

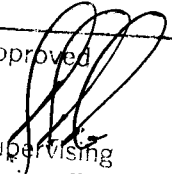
REPORT ON
WINTER ROTARY DRILL PROGRAM
GOLD RANGE PLACER LEASES

Placer Map 115N-2
Latitude 63°04'N
Longitude 140°55'W

by

Gordon A. Keevil

Period October 31 to December 14, 1975

Approved

Supervising
Mining Recorder


Recommend Approval

Resident
Mining Engineer

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INTRODUCTION

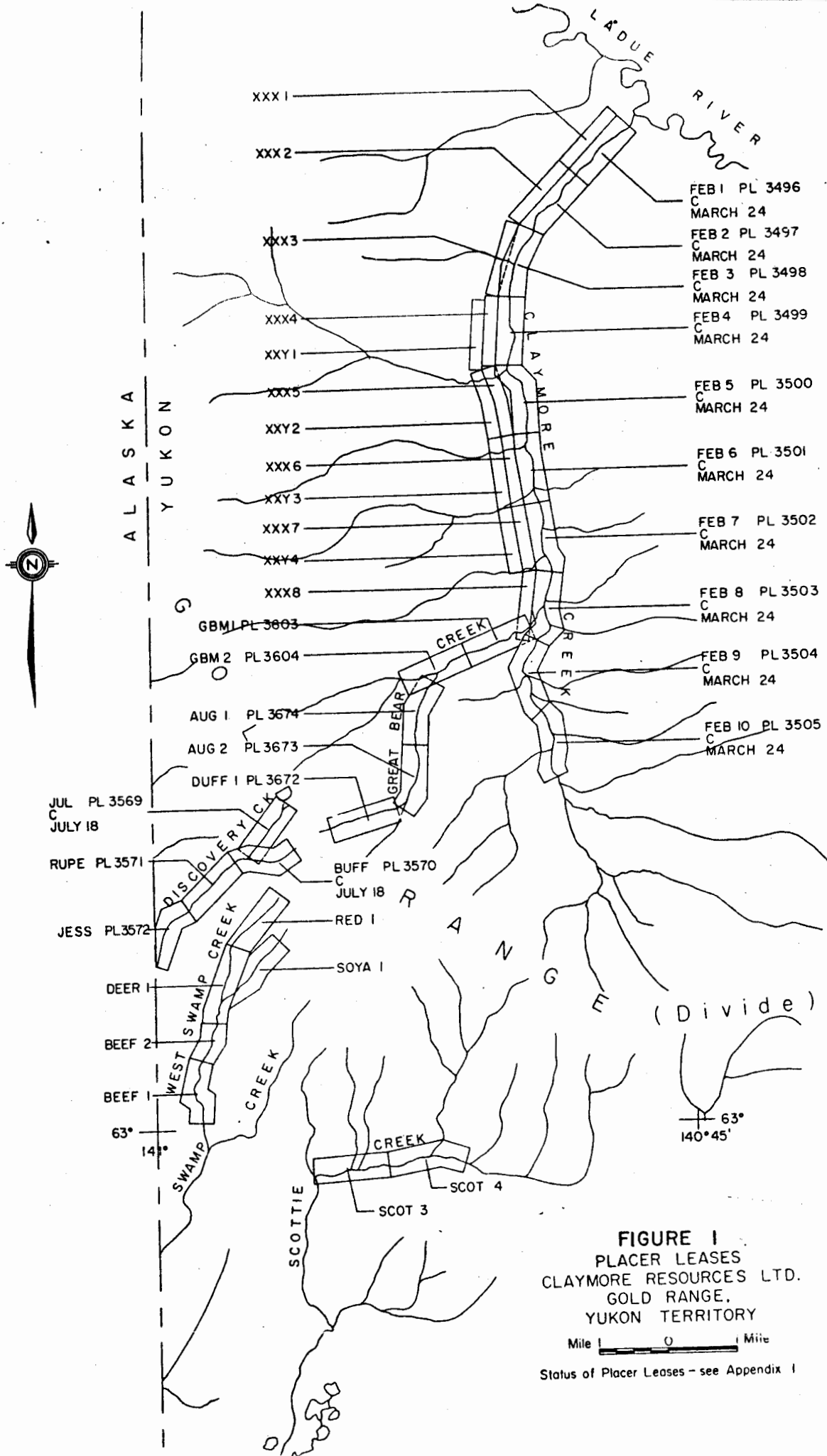
This program was initially proposed to test the placer gold discovery of the summer of 1975. It was felt that drilling would be the best technique, to provide good quantitative results and a large areal coverage. The timing of the program was largely controlled by access and the need for an immediate evaluation of the property. The equipment selected for this program was believed, at the outset, to be the best suited for placer drilling. Field work began in late October and was terminated on December 14th, 1975. A crew of six men were on the property for this six-week period. Originally, a tent camp was used but due to the extreme winter environment, a trailer was brought in after two weeks of the program.

Claymore Resources holds extensive placer leases on both the east and west side of the Gold Range (Fig. 1). The intention of the program was to evaluate both Discovery Creek to the west and Claymore and Great Bear Creeks to the east. Unfortunately, due to problems with the drill we were forced to concentrate on Discovery Creeek, leaving the remaining area to be explored by an alternate mode of exploration.

Difficulties encountered during the drill program can be classified under three headings; unpredictable ground and ground water conditions, extensive mechanical problems with all parts of the equipment, and erratic and unreliable sample recovery for analysis. This program seems to support the view that placer gold is difficult to evaluate using the available drilling techniques. The only obvious alternative is manpower-intensive bulk sampling which will guarantee reliable samples for quantitative analysis.

LOCATION AND ACCESS

The Gold Range Area and Claymore's Placer Leases are located near the Alaska/Yukon border, 34 miles north of the Alaska Highway. It is 250 miles north-west of Whitehorse and eighty miles south of Dawson and the Klondike Mining District (Fig. 2).



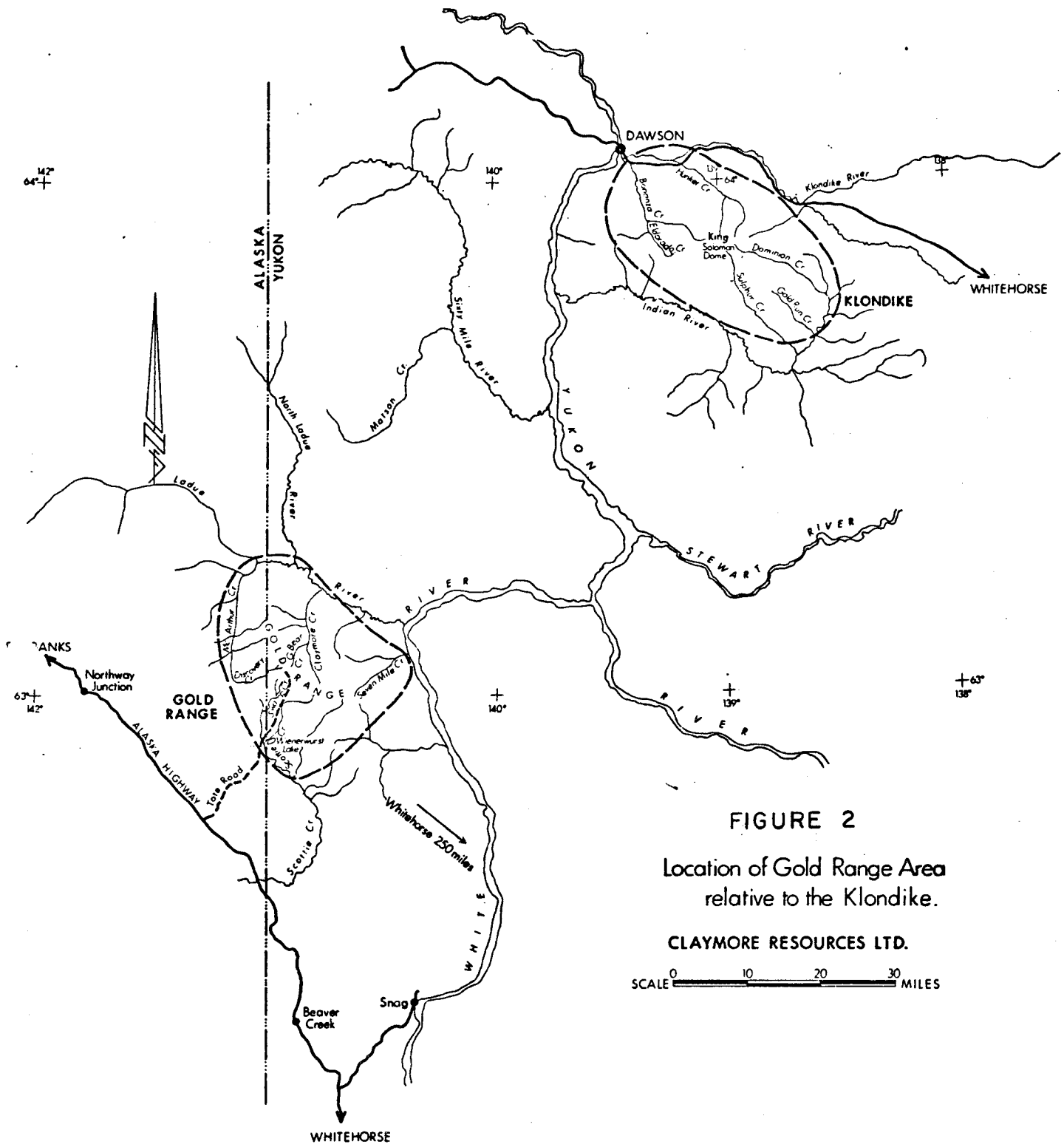


FIGURE 2
 Location of Gold Range Area
 relative to the Klondike.

CLAYMORE RESOURCES LTD.

SCALE 0 10 20 30 MILES

The apparent reason for the existence of this important placer gold discovery is its location, like the Klondike, within an area which was not affected by Pleistocene glaciation (Godfrey, 1975) (Fig. 3). Drilling was confined to Discovery Creek, which flows westerly off the Gold Range. This creek flows for approximately three miles within Canada before entering Alaska (Fig. 1). This entire length was tested, to varying intensity, during the drill program.

Access to the area was by both tracked vehicles and by helicopter. A Jet Ranger based out of Dawson was used to bring in the fuel and most supplies. The fuel was brought by truck from Whitehorse to the A/Can border crossing and then flown into camp. Food and supplies were brought from Dawson at regular intervals. Land access was by a 40-mile tote road from Scottie Creek, Alaska (Fig. 2). This presented some problems due to the crossing of the international boundary. The drill equipment was mounted on two tracked vehicles; a Nodwell RN-110, which carried the compressor and a Formost 8T, which carried the drill and the associated equipment. A caterpillar D6C was used as support throughout the entire program. The walk into camp took 36 hours as some difficulty was experienced locating the road. The outgoing trip took only 19 hours and was accomplished with no difficulties other than fatigue.

In the work area cat roads and drill sites were built with a minimum of damage. Most of the roads are located along Discovery Creek, but a road was put in from Discovery Creek camp to Claymore Creek. Although this road was not used during this program, it will eventually provide access to the eastern portion of the area.

TOPOGRAPHY AND PHYSIOGRAPHY

The Gold Range area is marked by gently rolling, flat topped hills and ridges. The Moosehorn Range or Gold Range, a north-west trending ridge, is the dominant topographic feature in the area. Drainage off the Gold Range is similar to the east and west with a large north-south flowing creek fed by east-west tributaries.

BEAUFORT SEA

5

NORTHWEST
TERRITORIES

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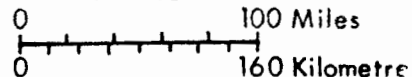
Whitehorse

PACIFIC
OCEAN

JUNEAU

FIGURE 3
UNGLACIATED REGION
YUKON TERRITORY

SCALE



The creeks generally have a gentle slope and broaden out downstream. This shallow slope and broad valleys are excellent locations for a relatively large placer gold discovery on a regional as well as local scale.

Vegetation changes quickly from predominantly moss cover, to buckbrush, to thick poplar, jackpine and alders as one progresses downstream. The stream banks are marked by thick growths of jackpine and poplar while the ridges are marked by alder and poplar with relatively sparse jackpine. Damage to vegetation was kept to a minimum by keeping a tight control on the road building.

On Discovery Creek we encountered continuous problems with ground water. The valley seems to funnel a large volume of ground water within a few feet of the surface. This caused flooding of our roads with subsequent hazardous ice build-up and also caused problems with drilling. The presence of water in the drill holes, coupled with extremely cold surface temperatures caused icing of the sample system and loss of part of the sample. The water movement also kept the ground from freezing, this condition was not expected to exist at this latitude and elevation.

PREVIOUS WORK

Geological mapping on a regional scale has been done by the Geological Survey of Canada (Tempelman-Kluit, 1974) and more recently by the Department of Indian and Northern Affairs (Morin, 1975). Both works supply excellent summaries of the regional geology as well as some details on the geology of the Gold Range.

Prior to the summer of 1975, no known work had been done on the placer gold. Claymore Resources carried out an extensive exploration program on the vein gold from May to August (Grieg, 1975). This work included detailed geological mapping, geochemistry, trial geophysics and diamond drilling. It was during this period that the initial discovery of the placer gold deposits was made.

After the placer discovery and recognition of its potential, the emphasis of the program shifted to testing its extent. A series of four bulk samples were sluiced from pits along Discovery Creek. A systematic testing of the creek was also carried out using pan size samples. Regional testing was carried out on Swamp Creek, Great Bear and Claymore Creeks, using pan size samples. A more extensive program of test sluicing and panning was carried out on Swamp Creek. The results are outlined in a report by J. M. Kenyon, which is contained in Appendix VI. The results of these tests, plus the realization of the potential of the Gold Range area led directly to the recommendation by J.D. Godfrey (1975) to drill the placer deposits.

GEOLOGY

The Gold Range is predominantly underlain by a biotite-hornblende granodiorite, a phase of the Klotassin Batholith (Morin, 1975). This phase of the batholith is considered to be the primary host rock for the auriferous quartz veins. Granitic porphyries are also present in the vicinity of the property. They are believed to be a later phase and may be the original source of the quartz veins.

The formation of placer gold deposits takes place during a long period of weathering under warm climatic conditions. The resultant residual products are preserved due to an absence of glaciation during the Pleistocene. Two types of placer deposits occur in the Gold Range area (Godfrey, 1975). Aluvial gold may be considered the standard placer deposit and forms in stream lain sediments which occur in ribbon like deposits. Eluvial gold forms in the residual soils and therefore may be distributed in a blanket along the slopes, which are underlain by and downhill from bedrock gold occurrences. The placer leases of Claymore are placed in a manner which covers both the aluvial and eluvial materials. The drill program largely tested aluvial material with some holes in the eluvial areas. The holes which were logged, are in the lower reaches of Discovery Creek in aluvial material.

The author was able to examine in detail only six of the 32 holes which were drilled. The remainder of the holes were either not reduced to a manageable size or were completed during the last few days of the program.

Each hole was examined as three foot interval samples using a binocular microscope. Difficulty was encountered in the top ten feet due to extremely wet or frozen samples. Special care was taken to ensure that a representative sample was examined. A macroscopic examination of the remaining holes indicates that those holes logged can be considered representative of the section of the Discovery Creek gravels. Differences occur largely in the depth and width of the respective units. Appendix 1 contains the stratigraphic sections of Holes 75-18, 75-19, 75-21, 75-22, 75-23 and 75-24.

There are four discernable units in the section: a clay rich gravel with 30 to 60 percent clay; a clean gravel with less than 30 percent clay; a fine sand, which appears to be decomposed bedrock and bedrock, which is granodioritic in composition. The contacts are gradational and are difficult to establish due to the irregular returns of the drill.

The clay rich gravel always starts at surface and is six to ten feet thick. The clay is generally water-saturated dark brown to reddish black in colour. Very fine biotite and muscovite are visible. The gravel fraction is irregular in size and texture and particles show signs of physical weathering. They are predominantly quartz and feldspars with minor (<1%) basic grains, which may be andesitic.

