic alteration.

Diamond drill hole DJD #3 is located within Nesabut Quartz Monzonite. Rock is fresh with minor quartz veins ranging from hairlines to 1/4 inch. Minor k-feldspar envelopes were noted. Minor molybdenite chalcopyrite and pyrite was noted as a clot in a quartz vein with a rusty halo into wall rock.

10. STATEMENT OF EXPENDITURES

The following expenditures were incurred by Placer Development Limited, Endako Mines Division for diamond drill hole DJD #3 on Don 1 Mineral Claim.
Expenditure Items

A) Personnel Costs

<table>
<thead>
<tr>
<th>PERSONNEL</th>
<th>PERIOD EMPLOYED</th>
<th>HOURS/RATE</th>
<th>COST</th>
</tr>
</thead>
<tbody>
<tr>
<td>P. Buckley</td>
<td>August 26</td>
<td>4 Hrs. @ 15.50/hr.</td>
<td>$62.00</td>
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<tr>
<td>A. J. Peters</td>
<td>August 14 - 26</td>
<td>40 Hrs. @ 11.76/hr.</td>
<td>471.20</td>
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<tr>
<td>R. Pearce</td>
<td>August 25</td>
<td>8 hrs. @ 7.88/hr.</td>
<td>63.04</td>
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<tr>
<td>B. Rutherford</td>
<td>August 14-26</td>
<td>10 hrs. @ 7.35/hr.</td>
<td>73.50</td>
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<tr>
<td>P. Vodak</td>
<td>August 18-26</td>
<td>38 hrs. @ 7.35/hr.</td>
<td>278.30</td>
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<tr>
<td>TOTAL</td>
<td></td>
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<td>$948.04</td>
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</table>

B) Camp Operations

6 Days @ $20.00/day/man

240.00

C) Transportation Costs

Alpine Helicopters Limited flight report numbers 7372K and 7364K and Lakes District Air Services report number 896.

<table>
<thead>
<tr>
<th>FLIGHT REPORT NO.</th>
<th>HRS. AT $350/HR.</th>
<th>FUEL AT $.35/LITRE</th>
<th>MILES AT $1.55/MI.</th>
<th>COST</th>
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<tr>
<td>7372 K</td>
<td>1.8</td>
<td>153</td>
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<td>683.55</td>
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<td>7364 K</td>
<td>.7</td>
<td>59.5</td>
<td>300</td>
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<td>896</td>
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<td>$1,414.35</td>
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TOTAL DRILLING COST $2,602.39

11. CONCLUSIONS

One IAX diamond drill hole totalling 15.7 metres was drilled at a cost of $165.75 per metre.

Traces of non-economic mineralization were encountered in this hole.

Submitted by:

[Signature]

P. Buckley
Senior Geologist
PLACER DEVELOPMENT LIMITED
Endako Mines Division

P8/lgh
APPENDIX 1

DIAMOND DRILL HOLE LOCATION MAP

Map at scale of 1:10,000 showing diamond drill hole location with respect to Don 1 Mineral Claim can be found in pocket at back of this report.
APPENDIX II

STATEMENT OF QUALIFICATIONS

I, Paul Buckley, of Placer Development Limited, Endako Mines Division, Endako, B.C. do hereby certify that:

1. I am a Geological Engineer and a member of the Association of Professional Engineers of the Province of British Columbia.


3. From 1973 until the present, I have been engaged in open pit operations and exploration geology in British Columbia.

4. I personally assisted with the planning of the drill program, have logged the core and examined the results thereof.

P. Buckley, P. Eng.
<table>
<thead>
<tr>
<th>ROCK TYPES &amp; ALTERATION</th>
<th>GRAPHIC LOG</th>
<th>MINERALIZATION</th>
<th>STRUCTURES</th>
<th>ROCK QUALITIES</th>
<th>RECOVERY</th>
<th>ASSAY</th>
<th>RESULTS</th>
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<tbody>
<tr>
<td>Dark Graphite, Fresh, Manganite</td>
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<tr>
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</table>

LOCATION: Donut Claim
DATE COLLECTED: 
DATE COMPLETED: 
LOCATION: ENDako Mines
CORE SIZE: 
DATE: Aug 20 1987
LOGGED BY: P. Buckley
SCALE OF LOG: 1" = 10'