The clean gravels are from three to nine feet thick and constitute the most interesting unit. They are irregular in composition but are predominantly quartz, feldspars with biotite and muscovite. Oxidation often discolours the acidic minerals and the biotite is in part altered to chlorite. Texturally, roundness usually increases with grain size and the surface of the grains are pitted and broken. Fine black sand accounts for 5 to 10 per cent of this gravel. Large grains, up to one inch in diameter, may show a composite nature. They are oxidized quartz - feldspars with biotite and/or hornblende. Due to grinding and breaking by the drill, it is difficult to estimate real grain size and one must be wary of a biased composition due to a partial loss of material within the drill system.

The clean gravel passes quickly into a fine sand. This unit is well sorted, has a constant composition and shows no signs of physical weathering. It appears to be decomposed bedrock, which has undergone in situ chemical weathering. Its texture and composition are similar to the granodiorite. The only visible difference is the oxidation of the sand, which has discoloured it to a light brown. The grains are angular with quartz, feldspars, biotite, muscovite and minor hornblende and magnetite. This unit appears at depths of 10 to 18 feet and was drilled to 48 feet in holes 75-4 and 75-14. Once its characteristics were determined, it was decided to stop the holes at 30 feet, which was well below the gravel/sand contact. Surface work indicated bedrock at depths of only 8 to 10 feet in the pits dug by hand over the past summer. This was probably decomposed bedrock, which would still be resistant to a shovel and pick. The greater thickness encountered in drilling compared to hand pitting is due to the fact that the holes were drilled higher than the bank of the creek (above the pits).

The fine sand forms a gradational contact with the underlying bedrock. The bedrock is granodiorite in composition, with quartz, white feldspars, biotite, muscovite and hornblende visible. The drill returns were a light gray powder. Generally the bedrock was penetrated three to six feet to determine the bedrock/sand interface.

Boulders were not common in the drilling. Hole 75-11 was anomalous in this regard, containing up to 40 per cent boulders. This is due to a bedrock knoll, which extends into the area of this hole. Holes 75-18, 75-19 and 75-20 were also relatively boulder rich. This is where the creek valley narrows from 400 feet to approximately 150 feet, which may explain the change in the nature of the gravels. The boulders are generally less than two feet thick but can be up to three feet in diameter.

DRILLING PROCEDURE

A drill, which is capable of successfully drilling placer gold, is very specialized and only a few companies operate them. Kenting-Big Indian Drilling, of Calgary, was the only company available to Claymore who would undertake the winter drilling program.

The contract with Big Indian is enclosed under Appendix II. The drill was a Heli-Drill 500 and was mounted on a Foremost 8T (Plate I). Double walled, reverse circulation Becker pipe was used. The Foremost also carried a Hermann-Nelson Space Heater, an electric welder and a six-kilowatt light plant. The compressor was a Schramm 425/250 and was mounted on a Nodwell RN-110 (Plate II). Two 250 gallon fuel tanks were also mounted on the Nodwell. The flextrack vehicles were used to allow us complete mobility over poor ground conditions. The caterpillar D6C was equipped with wide tracks and was rented from Clark Trailer Sales of Whitehorse (Plate III). It was used to build roads and drill sites as well as hauling water and drill samples from the creek up to the camp.

The reverse circulation, dry system is designed to provide complete sample return, including the gold. The compressor used was very large for the shallow holes, an extra precaution for good recovery. A cyclone device was used to decelerate the sample (Plate IV). Initially, a special cone type splitter was used to split off a representative 1/16 sample for assay. This hooked onto the bottom of the cyclone. Unfortunately, it would not work with damp samples and this method of sampling was abandoned. The bulk samples were then taken to camp and manual splitting was attempted there using the cone splitter. Very cold weather and lack of heated space made this impossible. Finally, we split the samples by hand through a riffle as drilling proceeded. This was the best method available and provided a good representative sample. The large remaining fraction of the samples were left at the drill site and the small samples were sent to Loring Laboratories in Calgary. The samples which were not split were sent to Edmonton, where they were dried and split. Precautions were taken to ensure that no loss of sample occurred during any of the transferring and splitting.

Positioning of the drill holes was controlled by factors which varied from day to day. Initially we were to spend only two weeks on Discovery Creek and four weeks on



Plate I : View of the Foremost 8T. The drill is set-up for work with the compressor to the left on the Nodwell.



Plate II : The Nodwell RN 110 which carries the compressor. Here it is shown hooked up to the drill ready to work. The drill unit is shown to the right of the picture.



Plate III : A view down Discovery Creek showing all the equipment. The caterpillar D6C is on the left. The drill is shown with the special cover used for winter drilling.



Plate IV : The cyclone and cone splitter in operation during drill testing in Calgary. The splitter is screwed onto the bottom of the cyclone. Drill samples enter the top of the cyclone and are decelerated, falling out into the splitter.

Claymore Creek. Due to Delays caused by equipment failure and poor drilling, we completed only 32 holes, all on Discovery Creek (Map 1). Drilling was started around the discovery pits, approximately 500 feet above the fork. We then worked upstream and downstream until the creek was covered as well as possible with fairly wide spread holes. The final stage of the program was a series of closer spaced holes in the valley around the discovery area. These holes include 75 - 27 to 75 - 32.

Initially, it was felt that the depth to bedrock would be between 10 to 20 feet. Decomposed bedrock was encountered at this depth with unweathered bedrock being generally below 30 feet. The low potential of the decomposed bedrock beyond the first few feet, made drilling below 30 feet worthless.

The poor performance of the drill was due to a series of malfunctions, which were related to both natural and mechanical problems. The design of the drill and the supporting equipment was such that there were too many areas where mechanical breakdowns could occur. This resulted in a continual, time consuming battle between the drillers and their equipment. The fuel received from White Pass Petroleum of Whitehorse was in rusty, dirty drums which caused further problems with the fuel systems of all the motors. The drill-compressor system was entirely interdependent so, if one quit running, the entire operation stopped.

The work during the summer months led us to believe that the area was characterized by permafrost. The drill was designed to work in permafrost, but we assumed that it would also work quite well in unfrozen gravels. The area near Discovery Creek was often unfrozen below approximately three feet. The reason for this was the presence of moving ground water. The dry air system would not work well in wet ground. The fine fraction of the gravels continually plugged the system. The author feels that complete recovery was never accomplished and that the fine fraction of the gravels was being completely lost or misplaced in relation to its real depth. By positioning holes as

close as possible to the surface pits, it was hoped to calibrate the drill and determine some sort of correction factor.

The weather was probably the worst single problem we had to deal with. The extreme conditions during the program magnified all the other mechanical troubles and made repair work difficult. The last two weeks of the program saw temperatures below -40°C . The equipment was not prepared for this weather. The compressor was in the open and was impossible to keep running. The Nodwell would not start due to a combination of very cold temperatures and dirty fuel. At least 60% of each working day was lost due to starting problems. The equipment could have been prepared in a much better manner which would have solved many of our problems.

DRILLING RESULTS

General Discussion

The distribution of holes on Discovery Creek (Map 1), was largely governed by the time limitations and the location of known gold values. The entire length of the creek was tested with a large portion of the holes concentrated around the surface pits, where pilot testing in 1976 will initially take place.

As mentioned previously, the small fraction of each three foot sample was sent to Loring Laboratories in Calgary for analysis. They were analyzed for total gold and reported as ounces of gold per ton. They were converted to ounces gold per cubic yard by using a conversion factor of 1.6 tons per cubic yard.

Two analytical techniques were used; the twin pulp method and the amalgamation method. Both of these are outlined in Appendix III as supplied by Loring Laboratories. The amalgamation method was used for most of the samples as it utilized the entire sample while the twin pulp method uses only two 30 gram portions of the sample.

Since such a small amount of gold is necessary to produce a good economic grade it is obviously more reliable to analyze the total sample using the amalgamation method although costs are much higher.

Samples were collected over three foot intervals. Appendix IV contains the analytical results as reported by Loring and a table which shows the converted gold values. Many holes are incomplete as we were forced to analyze only the top 18 feet due to the large size of the samples and the consequent transportation problem. Since decomposed bedrock is usually present at or before this depth (see Geology) it is reasonable to assume that the gold bearing gravels have been sampled.

Discussion

As mentioned earlier, it was the opinion of the author that the drill was not at all reliable. Throughout the entire programs, portions of each section were being lost. It now seems that the gold was somehow preferentially lost, possibly with the fine fraction of the gravels. To test the quantitative validity of the drill, holes were placed as close as possible to the pit locations and known gold values. Holes 75-1, 75-14, 75-15 and 75-32 were all close to the pits. The gold values in these holes are sporadic at best and bear no relationship to the values obtained from bulk sampling (Godfrey, 1975).

Appendix V is a series of profiles of the drill holes. The topography was not surveyed so is not accounted for on the profiles. The hole numbers correspond to the plan view (Map 1) and are used for profile location. By referring to both the profiles and the plan view, it is obvious that the gold values are extremely irregular, both laterally and vertically. Holes which show good values are 75-2, 75-27, 75-20 and 75-26. This accounts for the entire length of Discovery Creek. Hole 75-14 was drilled 32 feet south of pit 2 (Godfrey, 1975).

The values in this pit were just under two ounces raw gold per cubic yard. Hole 75-14,

on the other hand, had no values close to this, with only one intersection, from 9 to 12 feet, of 0.163 oz. raw gold per cubic yard. Hole 75-27, on the north fork of Discovery Creek, was the best hole with a 12 foot section of relatively good values. Its location is important as it indicates a wider gold occurrence. Our attempt to get a correction factor for the drill failed. With the small amount of raw data it was not possible to define any loss (or gain) trends.

Interpretation

When one considers the reliability of this drilling program it is important to examine the geology, the experience in the field and the ground conditions. The variable ground conditions made it impossible to gauge the recovery of the drill. At times, water was present in the hole while at other times, the ground appeared frozen. The author feels that the drillers were never really sure of the conditions they were drilling. The fine fraction was always either completely lost or would collect in the drill system only to be flushed out at irregular intervals.

The geology obtained from the drill cuttings also puts doubt on the value of the results. The sections studied and the observations taken at the drill indicate that there are no gravels below 18 feet. Below this depth there is only decomposed bedrock most of which is of little economic interest. With this in mind, one must only look at holes 75-2, 75-5, 75-19, 75-20, 75-22, 75-27 and especially 75-31. All these holes show gold values below this critical depth. Possible reasons for this is a 'smearing' effect down hole from the gold bearing gravels, or contamination due to partial plugging and subsequent opening of the drill system. Field observations would tend to indicate that the latter explanation may be correct.

CONCLUSIONS

At the outset of the winter drilling program, it was planned to test Discovery, Great Bear

and Claymore Creeks. Due to uncontrollable delays work was limited to only 32 holes on Discovery Creek. The reverse circulation rotary drill did not perform as was expected. In addition to the sporadic gold values a continual series of mechanical failures plagued the program. Although gold values cannot be used to aid future programs, some important information was produced. The lack of permafrost near the creek due to moving ground water opens further avenues of exploration. The large volumes of flowing water in the gravels (which is not apparent in the summer period) is important for production considerations. The gold values indicated by drilling do indicate a wider distribution along Discovery Creek than the limited area tested in the summer program. The limited geological information shows a substantial thickness of muck overlaying much of the gravels, which is similar to the Klondike. The large thickness of decomposed bedrock is also of interest. Apparently, the Klondike also had rotten bedrock below the gravels. Up to six feet was removed by hand and was often the richest gold zone. All this information must be used when future exploration and/or production plans are formulated.

RECOMMENDATIONS

The placer gold prospect of the Gold Range area is very real and shows great promise. As yet, they are essentially untouched and it is now necessary to develop a viable means of exploration. The experience of this program shows that drilling surficial gravels is at best a questionable exploration method. The best way to explore then seems to be by bulk sampling. The following recommendations are put forward for use in future planning:

1. Examine some active placer operations in permafrost areas and attempt to formulate a better tool for exploration. Bulk sampling in permafrost is extremely difficult, but has and is being done.
2. Many people have mentioned the Churn Drill. It appears that if any drill is used it needs to be calibrated against bulk sampling procedures

2.Continued....

or actual production. Resource Associates of Alaska have done such work with a Becker Drill and a Churn Drill.

3. The area has great potential but could be a losing proposition if the exploration and subsequent production is not carried out in a complete, well-planned manner. Obvious problems are the isolated conditions, short working season, unpredictable permafrost, environmental problems and limited water.



G.A. Keevil, B.Sc.

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SCHEDULE OF EMPLOYEES

<u>Name and Address</u>	<u>Period of Employment & Position</u>	<u>Salary</u>
Flanagan, David E.J. 10947 - 86 Avenue Edmonton, Alberta	October 1st to December 18th, 1975 Assistant-Geologist	\$700/month
Keevil, Gordon A. 10920 - 53 Avenue Apt. #4 Edmonton, Alberta	October 20th to December 18th, 1975 Party Chief	\$1000/month
Percy, John 945 - Tuxedo Drive Port Moody, B.C.	October 24th to December 19th, 1975 Cook	\$650/month

STATEMENT OF QUALIFICATIONS

I, Gordon A. Keevil, of the City of Edmonton, in the Province of Alberta hereby declare -

1. That I graduated in 1975 from Queen's University, Kingston, Ontario with a degree, Bachelor of Science (Honours).
2. I have worked in mineral exploration in various capacities and positions since 1968, predominantly as a summer employee. Since October, 1975 I have been employed as a geologist with Claymore Resources Ltd.
3. This report is based on personal knowledge of the property. I was responsible for the direction of the drilling program on the placer leases of Discovery Creek.

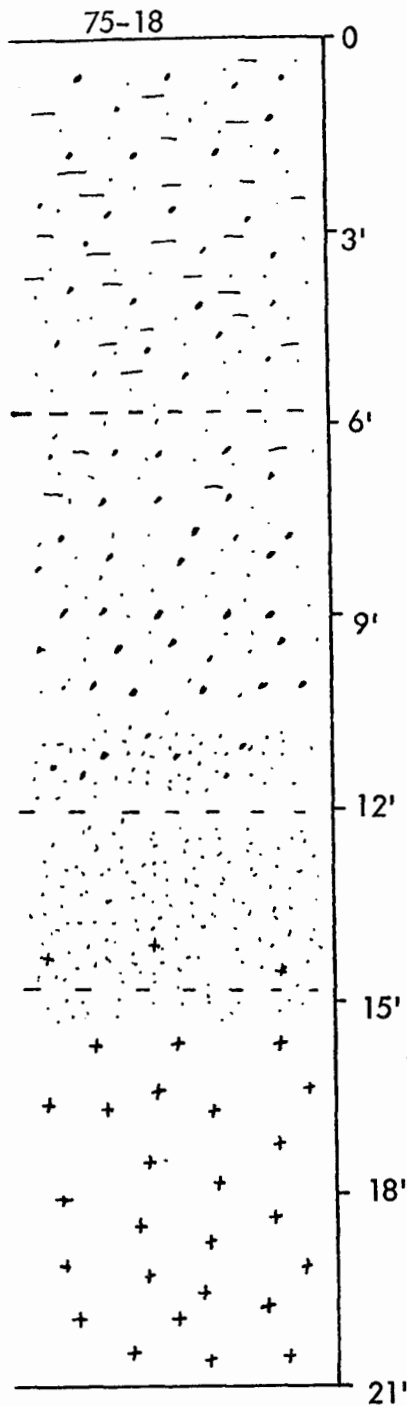
Dated at Edmonton, Alberta this 15th day of March, 1976.



Gordon A. Keevil, B.Sc.

APPENDIX I
STRATIGRAPHIC SECTIONS

Vertical Scale: 1" = 3 Feet



Gravel with 50% clay, frozen; grains irregular up to 0.75", sub-round. Pred. qtz-feld. with some Granodioritic grains. Clay is dark brown, very fine biot-musc; red tinge indicates some hematite/Fe-oxide.

~60% clay, grains $\leq 0.25''$, qtz-feld, biot., musc.; sub-round, surficial weathering and oxidation.

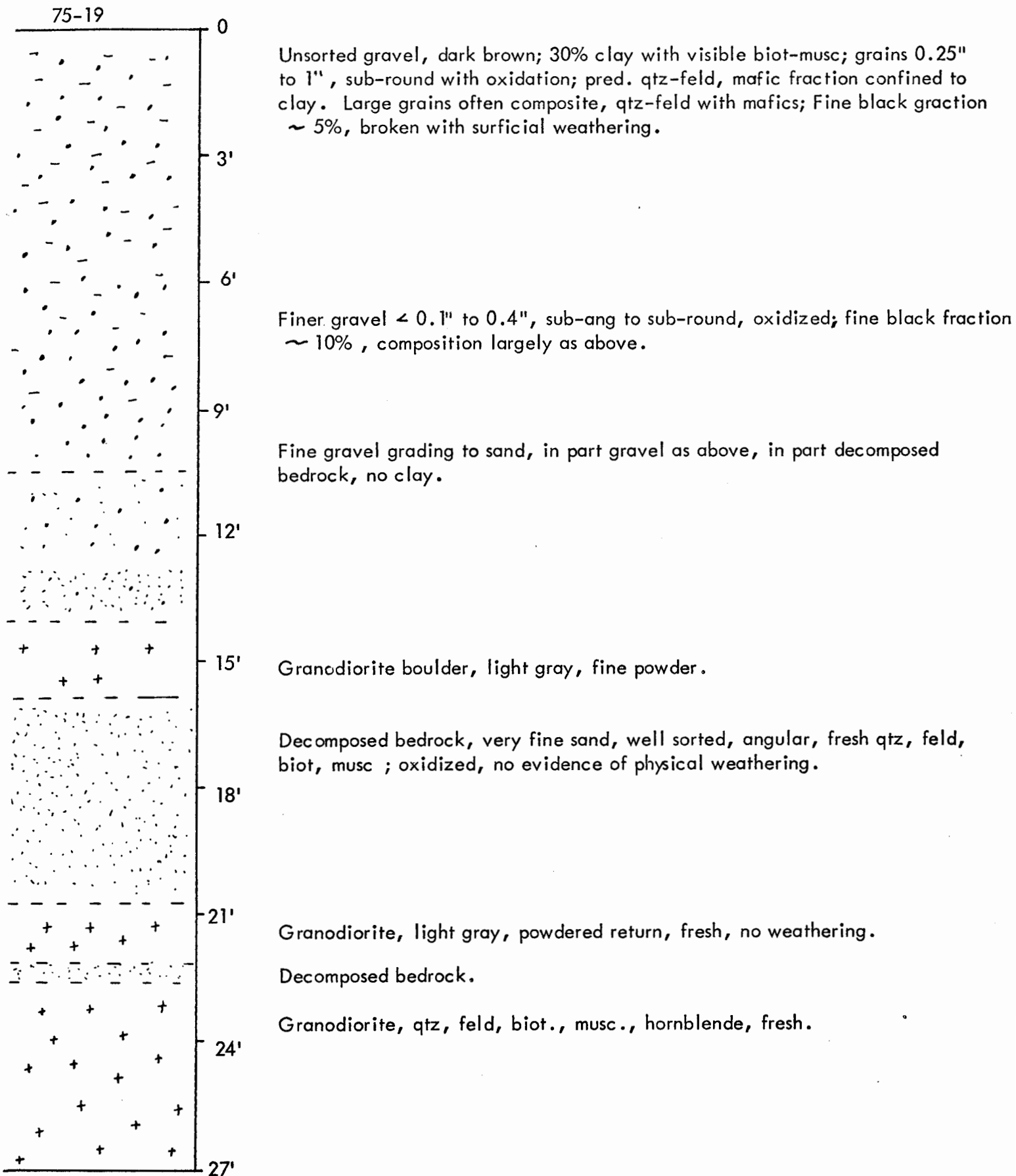
Gravel, $\leq 30\%$ clay; grain size $\leq 0.25''$ to 0.75", sub-round - sub-angular; larger grains Granodioritic; ~8% fine black sand; poor sorting.

Gravel, finer grain size 0.5" to $\leq 0.1''$, sub-round, oxidized; ~10% fine black sand; larger grains Granodioritic; mod. sorting.

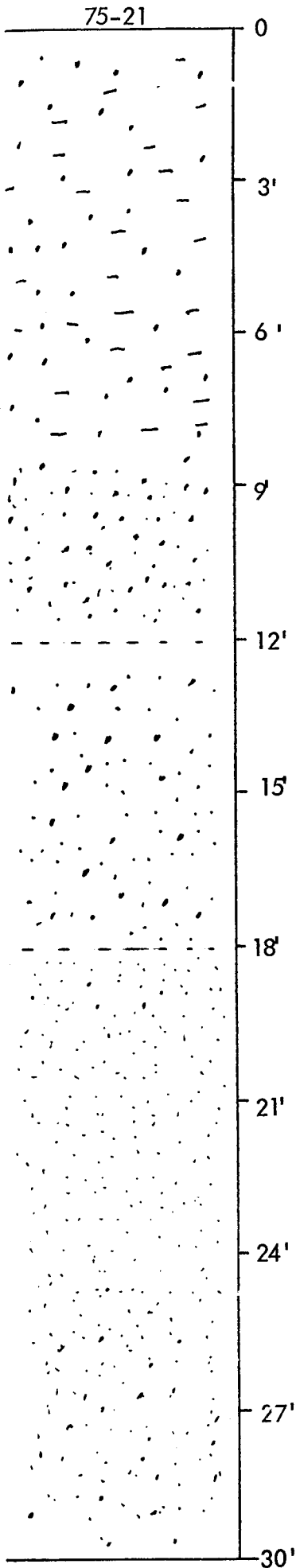
Fine sand, no clay, med-brown; well sorted $\leq 0.1''$; sub-ang. to ang; oxidized; qtz, feld, biot, musc, fresh, no physical weathering. Decomposed bedrock.

Granodiorite, light gray, returns are powdered; angular, no oxidation, fresh grains, qtz, feldspar, biotite, hornblende, muscouite.

Vertical Scale: 1" = 3 Feet



CLAYMORE RESOURCES; R.D.H.: 75-21, Stratigraphic Section
Vertical Scale: 1" = 3Feet



Humic, organic material; ~50% brown clay, agglomerating and coating grains. Grains show irregular size, sub-ang to sub-round, physically weathered

Dark brown, 50% mud, grain up to 0.5", sub-ang, qtz, feldspar, some Andesite or basic volcanics.

Dark gray, 80% clay, purple-green tinge indicates a hematite-chlorite rich clay, possibly basic in origin; Grains sub-angular, irregular size.

Dark brown, 40% clay, fine grain size, $< 0.25''$, some oxidation; larger grains show granodiorite composition; qtz, feldspar, biot, musc. with some hornblende

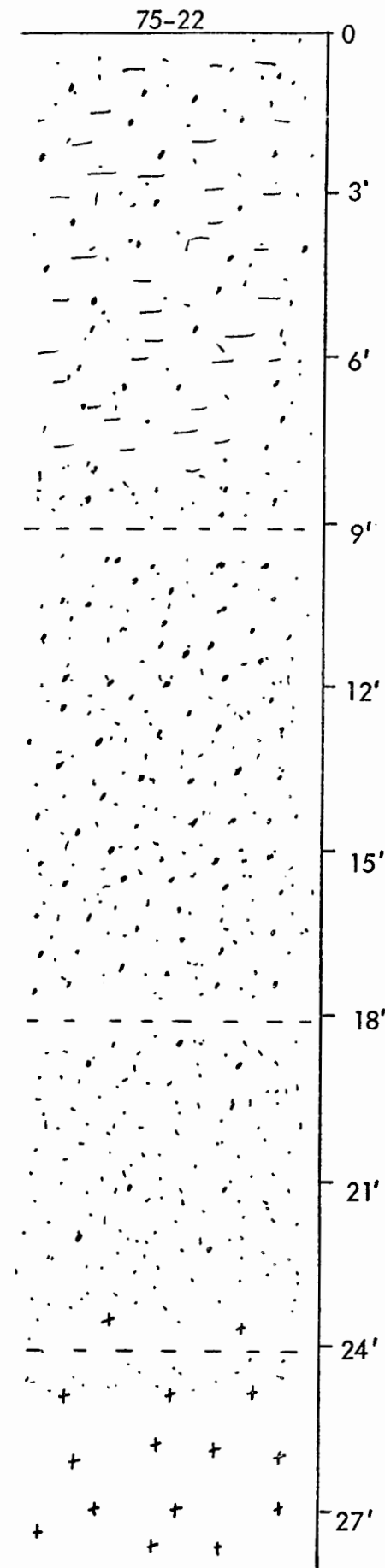
Irregular sand, $< 0.25''$ to 0.5", sub-rd. to sub-ang., clay fraction $< 10\%$; qtz-feld pitted, micas fine broken, ~10% fine black sand.

Fine sand $< 0.1'' - 0.25''$; sub-round, pitted, qtz-feld; micas fine broken, some sign of alteration; ~8% black sand.

Fine sand, $< 0.1''$, well sorted, angular; qtz, feldspar (pred. plag.), biot, hornblende, musc visible; generally oxidized, chemically weathered. Residual bedrock.

Fine sand, 15% clay, grain irregular, ang. to sub-round; biotite broken frosted, abnormally large, possibly contaminated. Underlying features similar to 18' to 24'.

Vertical Scale: 1" = 3feet



Dk. Bn., ~50-75% clay, wet; grains ~0.25", qtz, feldspar, irregular texture. Difficult to examine due to nature of sample.

Pred clay with grains qtz-feld. sub-angular, often coated with clay.

Increase to 40% gravel, 0.25" to 0.5", irregular texture, physically weathered. Composition qtz, feldspar, in part Granodioritic.

Gravel, ~20% clay; grains 0.5" to < 0.25", sub-ang to sub-round, larger grains composite - Granodiorite; ~8% fine black sand.

Med-brown gravel; sub-round - sub-ang, < 0.1" to 1"; ~10% clay; qtz, feld, biot., musc. all physically weathered; larger grains Granodiorite in composition; qtz-feld form ~70% of material.

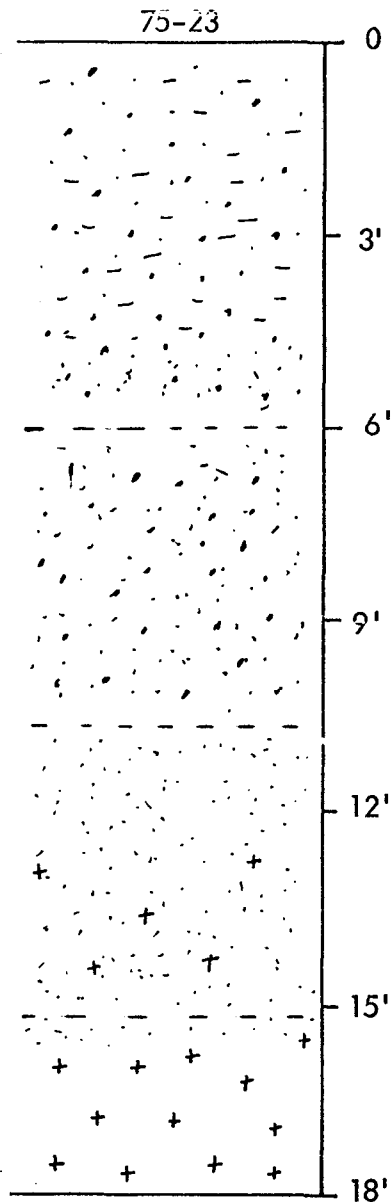
Decomposed bedrock, fine sand << 0.1"; < 2% larger grains of remnant Granodiorite, generally well sorted, angular, rel. fresh mine do show oxidation.

Granodiorite, light-gray, returned as a fine powder; looks very similar to the Decomposed bedrock, but it is not oxidized

fine biot-hnbde with coarser qtz, feldspar (pred. plag.)

R.D.H.: 75-23 Stratigraphic Section

Vertical Scale: 1" = 3 feet



Red-brown, 60% clay, very wet; hematite rich with biot., muscovite; grains ~0.25" - 0.5", sub-angular, qtz-feld visible largely coated with clay; Fe-oxide stain.

Gravel, ~30% clay, irregular grain size, sub-round to sub-ang; qtz-feld coarse fraction mafics comprise fine fraction; physical weathering produces a broken texture; ~10% fine black fraction.

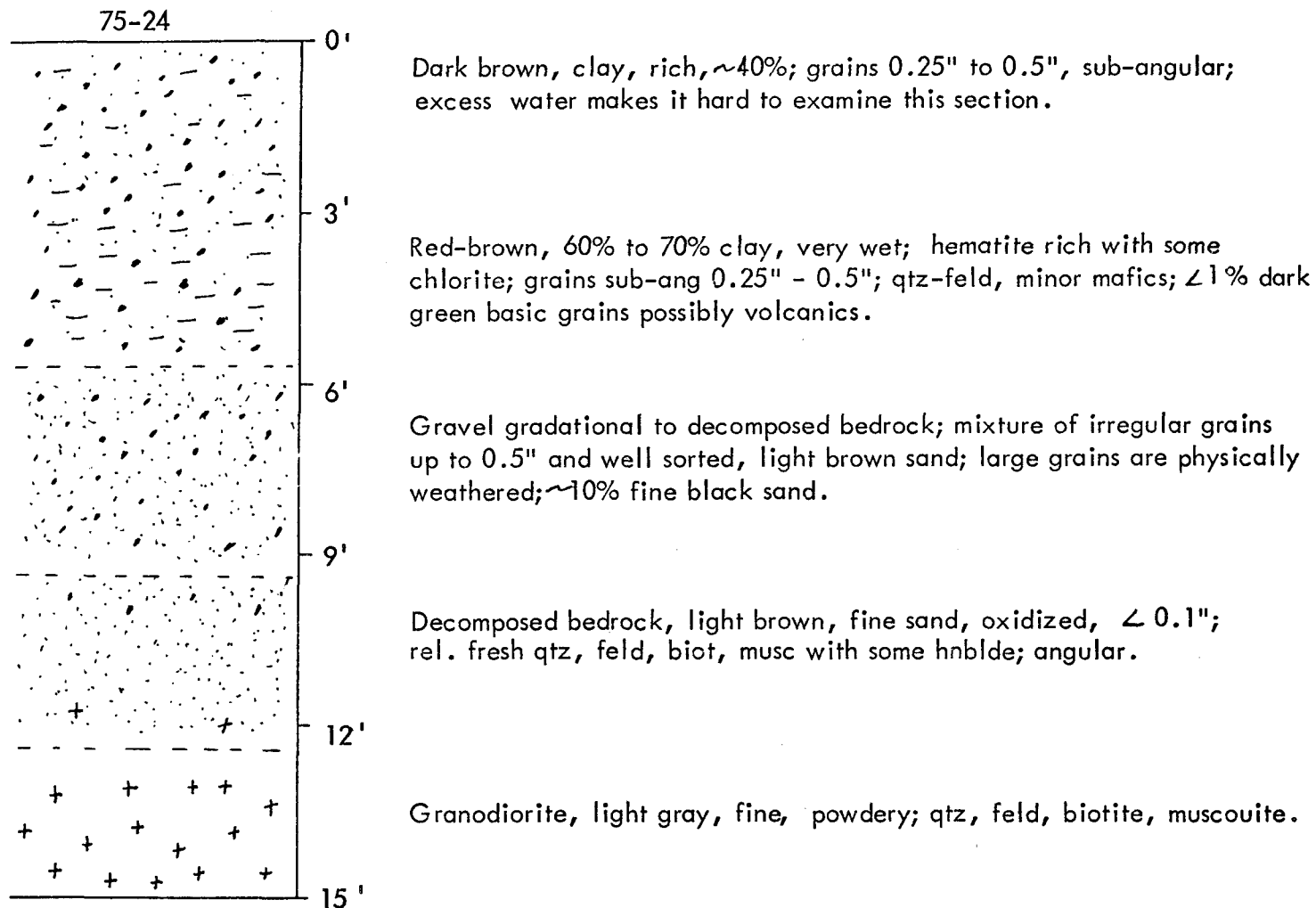
Irregular section, poss. gradational from gravel to decomposed bed rock, shows char. of 6' -9' but also a fraction of fine sand which is qtz, feld, musc. biot, rel. fresh, angular.

Boulders with decomposed bedrock. Latter is a fine sand, rel. well sorted, angular, fresh qtz, feldspars, musc., biotite, some chemical weathering especially oxidation.

Granodiorite, light gray, returns are very fine, powder; visible qtz, feldspar, biotite, muscovite, no sign of alteration.

R.D.H.: 75-24 Stratigraphic Section

Vertical Scale 1" = 3 feet



APPENDIX II
DRILL CONTRACT



BIG INDIAN DRILLING
DIVISION OF KENTING PETROLIA DRILLING LTD.

HEAD OFFICE: 370, 700 SIXTH AVENUE SW • CALGARY, ALBERTA, T2P 0T6 • TELEPHONE (403) 263 2900 • TELEX 038 24542
FIELD OFFICE: 4636, FIRST STREET S.E. • CALGARY, ALBERTA, T2G 2L3 • TELEPHONE (403) 287-1460 • TELEX 038 22784

October 17, 1975

Claymore Resources Ltd.
1502, 11111 - 87 Avenue
Edmonton, Alberta

Attention: Mr. J. A. Greig

Re: Drilling Program - Beaver Creek

Dear Sir:

We have enclosed three copies of the Drilling Contract with the following changes as discussed this date:

1. We feel very strongly that cat support is essential to the move in, and indeed the move out and feel we must insist on it.
2. The drill unit - a Foremost 8T will have a winch.
3. Big Indian Drilling will purchase the drilling bits, casing and other expendables and will invoice Claymore in accordance with contract. At the termination of the contract credit will be issued for remaining supplies upon acceptance by suppliers.
4. If rental equipment fails in the field and the owner acknowledges responsibility by reducing or removing rental charges we will pass this savings on to Claymore.
5. Minimum program has been clarified in Item 11.
6. Item 4 Page 2 also Item 2.4 Page 1 of General Conditions has been changed to 14 days from 30 days and details of terms of payment outlined in item 12.
7. Item 5 - 42 regarding brokerage costs has been added.
8. Contract escalation provision, Item 12 has been added.

Thank you for your consideration of the foregoing, we would appreciate if you would initial the changes and return one contract copy for our files.

Yours very truly,
BIG INDIAN DRILLING DIVISION

R. E. Wilderman

REW/acs

MASTER DRILLING CONTRACT

31
1975

THIS AGREEMENT made and entered into by and between:

CLAYMORE RESOURCES LTD.
1502 - 11111 - 87th Avenue
EDMONTON, Alberta

(hereinafter called the Owner)

OF THE FIRST PART

- and -

BIG INDIAN DRILLING.
(Division of Kenting Petrolia Drilling)

(hereinafter called the Contractor)

OF THE SECOND PART

WITNESSETH: THAT,

WHEREAS the Owner is entitled to enter upon certain properties for the purpose of conducting a search for mines and minerals and is desirous of conducting drilling operations on such properties;

WHEREAS the Contractor desires to undertake such drilling operations.

NOW, THEREFORE, the parties hereto, each in consideration of the promises and agreements of the other, mutually agree as follows:

1. WORK TO BE DONE, LOCATION, COMMENCEMENT DATE, AND EXTENT OF DRILLING:

1.1 The Contractor agrees to perform drilling operations at the locations, commencing on the date, to the extent and in accordance with all the provisions hereof and the other conditions and specifications set forth in Exhibit A attached hereto and made a part hereof (hereinafter referred to as the "Specifications and Conditions").

2. LABOR, EQUIPMENT, MATERIALS, SUPPLIES, AND SERVICES:

2.1 The Contractor shall furnish and use the equipment described in the Specifications and Conditions or equivalent equipment.

2.2 All labor, equipment, material, supplies and services necessary to the proper operation or maintenance of the drilling rig as provided in Section 4 of the Specifications and Conditions shall be furnished by the Contractor. Additional material, equipment, special tools, supplies and services necessary or proper to the drilling and completion of the drill holes shall be furnished at the drill site by the party designated in Section 5 of the Specifications and Conditions. Should tools, materials, apparatus or services, other than those set forth herein or designated in Sections 4 and 5 of the Specifications and Conditions be necessary to the drilling or completion of the drill hole, then the cost of such tools, materials, apparatus or services shall be for the account of the Owner.

2.3 The Owner shall stake the drilling locations and shall furnish such labor, equipment, material, supplies and services as are specifically set out in Section 5 of the Specifications and Conditions.

2.4 Should the Contractor purchase for the Owner at the Owner's request any material, supplies, or equipment which the Owner is obligated to furnish under the terms of this agreement, the Owner agrees to pay the Contractor within Thirty (30) days after date of receipt of the Contractor's invoice the actual cost of such materials, supplies, or equipment, plus a handling fee charge of fifteen Percent (15%). The Contractor agrees to furnish the Owner copies of suppliers', vendors' or third party invoices covering such materials, supplies, or equipment.

3. FOOTAGE RATE, MOVING RATE, DAY WORK RATE, STAND-BY RATE, BASIS OF DETERMINING AMOUNTS PAYABLE TO THE CONTRACTOR:

3.1 Subject to all of the other provisions hereof, the owner agrees to pay the Contractor for the work performed, services rendered, and the materials, equipment and supplies furnished by the Contractor, the various sums specified in Section 9 of the Specifications and Conditions and in addition to such specified payments the owner shall pay to the Contractor all other applicable amounts provided for in Schedule "A" hereto.

3.2 The term "day work" as used in this agreement refers to all work performed pursuant to the terms of this agreement for which payment is not made on a footage basis, a standby time basis, or a moving time basis.

Unless otherwise provided herein or in the Specifications and Conditions, the said term shall include coring, reaming of cored hole, or similar operations, controlled drilling, waiting on equipment or services to be supplied by the Owner and all other work performed on order of the Owner and until the Owner releases the Contractor's rig.

3.3 In determining the amount of day work time for which the Contractor is to be compensated, it is agreed that such day work time shall begin when the Contractor, at the request of the Owner, suspends normal drilling operations being conducted on a footage basis, and shall include the time required to restore the hole to the same drilling conditions which existed when operations on a footage basis were suspended.

3.4 The term "stand-by time" means the period of time when the Contractor's rig is shut down while waiting, on orders of the Owner, materials, services and other items which the Owner is obliged to furnish under this agreement.

3.5 The term "footage basis" as used in this agreement, refers to compensation to which the Contractor is entitled for each lineal foot of drilling all as set forth in the Specifications and Conditions.

3.6 The term "moving time" means the interval during which the Contractor is moving his equipment between drill sites and includes the time involved in tearing down, dismantling, site preparation and setting up. The moving time period shall be deemed to commence on the final shut down of the rigs prior to tearing down and end on the commencement of actual drilling after setting up.

4. PAYMENT

4.1 Subject to the provisions of Sections 12.2 and 11.3 herein, the Owner agrees to make all payments required to be made to the Contractor under this agreement within Thirty (30) days of the date of invoices submitted by the Contractor to the Owner. In the event that payment is not made within the said period then the unpaid amount thereof (unless otherwise in bona fide dispute) shall, at the option of the Contractor, bear interest until paid at a rate equal to One per cent (1%) per month on the invoice amount monthly until such payment is made.

5. STOPPAGE OF WORK AND ABANDONMENT OF PROGRAM

5.1 The Owner shall have the right to direct the stoppage of work at any time during operations and the Owner shall have the further right to require holes being drilled to be completed or abandoned at any depth or in any stratum within the contract depth. Immediately upon receipt of instructions from the Owner, the Contractor agrees to discontinue the drilling of the hole and to abandon or complete same as the Owner may direct. In the event of such stoppage of work then the Contractor shall be compensated in accordance with the applicable provisions of Section 9 (e) of the Specifications and Conditions.

5.2 The Contractor shall have the right to cease operations in the event of default by the Owner in making any payment provided for herein or in default by the Owner of any obligation required to be performed by the Owner, and the Contractor shall be under no obligation to resume operations until such default is remedied. The Owner shall, during such period of default, pay to the Contractor the applicable stand-by rate specified in Section 9 (g) of the Specifications and Conditions. The Contractor shall, in the event of such default, have the further right to terminate this Contract by notice in writing, and in the event of such termination the Contractor shall be entitled to all monies then due by the Owner pursuant to the terms of this agreement including any demobilization fee payable.

5.3 In the event that the drilling operations contemplated by this agreement are abandoned completely, or to an extent that in the opinion of the Owner it is uneconomical for it to proceed, or for any other reason (except by reason of default of the Contractor) then the Owner shall pay to the Contractor all payments required to be paid to the Contractor as in this agreement provided including demobilization fee, together with a further sum as set out in Section 11 of the Specifications and Conditions.

6. DRILLING METHODS AND PRACTICES:

6.1 The Contractor agrees to perform all work to be conducted by it under the terms of this Agreement and in the Specifications and Conditions with due diligence and care in a good workmanlike manner and in accordance with good drilling practices.

7. CORING:

7.1 The Contractor agrees to take cores as set out in Section 7 of the Specifications and Conditions. All coring shall be paid for at the applicable day work rate unless otherwise specified in Section 9 of the Specifications and Conditions.

8. CUTTINGS:

8.1 The Contractor shall identify the cuttings by furnishing the Owner with advice as to the date of obtaining same, the hole and depth that the cuttings were acquired. The Contractor shall also if requested retain the cuttings and shall endeavour to keep such cuttings free from contamination. The Owner shall furnish the Contractor with separate containers for the storage of cuttings, and the Contractor accordingly shall make such cuttings and corings available to a representative of the Owner at the drilling location.

9. REPORTS TO BE FURNISHED BY THE CONTRACTOR:

9.1 The Contractor shall keep and furnish to the Owner a daily drilling report showing the depth of the hole, and such other data as may be required by the Owner. Drilling report forms shall be as furnished or specified by the Owner. In the absence of specifications by the Owner the Contractor's report form shall be used. The results stated and the conclusions drawn in all reports furnished by the Contractor shall represent the best opinion and judgement of the Contractor. Any action which the Owner may take as a result of such reports shall be on its own responsibility and the Contractor shall not be liable or responsible for any loss, cost, damages, or expenses whatsoever, incurred by the Owner resulting therefrom.

9.2 The Contractor shall report to the Owner as soon as practicable all accidents or occurrences resulting in injuries to third parties, or damage to property of third parties, arising out of or during the course of operations of the Contractor or of any subcontractors of the Contractor, and, when requested, shall furnish the Owner with a copy of all reports made by the Contractor to the Contractor's insurer or to others of such accidents and occurrences.

9.3 Delivery tickets covering any materials or supplies furnished by the Owner or furnished by vendors for which the Owner is obligated to reimburse the Contractor, shall be turned in as received with the daily drilling report. The quantity, description, and condition of materials and supplies so furnished shall be verified and checked by the Contractor, and such delivery tickets shall be properly certified as to receipt by the Contractor's representative.

10. INSURANCE AND INDEMNITY:

10.1 The Contractor shall, at its sole expense, maintain in effect at all times during the performance of its obligations hereunder, insurance coverages as set forth in Section 13 of the Specifications and Conditions. All such insurance shall be carried in a company or companies acceptable to the Owner and shall not be cancelled, altered, or amended without twenty (20) days prior written notice having been first furnished the Owner. The Contractor agrees that if requested by the Owner it will cause its insurance carrier to furnish the Owner with a certificate or certificates evidencing insurance coverage in accordance with the above requirements.

10.2 The Contractor agrees to indemnify the Owner for loss arising out of claims against the Owner by reason of damage to or loss of property or for injury to or death of any person or persons caused by the negligence of willful misconduct of the Contractor, its agents or employees in the performance of the undertaking herein. It is understood and agreed that the amount payable by way of indemnity in respect of any such claims shall be limited to the limits of insurance provided by the Contractor as set forth in Section 13 of the Specifications and Conditions hereof. Except as provided in Section 20 hereof the within indemnity constitutes the entire indemnity of the Contractor to the Owner for any and all matters arising out of this Agreement.

10.2 The Owner agrees to indemnify the Contractor from loss arising out of claims against the Contractor by reason of damage to or loss of property or for injury to or death of any person or persons caused by the negligence or wilfull misconduct of the Owner, its agents or employees, and it is understood and agreed that the within indemnity constitutes the entire indemnity of the Owner to the Contractor for any and all matters arising out of this Agreement.

11. PATENTS AND LICENSES:

11.1 In addition to the indemnifying provisions contained in paragraph 10 hereof, the Contractor represents and warrants that the use or construction of any and all tools and equipment furnished by the Contractor and used in the work provided for herein does not infringe on any license or patent which has been issued or applied for, and the Contractor agrees to indemnify and hold the Owner harmless from any and all claims, demands, and causes of action of every kind and character in favor of or made by any patentee, licensee, or claimant of any right or priority to any such tool or equipment, or the use or construction thereof, which may result from or arise out of the furnishing or use of any such tool or equipment by the Contractor in connection with the work under this Agreement.

12. TAXES AND CLAIMS:

12.1 The Contractor agrees to pay all taxes, licenses, and fees levied or assessed on the Contractor in connection with or incident to the performance of this contract by any governmental agency for unemployment compensation insurance, old age benefits, social security, or any other taxes upon the wages of the Contractor, its agents, employees, and representatives. The Contractor agrees to require the same agreements and be liable for any breach of such agreements by any of its subcontractors.

12.2 The Contractor agrees to reimburse the Owner on demand for all such taxes or governmental charges which the Owner may be required or deem necessary to pay on account of employees of the Contractor or its subcontractors. The Contractor agrees to furnish the Owner with the information required to enable it to make the necessary reports and to pay such taxes or charges. At its election, the Owner is authorized to deduct all sums so paid for such taxes and governmental charges from such amounts as may be or become due to the Contractor hereunder.

12.3 The Contractor agrees to pay all claims for labor, material, services, and supplies furnished by the Contractor hereunder and agrees to allow no lien or charge to be fixed upon the lease, the land on which the hole is to be drilled, or other property of the Owner. The Contractor agrees to indemnify, protect, and save the Owner harmless from and against all such claims and liens. If the Contractor shall fail or refuse to pay any claims or indebtedness incurred by the Contractor in connection with the drilling of any hole or holes hereunder, it is agreed that the Owner shall have the right to pay any such claims or indebtedness out of any money due or to become due to the Contractor hereunder. No assignment or transfer by the Contractor of rights to monies due the Contractor hereunder shall have any force or effect as far as the Owner's rights are concerned until all such claims and indebtedness incurred by the Contractor shall have been completely liquidated and discharged.

13. RESPONSIBILITY FOR LOSS OF OR DAMAGE TO THE EQUIPMENT OR THE HOLE:

13.1 The Contractor's Surface Equipment: The Contractor shall be liable at all times for damage to or destruction of the Contractor's surface equipment including all drilling tools, machinery, and appliances for use above the surface, and for any other type of equipment, including in-hole equipment when such in-hole equipment is above the surface regardless of when or how such damage or destruction occurs. The Owner shall be under no liability to reimburse the Contractor for any such loss except loss or damage thereto caused by negligence or wilfull acts or omissions of the Owner or the Owner's agents, servants or employees.

13.2 The Contractor's In-Hole Equipment - Footage Basis: The Contractor shall be liable at all times while work is being performed on a footage basis for damage to or destruction of the Contractor's in-hole equipment, including drill pipe, drill collars, and tool joints. The Owner shall be under no liability to reimburse the Contractor for any such loss except loss or damage thereto caused by negligence or wilfull acts or omissions of the Owner or the Owner's agents, servants, or employees.

13.3 The Contractor's In-Hole Equipment - Day Work Basis: The Owner agrees to reimburse the Contractor for the Contractor's tools and equipment lost in the hole while the Contractor is working on day rates, unless such loss is caused by the Contractor's negligence. The basis of reimbursement shall be as specified in Section 10 of the Specifications and Conditions.

13.4 The Owner's Equipment: All machinery, tools, material, and equipment furnished by the Owner shall, at the completion or abandonment of the well, be returned to the Owner in as good condition as when received by the Contractor, ordinary wear and tear excepted. The Contractor shall not be liable to the Owner for any loss or damage to such equipment except that due to negligence of the Contractor, its agents, representatives, employees, or subcontractors.

13.5 The Hole: The Contractor shall not be responsible for damage to the hole on which the Contractor performs services nor to property of the Owner unless such damage shall be caused by or the result of the gross negligence or wilful misconduct of the Contractor, its agents or employees, this provision applying to sub-surface damage and surface damage resulting from sub-surface damage.

13.6 In the event that the hole is lost or damaged by reason of the failure of casing or equipment furnished by the Owner or by reason of the failure of a cementing job such loss shall be borne by the Owner.

13.7 Inspection of Materials Furnished by the Owner: The Contractor shall visually examine all casing, equipment, machinery, tools, or other items furnished by the Owner and if on such visual examination any defects are found therein sufficient to make the use of any such items unsuitable or unsafe, the Contractor shall immediately notify the Owner of such defect or defects and the Owner shall at once replace the items so found defective. Should the Contractor fail to make such examination or fail to report a defect in such item or items, the Contractor shall be deemed to have assumed all risks and all liability for any mishap which may occur in the drilling of said well by reason of failure or defects in such casing, equipment, machinery, tools, or other items except for failure due to latent defects.

14. INDEPENDENT CONTRACTOR RELATIONSHIP:

14.1 The Contractor shall be an independent contractor with respect to performance of all work hereunder and neither the Contractor nor anyone employed by the Contractor shall be deemed for any purpose to be the employee, agent, servant, or representative of the Owner in the performance of any work or service or any part thereof in any manner dealt with hereunder. The Owner shall have no direction or control of the Contractor or its employees and agents except in the results to be obtained. The work contemplated herein shall meet the approval of the Owner and be subject to the general right of inspection herein provided for the Owner to secure the satisfactory completion thereof.

14.2 Except in the case of day work the actual performance and superintendence of all work hereunder shall be by the Contractor, but the Owner or its representatives shall have unlimited access to the premises to determine whether work is being performed by the Contractor in accordance with all of the provisions of this contract and the Specifications and Conditions.

15. LAWS, RULES AND REGULATIONS AND THE EFFECT OF CHANGE THEREOF:

15.1 The Contractor and the Owner respectively agree to comply with all laws, rules and regulations which are now or may become applicable to operations covered by this agreement or arising out of the performance of such operations.

15.2 All additional costs incurred by the Contractor by reason of changes in governmental laws or regulations from and after the date hereof shall be borne by and be for the account of the Owner.

16. FORCE MAJEURE:

16.1 The Contractor shall not be liable to the Owner for any delays or damages or failure to act due, occasioned, or caused by reason of laws, or the rules, regulations, or orders of any public body or official purporting to exercise authority or control respecting the operations covered hereby, including the use of tools and equipment, or due, occasioned, or caused by strikes, action of the elements, forest fires or causes beyond the control of the Contractor, and delays due to the above causes, or any of them, shall not be deemed to be a breach of, or failure to perform under, this agreement.

16.2 During an event of force majeure the Owner shall pay to the Contractor the applicable stand-by rates specified in Section 9 (g) of the Specifications and Conditions provided that if the event of force majeure should continue in excess of Fifteen (15) days, then the Owner shall be entitled to terminate this contract upon payment of all sums then due to the Contractor, together with the amount of the demobilization fees.

17. RIGHTS OF CANCELLATION BY REASON OF CERTAIN EVENTS OF FORCE MAJEURE:

The Contractor reserves the right to cancel this contract should its fulfillment be rendered impossible by:

17.1 War, invasion, insurrection, riot, the order of or regulations of any civil or military authority, or by strikes, lockouts, or labour disputes, whether in or in the neighbourhood of the Contractor's plant or that of any supplier of materials necessary for the completion of the contract.

17.2 The inability to obtain essential materials and supplies due to priority restriction.

17.3 The inability to secure labour due to the restrictions or causes beyond the Contractor's control, and the Contractor shall not be liable for any loss or damage directly or indirectly suffered by the company by reason of exercise of such right of cancellation.

18. INGRESS AND EGRESS TO LOCATION:

18.1 The Owner shall secure for the Contractor rights of ingress and egress to the tract of land on which the hole is to be drilled. The Owner shall advise the Contractor of any limitations or restrictions affecting ingress and egress, and the Contractor shall abide by and shall have its employees, agents, or subcontractors abide by such limitations or restrictions. Should the Contractor be denied free access to the location or be unable to reach the location for any reason not within the control of the Contractor, time lost by such denial or inability, or by any act or omission on the part of the Owner, shall be paid for at the applicable stand-by rate specified in Section 9 (g) of the Specifications and Conditions.

19. INFORMATION CONFIDENTIAL:

19.1 All information obtained by the Contractor in the conduct of drilling operations shall be considered confidential and shall not be divulged by the Contractor or its employees to any person, firm or corporation other than the Owner's designated representatives.

20. ABNORMAL CONDITIONS:

20.1 In the event of loss of circulation, partial loss of circulation, abnormal water flow, domal formations, abnormal pressures, cavities, loose and caving materials, heaving shale, or other unconsolidated formations, faults, cave-ins, boulders, or any other condition similar to those hereinbefore referred to, is encountered which makes drilling abnormally difficult and hazardous, causes sticking of drill pipe or casing, or other similar difficulty which precludes drilling ahead under reasonably normal procedures, the Contractor shall, in all such cases, without undue delay, exert every reasonable effort to overcome such difficulty. When such condition is encountered, the Owner shall assume risk of loss or damage to the hole and to the Contractor's equipment in the hole. Provided always that the Owner shall not be liable if the loss or damage to the hole is not as a result of the aforementioned abnormal conditions. Should such condition or conditions persist in spite of the Contractor's efforts to overcome them, then after a period of eight (8) hours time consumed in such efforts, and such conditions still exist and if, solely because of such conditions, by continuous and diligent drilling Contractor fails to drill footage within twenty-four (24) hour period which, when multiplied by the agreed footage rate, does not equal or exceed the applicable day work rate, plus cost of rock bits used during said period, Owner shall compensate Contractor at the day work rate set forth in Section 9 (e) of the Specifications and Conditions and reimburse Contractor for the cost of all rock bits used. Continuous and diligent drilling shall mean only time during which the bit is actually being rotated on the bottom and the time consumed in making round trips to change bits. It shall not include shut-down time due to repairs to Contractor's equipment. The footage drilled while on day-work basis shall be deducted from the footage charge.

21. AMENDMENTS:

21.1 The within Agreement and Specifications and Conditions may only be amended by the parties hereto by mutual agreement reduced to writing and no employee, representative or agent of the Contractor shall have the right to make any such amendment without the express written consent of the Contractor first had and obtained.

22. HOLE DIRECTION AND DEPTH:

22.1 The Contractor does not guarantee the direction of the hole beyond the surface nor guarantees to drill any hole to any specified depth. The Contractor will however, expend every reasonable effort to complete all holes to the satisfaction of the Owner.

23. AUDITS:

23.1 If any payment provided for hereunder is to be made on the basis of the Contractor's costs, the Owner shall have the right to audit the Contractor's books and records relating to such costs. The Contractor agrees to maintain such books and records for a period of two (2) years from the date such costs were incurred and to make such books and records available to the Owner at any time or times within the two-year period.

24. CONFLICTS:

24.1 In the event there is a conflict between the provisions hereof and any papers or documents, other than the Specifications and Conditions hereof, which may have been executed or passed between the parties hereto in connection with the subject matter hereof, it is understood and agreed that the provisions hereof shall prevail. If there be a conflict between the provisions hereof and the Specifications and Conditions, it is understood and agreed that the provisions of the Specifications and Conditions shall prevail.

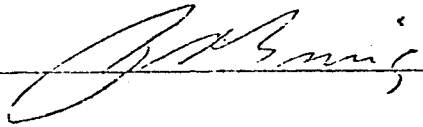
25. ASSIGNMENTS:

25.1 The Contractor agrees not to sublet or assign any of the work required hereunder, except for the work normally performed by subcontractors, and not to assign any sums that may accrue to the Contractor hereunder without written consent of the Owner.

IN WITNESS WHEREOF the parties hereto have herunto affixed their corporate seals attested by the hands of their duly authorized officers in that behalf the day of A.D. 1972.

OWNER:

CLAYMORE RESOURCES LTD.



CONTRACTOR:

BIG INDIAN DRILLING

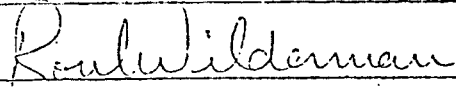


EXHIBIT "A"

BID SHEET AND SPECIFICATIONS AND CONDITIONS

..CLAYMORE..RESOURCES..LTD.....
..1502..-..11111..-..87th..Avneue..
..EDMONTON..,..Alberta.....

To: ..Big Indian Drilling.....
.....(Division of Kenting Petrolia, Drilling)

Gentlemen:

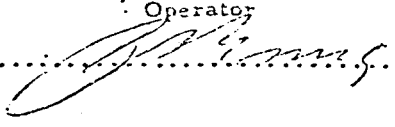
We solicit your bid to drill and complete the hereinafter designated drilling program.

This bid form has been filled in by us to the extent necessary to disclose the manner in which we desire the program to be performed. If you desire to submit a bid, please complete this instrument in every respect, execute the original and two copies, and return to our office at..... not later than a.m./p.m 19.....

Very truly yours,

..CLAYMORE..RESOURCES..LTD.....

Operator

By: .......

1. Drilling Locations:

Beaver Creek, Yukon

2. Commencement Date: The Contractor agrees to commence operations at the first location set forth above on or before APPROX. NOV. 1, 1975, or, in the event the Owner is to clear and grade the location and furnish a roadway or other ingress or egress facilities, then within days from the date of completion of the clearing and grading and construction of roadway, or such other ingress or egress facilities, whichever is latter.

- Subject to equipment availability

3. Description of Work: The work is to consist of a series of drill holes, drilled at locations specified by the Owner. Subject to any provisions in the agreement to the contrary, a total minimum program - 30 days shall be drilled but, total program may be extended by mutual consent. Maximum depth of any hole shall not exceed 50 feet, and minimum depth shall be feet (except as otherwise provided for in this agreement.) The Contractor will not be called upon to drill any holes at an angle less than N/A % from the vertical. If holes of a greater depth than feet are desired, such drilling shall be performed only on such conditions and at such rates as may be agreed upon before commencement of such drilling. Provided always that the Contractor shall be under no obligation to drill at a greater depth than specified if in the Contractor's opinion the equipment at the drilling location is not capable of such drilling.

4. Rig, Equipment and Labor to be Furnished by the Contractor:

Rig No. 37 Type Heli-Drill 500
Carrier Foremost 8T with winch Power Gasoline
Pump None Air Compressor Schramm 425/250
50 Ft. - 4 1/2" x 2 3/8" Dual Wall
1 Mission Downhole Hammer - Model 43-15

5. Additional Equipment, Material and/or Services to be Provided at the Location by the Party Designated:

KEY: O-Owner; C-Contractor; NA-Non-Applicable

* To be provided by Contractor at owner's expense (invoiced cost plus 15%)

O	1. Provision and maintenance of adequate roadway to location, right-of-way, including river crossings, highway crossings, gates and cattle guards.	*	C	18. Casing tools for casing sizes specified.
O	2. Clearing and grading location suitable for equipment employed in drilling.		O	19. Special fishing tool services and rental when on daywork.
na	3. Pits.		NA	20. Automatic drilling time recorder.
O	4. Towing services if required.		NA	21. Mud and chemicals.
NA	5. Steel mud and circulation tanks.		NA	22. Cement.
NA	6. Shale, shaker, type.	*	NA	23. Storage facilities for dry mud and chemicals.
C	7. Heating and winterization.		O	24. Electric logging and other wire line surveying services.
O	8. Heating fuel or propane.		C	25. Crew transportation to area of operations. -- to Whitehorse
O	9. Rig fuel.		C	26. Crew transportation to rig from camp.
O	10. Fuel storage at rig site.	*	O	27. Transportation and storage costs, drilling repairs and supplies.
O	11. Fuel transportation.		O	28. Sample bags, containers, sample and hole location bags.
NA	12. Water.		NA	29. Wet cyclone sampler.
O	13. Drilling bits.		C	30. Dry cyclone sampler.
NA	14. Bits, reamers, core heads and catchers when on day work.		O	31. Clean up location. Restoration Litter
NA	15. Kelly joints, subs, elevators and slips for use with special drill pipe.		C	32. Recovering pipe and/or casing. at daywork rates
NA	16. Diamond core barrel, handling tools and accessories.		O	33.
O	17. Casing, essentially as specified herein.	*		34.
				35.

NA	36. Special strings of drill pipe and collars as follows:
O	37. Communication equipment:
O	38. Mobilization from: CALGARY & Demobilization to: CALGARY at quoted rates.
NA	39. Mobilization from: & Demobilization to:
O	40. Camp; as follows:
O	41. Subsistence for drill crew (man/day) as follows:
	42.
	43.

6. Casing & Cementing Program:

Min. Hole Dia.	Casing OD In.	Proposed Setting Depth	Proposed Quantity Cement	WOC Hrs. Drill Out	Footage or Day Work
.....	6.5/8	IF Required
.....
.....

7. Proposed Coring Program:

Approx. Depth	Formation	Type Core	Size	Depth
None
.....
.....

8. Proposed Wire Line Surveys:

Type or Kind	From	To	Remarks
None
.....
.....

9. Compensation to be paid Contractor:

(a) Moving and Mobilization of drilling and other equipment, supplies and personnel from the Contractor's warehouse at Calgary to the transport or rail discharge point, or the end of improved roads, at Suag, Y.T.
 Fee \$ 7500.00 (2 man crew to Whitehorse, Y.T.)

(b) Mobilizing and moving in the drilling and other equipment, supplies and personnel from the rail discharge point or at the end of improved roads as the case may be to the initial drill site and the demobilization and moving the said drill and other equipment, supplies and personnel from the final drill site to the rail discharge point or the end of improved roads as the case may be.
 Fee \$ Daywork Rates Plus Compressor Rental

(c) Moving and demobilizing the drilling and other equipment, supplies and personnel from the railway discharge point or the end of improved roads at to the Contractor's warehouse at
 Fee \$ At Cost

(d) For work performed on a footage basis, the sum of

N/A

per foot for each linear foot of hole drilled. Such linear footage shall be determined by steel line measurement from the surface level to the total depth drilled less footage drilled while work is performed on a day work basis.

(e) For all work performed on a day work basis as defined in the contract, the Contractor shall be paid a rate for each hour as follows:

3 Man Crew - \$29.00 per hour } 10 hr/day minimum on leaving
 2 Man Crew - \$22.00 per hour } Calgary to return
 Equipment - \$43.00 per hour - 8 hr. minimum when Personnel are in area. 4

- 425 CFM - 250 PSI Compressor Mounted on FN110 Redwell with winch per day \$150.00

(f) If it becomes necessary to shut down the Contractor's rig for repairs while the Contractor is performing work on a day work basis, the Contractor shall be allowed compensation for such repairs at the appropriate work rate commensurate with the stage of operations then in effect. The number of hours for which the Contractor is to be compensated shall be limited as follows:

For any one repair job 1.5 hours

Total hours per month ... 30

Total hours in the aggregate for the drilling operations contemplated by this Agreement

(g) - Does not include normal service time of one hour per day.
For stand-by time:

(i) With crew \$ Daywork Rate per hour

(ii) With watchman only \$ See special conditions hour

(iii) While waiting on repairs for equipment while equipment is in remote areas \$ Crew Rate per hour (the insertion of the hourly rate herein shall be deemed to be an agreement between the parties hereto that the drilling locations set forth herein are in remote areas). plus \$150. per day unless it is rented equipment that has broken down.

(h) For moving time:

J 24

Daywork Rate Plus Compressor Rental

10. Compensation for Tools and Equipment Lost in Hole: (Section 13.3 of Agreement)

Field Replacement Cost

11. Fee Payable by Owner upon Cancellation by Owner pursuant to the terms of this Agreement: (Section 5.3 of the Master Drilling Contract).

1. Compensation for equipment ordered specifically for the work.

Invoiced Cost Plus 15%

12. Special Conditions:

STANDBY - \$3000.00 per month - \$100.00 per day

The minimum program of 30 days under Section 3 above shall, include days lost due to breakdowns of equipment. If there is a breakdown of equipment which would require more than 10 days to repair, the Owner may cancel this agreement subject only to liability for the costs of demobilization and moving under Section 9 (b) and (c) above.

If the equipment should prove to be unsuitable for the purpose intended, the Owner may cancel this agreement, subject only to the liability for the costs of demobilization and moving under Sections 9 (b) and (e) above plus any rental costs which the Contractor cannot avoid.

13. Insurance: (Section 10 of Master Drilling Contract)

At any and all times during the term of this Agreement the Contractor agrees to carry insurance of the types and in minimum amounts as follows:

- (a) Workmen's Compensation insurance in full compliance with all applicable Laws and Regulations;
- (b) Employer's Liability insurance in limits not less than Five Hundred Thousand Dollars (\$500,000.00) inclusive for bodily injury or property damage or any combination thereof;
- (c) Comprehensive General Liability insurance with limits not less than Five Hundred Thousand Dollars (\$500,000.00) inclusive for bodily injury or property damage or any combination thereof;
- (d) Automobile Liability insurance covering owned, non-owned, and hired automotive equipment with limits not less than Five Hundred Thousand Dollars (\$500,000.00) inclusive for bodily injury or property damage or any combination thereof.

14. Designated Representatives:

Owner

(Name)

(Address)

(Day Telephone Number)

(Night Telephone Number)

Contractor

C. Jensen

(Name)

4636 - 1st St. S.E. Calgary

(Address)

287-1460 (24 hr. Service)

(Day Telephone Number)

(Night Telephone Number)

In response to the above request, our bid for the drilling of the well hereinabove described is submitted as set forth above.

Date: _____

BIG INDIAN DRILLING

DIVISION OF KENTING PETROLIA DRILLING

(Contractor)

By: Ron Wildeman

APPENDIX III
ANALYTICAL PROCEDURES

LORING LABORATORIES LTD.

629 Beaverdam Road, N.E.

Calgary, Alberta

Phone - 274-2777

ANALYSIS OF GOLD IN SANDS BY "AMALGAMATION"

- 250 to 500 grams of sand sample are dried and weighed into tumbling bottles.
- 1/2 teaspoon of mercury is added, also water and sodium hydroxide.
- Bottles are capped tightly and placed on tumbler for two hours.
- The contents of bottles are poured into gold pan and mercury collected - the mercury is dried, placed in distillation bottles and mercury is recovered, leaving the gold in the base container.
- The gold flakes are then wrapped in lead-foil with silver inquarts and cupelled, parted and gold weighed in milligrams.
- The tailings in the gold pan are dried, crushed and pulverized to 100% minus 100 mesh and assayed for gold by regular fire assay procedures using 1/2 assay ton sample weights.
- Total gold in oz/ton are then calculated.

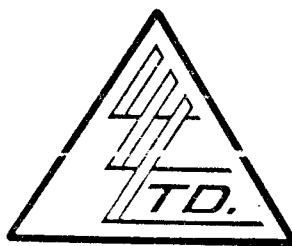
ANALYSIS OF GOLD BY REGULAR FIRE ASSAY

- To determine whether the sand does contain gold, the sand is dried, crushed and pulverized to 100% minus 100 mesh. If free gold is noticed on the screen, the metallic gold is placed in lead-foil containing silver inquarts and cupelled, parted and weighed.
- The minus 100 mesh material is cut into two duplicate pulps and assayed by the regular fire assay using 1/2 assay ton increments.
- The gold content is then calculated from the results of the free metallic gold plus the average of the gold content in the two assay pulps.

APPENDIX IV
ANALYTICAL RESULTS and TABLES OF VALUES

To: CLAYMORE RESOURCES LTD.,
 #1502, 11111-87th Ave.,
 Edmonton, Alberta.

File No. 10807
 Date December 10, 1975
 Samples Sand



Certificate of
 ASSAY OF

LORING LABORATORIES LTD.

PAGE # 1

SAMPLE No.	OZ./TON GOLD	DRY WEIGHT GRAMS
<u>HOLE #75-4</u>		
0- 3 A	.010	543
0- 3 B	.010	-
3- 5 A	.010	1253
3- 5 B	.010	-
9-12 A	.015	2256
9-12 B	.015	-
12-15 A	.010	2096
12-15 B	.010	-
15-18 A	.005	1928
15-18 B	.005	-
18-21 A	.005	1942
18-21 B	.005	-
21-24 A	.005	1831
21-24 B	.005	-
24-27 A	.010	2276
24-27 B	.010	-
<u>HOLE # 75-5</u>		
0- 3 A	.005	1202
0- 3 B	.005	-
<p>I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES</p>		

Rejects Retained one month.

Pulps Retained one month
 unless specific arrangements
 made in advance.

Edmondson

Licensed Assayer of British Columbia

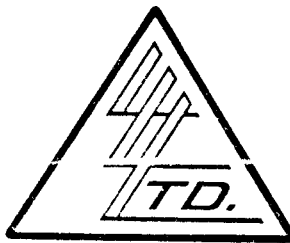
To: GLAYMORE RESOURCES LTD.,
 #1502, 11111-87th Ave.,
 Edmonton, Alta.

File No. 10807

Date December 10, 1975

Samples Sand

ATTN: Mr. A. Rich



Certificate of
 ASSAY of
 LORING LABORATORIES LTD.

PAGE # 2

SAMPLE No.	OZ./TON GOLD	DRY WEIGHT GRAMS
<u>HOLE # 75-5 con't.</u>		
3- 6 A	Trace	2209
3- 6 B	Trace	-
6- 9 A	Trace	2332
6- 9 B	Trace	-
9-12 A	.005	1957
9-12 B	.005	-
12-15 A	.005	1848
12-15 B	.005	-
15-18 A	Trace	1997
15-18 B	Trace	-
18-21 A	Trace	1791
18-21 B	Trace	-
21-24 A	Trace	2140
21-24 B	Trace	-
24-27 A	Trace	1948
24-27 B	Trace	-
27-30 A	Trace	1968
27-30 B	Trace	-
30-33 A	Trace	2896
30-33 B	Trace	-

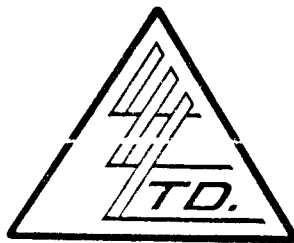
I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE
 ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES

Rejects Retained one month.

Pulps Retained one month
 unless specific arrangements
 made in advance.

A. M. Isaac
 Licensed Assayer of British Columbia

To: CLAYMORE RESOURCES LTD.,
 #1502, 11111-87th Ave.,
 Edmonton, Alta.



File No. 10807
 Date December 10, 1975
 Samples Sand

ATTN: Mr. A. Rich

Certificate of
 ASSAY of
 LORING LABORATORIES LTD.

PAGE # 3

SAMPLE No.	OZ./TON GOLD	DRY WEIGHT GRAMS
<u>HOLE # 75-5 con't.</u>		
33-36 A	Trace	2404
33-36 B	Trace	-
36-39 A	Trace	2905
36-39 B	Trace	-
39-42 A	.005	1864
39-42 B	.005	-
42-45 A	.005	2065
42-45 B	.005	-
45-48 A	Trace	1205
45-48 B	Trace	-
<p>I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES</p>		

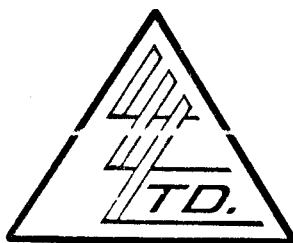
Rejects Retained one month.
 Pulps Retained one month
 unless specific arrangements
 made in advance.

Edm. J. Mac

Licensed Assayer of British Columbia

To: CLAYMORE RESOURCES LTD.,
 #4502, 11111 87th Ave.,
 Edmonton, Alta.
 T6G 0X9
 ATTN: Mr. A. Rich

File No. 11013
 Date February 2, 1976
 Samples Sand



Certificate of
ASSAY OF
LORING LABORATORIES LTD.

SAMPLE No.	Mgs GOLD in AMALGOM	Mgs GOLD in TAILINGS	OZ./TON GOLD
<u>HOLE # 13-75</u>			
0- 3	Trace	Trace	Trace
3- 6	Trace	Trace	Trace
6- 9	.070	Trace	.008
9-12	.005	Trace	Trace
12-15	.730	.020	.105
15-18	.010	Trace	.001
<u>HOLE # 14-75</u>			
0- 3	Trace	.010	.010
3- 6	.010	.010	.011
6- 9	.700	.020	.102
9-12	.010	Trace	.001
12-15	.020	Trace	.002
15-18	.010	Trace	.001
<u>HOLE # 15-75</u>			
0- 3	.020	Trace	.002
3- 6	.070	Trace	.008
6- 9	.010	Trace	.001
9-12	.040	Trace	.005
12-15	Trace	Trace	Trace
15-18	.180	.010	.031
<p>I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES</p>			

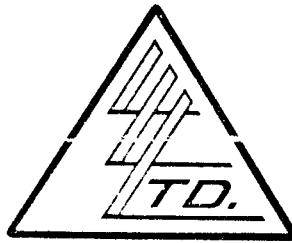
Rejects Retained one month.
Pulps Retained one month
unless specific arrangements
made in advance.

E. L. M. Isaac

Licensed Assayer of British Columbia

To: CLANTON RESOURCES LTD.,
 # 1502 11111 87th Avenue,
 EDMONTON, Alberta

Attn: Mr. A. Rich



File No. 10924
 Date January 13, 1976
 Samples Sand

Certificate of
 ASSAY of
LORING LABORATORIES LTD.

Page #1

SAMPLE No.	Mgs GOLD in AMALGAM	Mgs GOLD in TAILINGS	OZ./TON GOLD
<u>HOLE # 18-75</u>			
0-3	.010	Trace	.001
3-6	.005	Trace	Trace
6-9	.005	Trace	Trace
9-12	.055	.010	.016
12-15	.005	Trace	Trace
15-18	Trace	Trace	Trace
18-21	.005	Trace	Trace
<u>HOLE # 19-75</u>			
0-3	Trace	Trace	Trace
3-6	.005	.010	.010
6-9	Trace	Trace	Trace
9-12	.005	Trace	Trace
12-15	Trace	Trace	Trace
15-18	.005	Trace	Trace
18-21	.010	Trace	.001
21-24	.010	Trace	.001
24-27	.005	Trace	Trace
<p>I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES</p>			

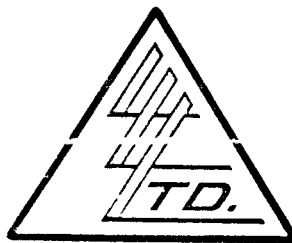
Rejects Retained one month.

Pulps Retained one month
 unless specific arrangements
 made in advance.

Edna Mac
 Licensed Assayer of British Columbia

To: CLAYMORE RESOURCES LTD.,
 1502 1111 87th Avenue,
 EDMONTON, Alberta

File No. 10924
 Date January 13, 1976
 Samples Sand



Certificate of
 ASSAY of
 LORING LABORATORIES LTD.

Page # 2

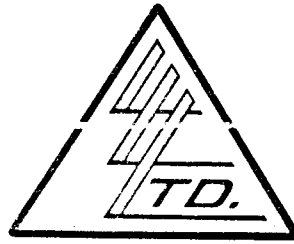
SAMPLE No.	Mgs GOLD in ANALGAM	Mgs GOLD in TAILINGS	OZ./TON GOLD
<u>HOLE # 20-75</u>			
0-3	.005	Trace	Trace
3-6	.005	.010	.010
6-9	.245	.020	.048
9-12	.180	.020	.041
12-15	.290	.010	.034
15-18	Trace	Trace	Trace
18-21	Trace	Trace	Trace
21-24	Trace	Trace	Trace
24-27	.015	.010	.002
27-30	.010	.005	.001
<u>HOLE # 21-75</u>			
0-3	Trace	Trace	Trace
3-6	Trace	Trace	Trace
6-9	.005	Trace	Trace
9-12	.020	.005	.007
12-15	Trace	Trace	Trace
15-18	Trace	Trace	Trace
18-21	Trace	Trace	Trace
21-24	Trace	Trace	Trace
24-27	Trace	Trace	Trace
27-30	Trace	Trace	Trace
<p>I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES</p>			

Rejects Retained one month.

Pulps Retained one month
 unless specific arrangements
 made in advance.

e L m e s s a e
 Licensed Assayer of British Columbia

To: CLAYMORE RESOURCES LTD.,
 #1502 11111 47th Ave.,
 EDMONTON, Alberta



File No. 10921
 Date January 13, 1976
 Samples Sand

Attn: Mr. A. Rich

**Certificate of
 ASSAY of
 LORING LABORATORIES LTD.**

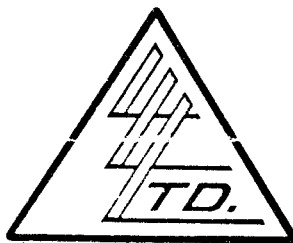
Page # 3

SAMPLE No.	Mgs. GOLD in AMALGAM	Mgs. GOLD in TAILINGS	OZ./TON GOLD
<u>HOLE # 22 - 75</u>			
0-3	.005	Trace	Trace
3-6	.005	Trace	Trace
6-9	Trace	Trace	Trace
9-12	Trace	Trace	Trace
12-15	Trace	Trace	Trace
15-18	Trace	Trace	Trace
18-21	.010	Trace	.001
21-24	Trace	Trace	Trace
24-27	.010	Trace	.001
<u>HOLE # 23 - 75</u>			
0-3	.005	Trace	Trace
3-6	.005	Trace	Trace
6-9	Trace	Trace	Trace
9-12	Trace	Trace	Trace
12-15	Trace	Trace	Trace
15-18	Trace	Trace	Trace
<p>I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES</p>			

Rejects Retained one month.
 Pulps Retained one month
 unless specific arrangements
 made in advance.

C. L. M. J. A. A. A.
 Licensed Assayer of British Columbia

To: CLAYMORE RESOURCES LTD.,
 #1502 11111 87th Avenue,
 EDMONTON, Alberta



File No. 10921
 Date January 13, 1976
 Samples Sand

Attn: Mr. A. Rich

Certificate of
 ASSAY of
 LORING LABORATORIES LTD.

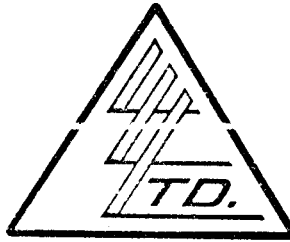
Page # 4

SAMPLE No.	Mgs GOLD in AMALGAM	Mgs GOLD in TAILINGS	OZ./TON GOLD
<u>HOLE # 24 - 75</u>			
0-3	Trace	Trace	Trace
3-6	Trace	.005	Trace
6-9	.030	.005	.008
9-12	Trace	.005	Trace
12-15	Trace	Trace	Trace
<u>HOLE # 25 - 75</u>			
0-3	Trace	Trace	Trace
3-6	Trace	Trace	Trace
6-9	.040	Trace	.005
9-12	Trace	.005	Trace
12-15	Trace	Trace	Trace
15-18	Trace	Trace	Trace
18-21	Trace	Trace	Trace
21-24	Trace	Trace	Trace
24-27	Trace	Trace	Trace
27-30	Trace	Trace	Trace
<p>I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES</p>			

Rejects Retained one month.
 Pulps Retained one month
 unless specific arrangements
 made in advance.

A. L. M. J. A. S.
 Licensed Assayer of British Columbia

To: CLAYMORE RESOURCES LTD.,
 #1502 11111 87th Avenue,
 EDMONTON, Alberta



File No. 10921
 Date January 13, 1976
 Samples Sand

Attn: Mr. A. Rich

Certificate of
 ASSAY of
 LORING LABORATORIES LTD.

Page # 5

SAMPLE No.	Mgs GOLD in AMALGAM	Mgs GOLD in TAILINGS	OZ./TON GOLD
<u>HOLE # 26 - 75</u>			
0-3	.010	Trace	.001
3-6	.010	Trace	.001
6-9	Trace	Trace	Trace
9-12	.420	Trace	.049
12-15	.020	Trace	.002
15-18	.005	Trace	Trace
18-21	.005	Trace	Trace
21-24	Trace	Trace	Trace
24-27	Trace	Trace	Trace
27-30	Trace	Trace	Trace
<u>HOLE # 27 - 75</u>			
0-3	.100	Trace	.012
3-6	.020	Trace	.002
6-9	.430	Trace	.050
9-12	.180	Trace	.020
12-15	.490	Trace	.057
15-18	.550	.020	.064
18-21	Trace	.010	.001
21-24	.005	Trace	Trace
<p>I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES</p>			

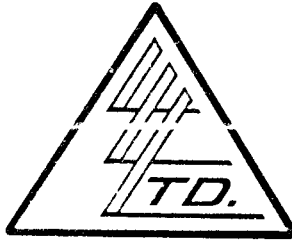
Rejects Retained one month.

Pulps Retained one month
 unless specific arrangements
 made in advance.

E. J. MacIsaac

Licensed Assayer of British Columbia

To: CLAYMORE RESOURCES LTD.,
 #1502 11111 87th Avenue;
 EDMONTON, Alberta



File No. 10921
 Date January 13, 1976
 Samples Sand

Attn: Mr. A. Rich

Certificate of
ASSAY of
LORING LABORATORIES LTD.

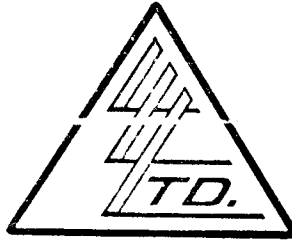
Page # 6

SAMPLE No.	Mgs GOLD in AMALGAM	Mgs GOLD in TAILINGS	OZ./TON GOLD
<u>HOLE #27 - 75</u>			
24-27	.020	Trace	.002
27-30	Trace	Trace	Trace
<p>I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES</p>			

Rejects Retained one month.
 Pulps Retained one month
 unless specific arrangements
 made in advance.

Licensed Assayer of British Columbia

To: GLAYMORE RESOURCES LTD.,
 #1502 11111 87th Avenue,
 EDMONTON, Alberta



File No. 10921
 Date January 13, 1976
 Samples Sand

Attn: Mr. A. Rich

Certificate of
 ASSAY of
 LORING LABORATORIES LTD.

Page # 7

SAMPLE No.	Mgs GOLD in AMALGAM	Mgs GOLD in TAILINGS	OZ./TON GOLD
<u>HOLE # 28 - 75</u>			
0-3	Trace	Trace	Trace
3-6	.020	Trace	.002
6-9	.010	Trace	.001
9-12	Trace	.005	Trace
12-15	Trace	Trace	Trace
15-18	.015	Trace	.002
18-21	Trace	Trace	Trace
21-24	.005	Trace	Trace
24-27	Trace	Trace	Trace
27-30	Trace	Trace	Trace
<u>HOLE # 29 - 75</u>			
0-3	.005	Trace	Trace
3-6	.005	Trace	Trace
6-9	Trace	Trace	Trace
9-12	.200	.005	.028
12-15	.005	.005	.005
15-18	Trace	.005	Trace
18-21	Trace	Trace	Trace
21-24	Trace	Trace	Trace
24-27	Trace	Trace	Trace
27-30	Trace	Trace	Trace
<p>I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES</p>			

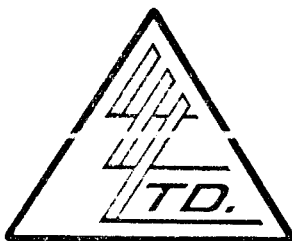
Rejects Retained one month.

Pulps Retained one month
 unless specific arrangements
 made in advance.

C. L. MacLeod

Licensed Assayer of British Columbia

To: CLAYMORE RESOURCES LTD.,
 #1502, 11111-87th Ave.,
 Edmonton, Alta.



File No. 10921
 Date January 13, 1976
 Samples Sand

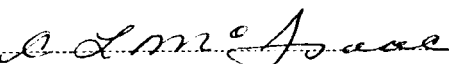
ATTN: Mr. A. Rich

Certificate of
 ASSAY of
 LORING LABORATORIES LTD.

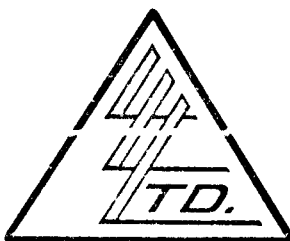
PAGE # 8

SAMPLE No.	Mgs GOLD in AMALGAM	Mgs GOLD in TAILINGS	OZ./TON GOLD
<u>HOLE # 30-75</u>			
0- 3	.010	Trace	.001
3- 6	.010	Trace	.001
6- 9	Trace	Trace	Trace
9-12	Trace	Trace	Trace
12-15	Trace	Trace	Trace
15-18	Trace	Trace	Trace
18-21	Trace	Trace	Trace
21-24	Trace	Trace	Trace
24-27	Trace	Trace	Trace
27-30	Trace	Trace	Trace
 <u>HOLE # 31-75</u>			
0- 3	Trace	Trace	Trace
3- 6	.005	Trace	Trace
6- 9	.005	Trace	Trace
9-12	.005	Trace	Trace
12-15	.010	Trace	.001
15-18	Trace	Trace	Trace
18-21	.005	Trace	Trace
21-24	.010	Trace	.001
24-27	.630	.010	.083
27-30	.170	.005	.025
<p>I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES</p>			

Rejects Retained one month.
 Pulps Retained one month
 unless specific arrangements
 made in advance.


 Licensed Assayer of British Columbia

To: CLAYMORE RESOURCES LTD.,
 #1502, 11111 87th Ave.,
 Edmonton, Alta.



File No. 10921
 Date January 13, 1976
 Samples Sand

ATTN: Mr. A. Rich

**Certificate of
 ASSAY of
 LORING LABORATORIES LTD.**

PAGE # 9

SAMPLE No.	Mgs GOLD in AMALGAM	Mgs GOLD in TAILINGS	OZ./TON GOLD
<u>HOLE #32-75</u>			
0- 3	.010	Trace	.001
3- 6	.010	Trace	.001
6- 9	.110	.005	.018
9-12	.300	Trace	.035
12-15	.005	Trace	Trace
15-18	Trace	Trace	Trace
18-21	Trace	Trace	Trace
21-24	Trace	Trace	Trace
27-30	Trace	Trace	Trace

I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE
 ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES

Rejects Retained one month.

Pulps Retained one month
 unless specific arrangements
 made in advance.

[Signature]
 Licensed Assayer of British Columbia

CLAYMORE RESOURCES LIMITED

December 1975

80

Sample No.	Depth	Footage	Weight Dry in gms.	Pulp 1 oz/ton	Pulp 2 oz/ton	Average oz/ton	Average oz/yard (3200 lbs/yd)	Value/yd (\$140 Au) Average	Value/yd (\$140 Au) Highest
75-1	9'	6-9'	800	Tr	Tr	Tr	---	---	---
75-2	26'	5-8'	1628	.060	.020	.040	.064	8.96)	13.86)
		8-11'	?	.120	.030	.075	.120	16.80)	28.00)
		11-14'	737	.040	.020	.030	.048	6.72)	9.20)
		14-17'	3363	Tr	Tr	Tr	---	---	---
		17-23'	3943	.040	.020	.030	.048	6.72)	9.20)
75-3	25'	3-6'	858	.010	.010	.010	.016	2.24)	2.38)
		6-9'	3472	.020	.010	.015	.024	3.36)	4.62)
		9-10'	2378	.020	.020	.020	.032	4.48)	4.62)
		13-18A	981	Tr	Tr	Tr	---	---	---
		13-18B	1125	Tr	Tr	Tr	---	---	---
		18-25'	1574	Tr	Tr	Tr	---	---	---
75-4	50'	3-6'	346	Tr	Tr	Tr	---	---	---
		6-8'	455	Tr	Tr	Tr	---	---	---
		8-11'	434	.010	.010	.010	.016	2.24)	2.38)
		11-12'	263	Tr	Tr	Tr	---	---	---
		12-15'	487	.010	.010	.010	.016	2.24)	2.38)

$\frac{\$11.58}{18'}$
 $\frac{\$3.66}{7'}$
 $\frac{\$2.04}{7'}$
 $\frac{\$7.20}{18'}$
 $\frac{\$3.18}{7'}$
 $\frac{\$2.04}{7'}$

CLAYMORE RESOURCES LIMITED
DRILL ASSAY RESULTS

Hole No.	Depth	Footage	Weight Dry in Grams	Oz/Ton Au	Oz/Yard Au (3200 lbs/yd)	Value/yd (\$140 Au)
75-5	48'	0-3	1202	.005	.008	\$ 1.12
		3-6	2209	Tr.	---	---
		6-9	2332	Tr.	---	---
		9-12	1957	.005	.008	\$ 1.12
		12-15	1848	.005	.008	\$ 1.12
		15-18	1997	Tr.	---	---
		18-21	1791	Tr.	---	---
		21-24	2140	Tr.	---	---
		24-27	1948	Tr.	---	---
		27-30	1968	Tr.	---	---
		30-33	2896	Tr.	---	---
		33-36	2404	Tr.	---	---
		36-39	2905	Tr.	---	---
		39-42	1864	.005	.008	\$ 1.12
		42-45	2065	.005	.008	\$ 1.12
		45-48	1205	Tr.	---	---

CLAYMORE RESOURCES LTD. - DRILL ASSAY RESULTS

Hole No.	Depth	Footage	Oz/Ton Au	Oz/Yd Au (3200 lb/yd)	Value/Yd (\$140 Au)
75-6	48'	0-3	.001	.002	\$.28
		3-6	Tr.	-	-
		6-9	.001	.002	\$.28
		9-12	Tr.	-	-
		12-15	.006	0.01	\$ 1.40
		15-18	.005	0.008	\$ 1.12
75-7	48'	0-3	.001	.002	\$.28
		3-6	.002	.003	\$.42
		6-9	.002	.003	\$.42
		9-12	.018	.029	\$ 4.06
		12-15	.002	.003	\$.42
		15-18	Tr.	-	-
75-8	48'	0-3	.006	.01	\$ 1.40
		3-6	.001	.002	\$.28
		6-9	.671	1.074	\$150.36
		9-12	.008	.013	\$ 1.82
		12-15	.018	.029	\$ 4.06
		15-18	Tr.	-	-
75-9	48'	0-3	Tr.	-	-
		3-6	.011	.018	\$ 2.52
		6-9	.002	.003	\$.42
		9-12	.001	.002	\$.28
		12-15	.002	.003	\$.42
		15-18	.038	.061	\$ 8.54

CLAYMORE RESOURCES LTD. - DRILL ASSAY RESULTS

Hole No.	Depth	Footage	Oz/Ton Au	Oz/Yd Au (3200 lb/yd)	Value/Yd (\$140 Au)
75-10	48'	0-3	Tr.	-	-
		3-6	Tr.	-	-
		6-9	Tr.	-	-
		9-12	.002	.003	\$.42
		12-15	.013	.021	\$ 2.94
		15-18	.069	.110	\$15.40
75-11	48'	0-3	Tr.	-	-
		3-6	.006	.010	\$ 1.40
		6-9	.008	.013	\$ 1.82
		9-12	.002	.003	\$.42
		12-15	.014	.022	\$ 3.08
		15-18	.127	.203	\$28.42
75-12	39'	0-3	.003	.005	\$.70
		3-6	.001	.002	\$.28
		6-9	.007	.011	\$ 1.57
		9-12	.006	.010	\$ 1.40
		12-15	.001	.002	\$.28
		15-18	Tr.	-	-
75-16	30'	0-3	.006	.010	\$ 1.40
		3-6	.007	.011	\$ 1.54
		6-9	.019	.030	\$ 4.20
		9-12	.015	.024	\$ 3.36
		12-15	.007	.011	\$ 1.59

CLAYMORE RESOURCES LTD. DRILL ASSAY RESULTS

Hole No.	Depth	Footage	Oz/Ton Au	Oz/Yd Au (3200 lb/yd)	Value/Yd (\$140 Au)
75-13	35'	0-3	Tr.	---	---
		3-6	Tr.	---	---
		6-9	0.008	0.013	\$1.82
		9-12	Tr.	---	---
		12-15	0.105	.168	\$23.52
		15-18	0.001	.002	\$0.28
75-14	48'	0-3	.010	0.016	\$2.24
		3-6	.011	.018	\$2.52
		6-9	.102	0.163	\$22.82
		9-12	.001	.002	\$0.28
		12-15	.002	.003	\$0.42
		15-18	.001	.002	\$0.28
75-15	30'	0-3	.002	.003	\$0.42
		3-6	.008	0.013	\$1.82
		6-9	.001	0.002	\$0.28
		9-12	.005	.008	\$1.12
		12-15	Tr.	---	---
		15-18	.031	0.050	\$7.00

CLAYMORE RESOURCES LTD. DRILL ASSAY RESULTS

Hole No.	Depth	Footage	Oz/Ton Gold	Oz/yd Gold (3200 lb/yd)	Value/yd (\$140 Au)
75-18	21'	0-3	.001	0.002	\$0.28
		3-6	Tr.	---	---
		6-9	Tr.	---	---
		9-12	.016	.026	\$3.64
		12-15	Tr.	---	---
		15-18	Tr.	---	---
		18-21	Tr.	---	---
75-19	27'	0-3	Tr.	---	---
		3-6	0.010	0.016	\$2.24
		6-9	Tr.	---	---
		9-12	Tr.	---	---
		12-15	Tr.	---	---
		15-18	Tr.	---	---
		18-21	0.001	0.002	\$0.28
		21-24	0.001	0.002	\$0.28
		24-27	Tr.	---	---
75-20	30'	0-3	Tr.	---	---
		3-6	0.010	0.016	\$2.24
		6-9	0.048	0.077	\$10.78
		9-12	0.041	0.066	\$9.24
		12-15	0.034	0.054	\$7.56
		15-18	Tr.	---	---
		18-21	Tr.	---	---
		21-24	Tr.	---	---
		24-27	0.002	.003	\$0.42
		27-30	0.001	.002	\$0.28

CLAYMORE RESOURCES LTD. DRILL ASSAY RESULTS

66

Hole No.	Depth	Footage	Oz/Ton Au	Oz/Yd Au (3200 lb/yd)	Value (\$140 Au)
75-21	30'	0-3	Tr.	---	---
		3-6	Tr.	---	---
		6-9	Tr.	---	---
		9-12	0.007	0.011	\$1.54
		12-15	Tr.	---	---
		15-18	Tr.	---	---
		18-21	Tr.	---	---
		21-24	Tr.	---	---
		24-27	Tr.	---	---
		27-30	Tr.	---	---
75-22	27'	0-3	Tr.	---	---
		3-6	Tr.	---	---
		6-9	Tr.	---	---
		9-12	Tr.	---	---
		12-15	Tr.	---	---
		15-18	Tr.	---	---
		18-21	0.001	0.002	\$0.28
		21-24	Tr.	---	---
24-27	0.001	0.002	\$0.28		

CLAYMORE RESOURCES LTD. DRILL ASSAY RESULTS

Hole No.	Depth	Footage	Oz/Ton Au	Oz/Yd Au (3200 lb/yd)	Value/yd (\$140 Au)
75-23	18'	0-3	Tr.	---	---
		3-6	Tr.	---	---
		6-9	Tr.	---	---
		9-12	Tr.	---	---
		12-15	Tr.	---	---
		15-18	Tr.	---	---
75-24	15'	0-3	Tr.	---	---
		3-6	Tr.	---	---
		6-9	0.008	0.013	\$1.82
		9-12	Tr.	---	---
		12-15	Tr.	---	---
75-25	30'	0-3	Tr.	---	---
		3-6	Tr.	---	---
		6-9	0.005	0.008	\$1.12
		9-12	Tr.	---	---
		12-15	Tr.	---	---
		15-18	Tr.	---	---
		18-21	Tr.	---	---
		21-24	Tr.	---	---
		24-27	Tr.	---	---
		27-30	Tr.	---	---
75-26	30'	0-3	.001	.002	\$0.28
		3-6	.001	.002	\$0.28
		6-9	Tr.	---	---
		9-12	0.049	0.078	\$10.92
		12-15	0.002	0.003	\$0.42

CLAYMORE RESOURCES LTD. DRILL ASSAY RESULTS

68

Hole No.	Depth	Footage	Oz/Ton Au	Oz/Yd Au (3200 lb/yd)	Value/Yd (\$140 Au)
75-26 (cont'd)		15-18	Tr.	---	---
		18-21	Tr.	---	---
		21-24	Tr.	---	---
		24-27	Tr.	---	---
		27-30	Tr.	---	---
75-27	30'	0-3	0.012	0.019	\$2.66
		3-6	0.002	0.003	\$0.42
		6-9	0.050	0.080	\$11.20
		9-12	0.020	0.032	\$4.48
		12-15	0.057	0.091	\$12.74
		15-18	0.064	0.102	\$14.28
		18-21	0.001	0.002	\$0.28
		21-24	Tr.	---	---
		24-27	0.002	0.003	\$0.42
		27-30	Tr.	---	---
75-28	30'	0-3	Tr.	---	---
		3-6	0.002	0.003	\$0.42
		6-9	0.001	0.002	\$0.28
		9-12	Tr.	---	---
		12-15	Tr.	---	---
		15-18	0.002	0.003	\$0.42
		18-21	Tr.	---	---
		21-24	Tr.	---	---
		24-27	Tr.	---	---
		27-30	Tr.	---	---

CLAYMORE RESOURCES LTD. DRILL ASSAY RESULTS

69

Hole No.	Depth	Footage	Oz/Ton Au	Oz/Yd Au (3200 lb/yd)	Value, Yd (\$140 Au)
75-29	30'	0-3	Tr.	---	---
		3-6	Tr.	---	---
		6-9	Tr.	---	---
		9-12	0.028	0.045	\$6.30
		12-15	0.005	0.008	\$1.12
		15-18	Tr.	---	---
		18-21	Tr.	---	---
		21-24	Tr.	---	---
		24-27	Tr.	---	---
27-30	Tr.	---	---		
75-30	30'	0-3	0.001	0.002	\$0.28
		3-6	0.001	0.002	\$0.28
		6-9	Tr.	---	---
		9-12	Tr.	---	---
		12-15	Tr.	---	---
		15-18	Tr.	---	---
		18-21	Tr.	---	---
		21-24	Tr.	---	---
		24-27	Tr.	---	---
27-30	Tr.	---	---		
75-31	30'	0-3	Tr.	---	---
		3-6	Tr.	---	---
		6-9	Tr.	---	---
		9-12	Tr.	---	---
		12-15	0.001	0.002	\$0.28
		15-18	Tr.	---	---
		18-21	Tr.	---	---
21-24	0.001	0.002	\$0.28		

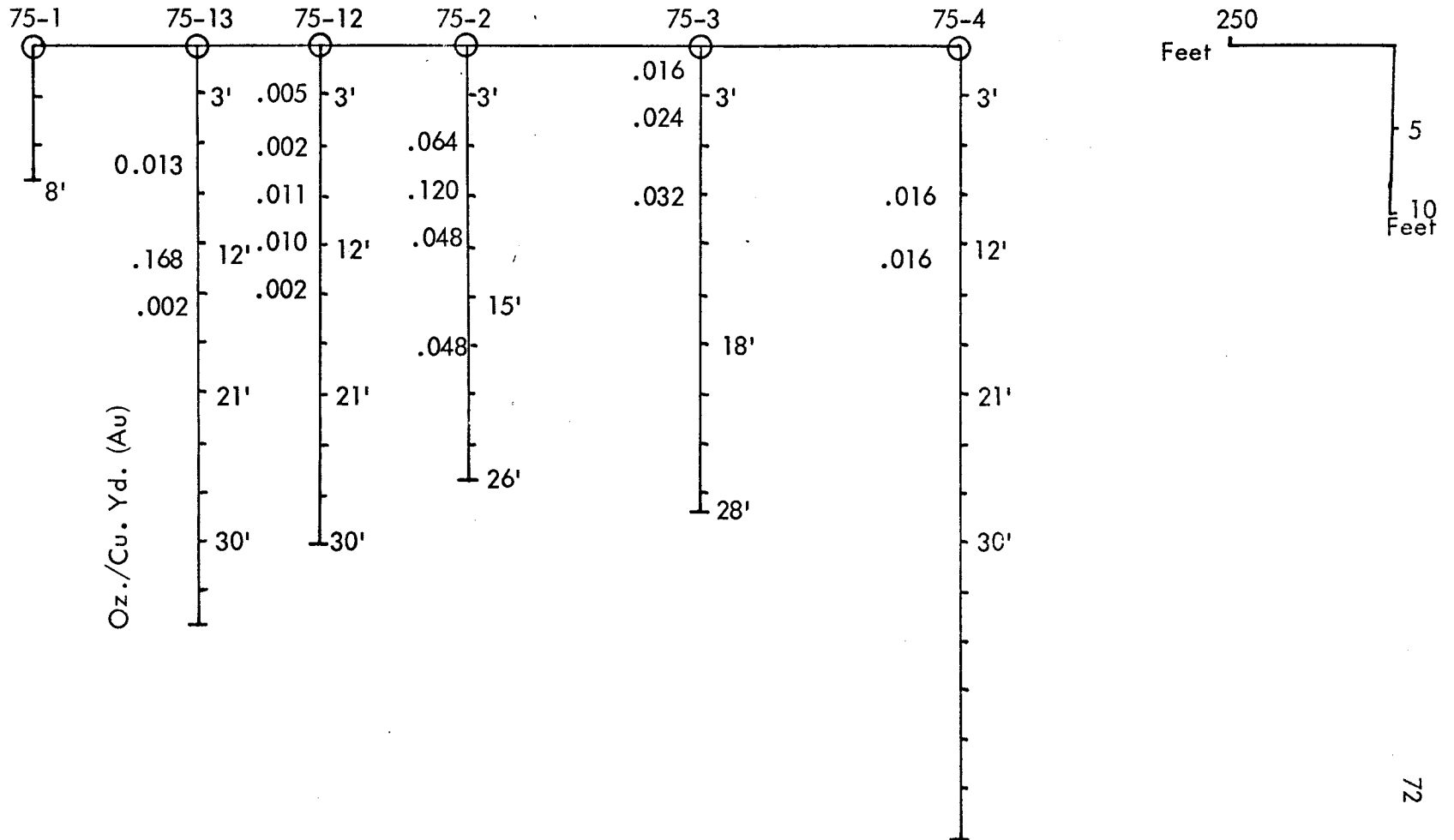
CLAYMORE RESOURCES LTD. DRILL ASSAY RESULTS

Hole No.	Depth	Footage	Oz/Ton Au	Oz/Yd Au (3200 lb/yd)	Value/Yd (\$140 Au)
75-31 (cont'd)		24-27	0.083	0.133	\$18.62
		27-30	0.025	0.040	\$5.60
75-32	30'	0-3	0.001	0.002	\$0.28
		3-6	0.001	0.002	\$0.28
		6-9	0.018	0.029	\$4.06
		9-12	0.035	0.056	\$7.84
		12-15	Tr.	---	---
		15-18	Tr.	---	---
		18-21	Tr.	---	---
		21-24	Tr.	---	---
		24-27	Tr.	---	---
27-30	Tr.	---	---		

APPENDIX V
CROSS-SECTIONAL PROFILES OF DRILL HOLES

CLAYMORE RESOURCES LTD.

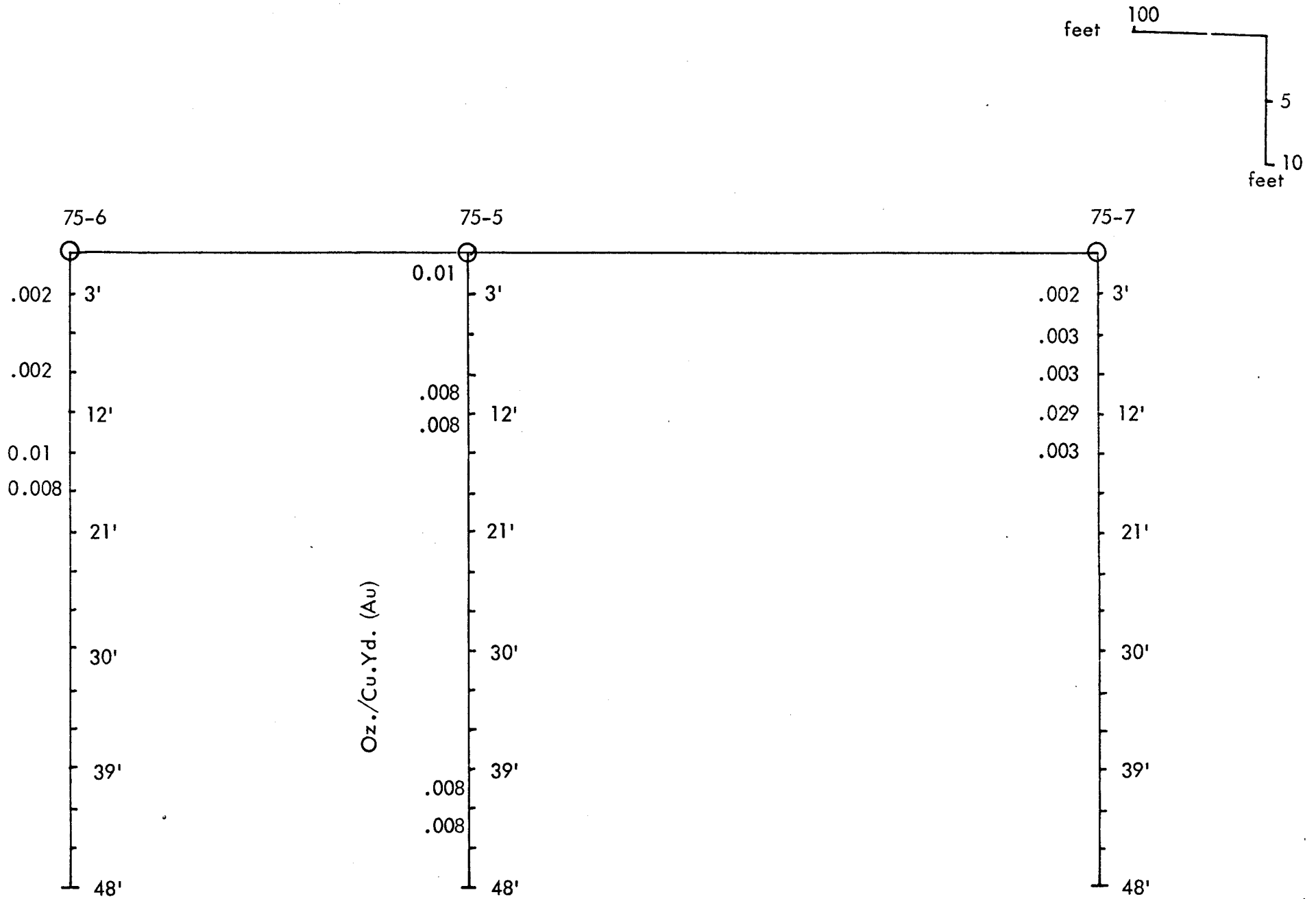
Profile of Holes 75-1, 13, 12, 2, 3, 4, profile line through 75-13



CLAYMORE RESOURCES LTD.

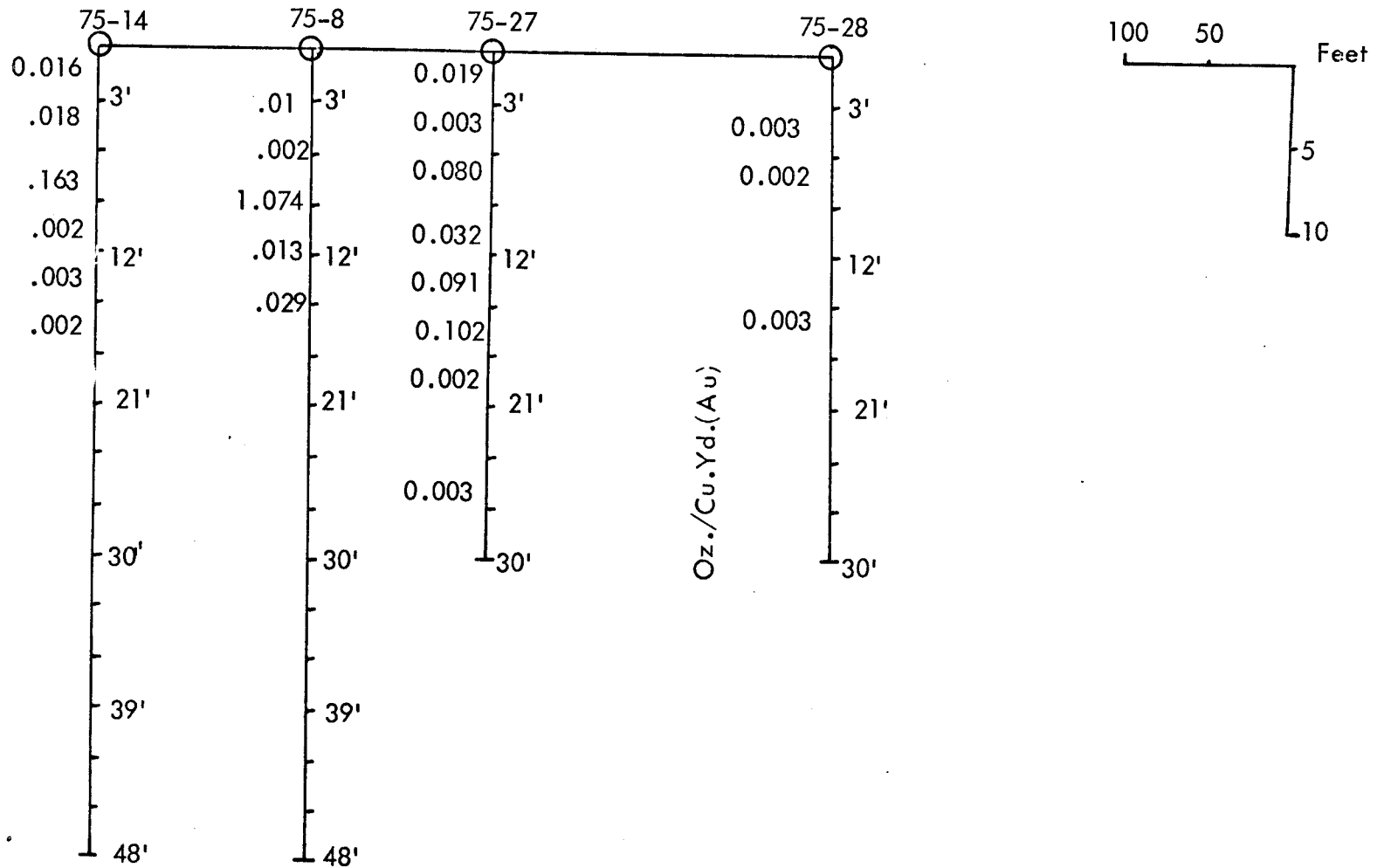
Profile of Holes

75-6, 75-5, 75-7 through holes 75-6 and 75-7



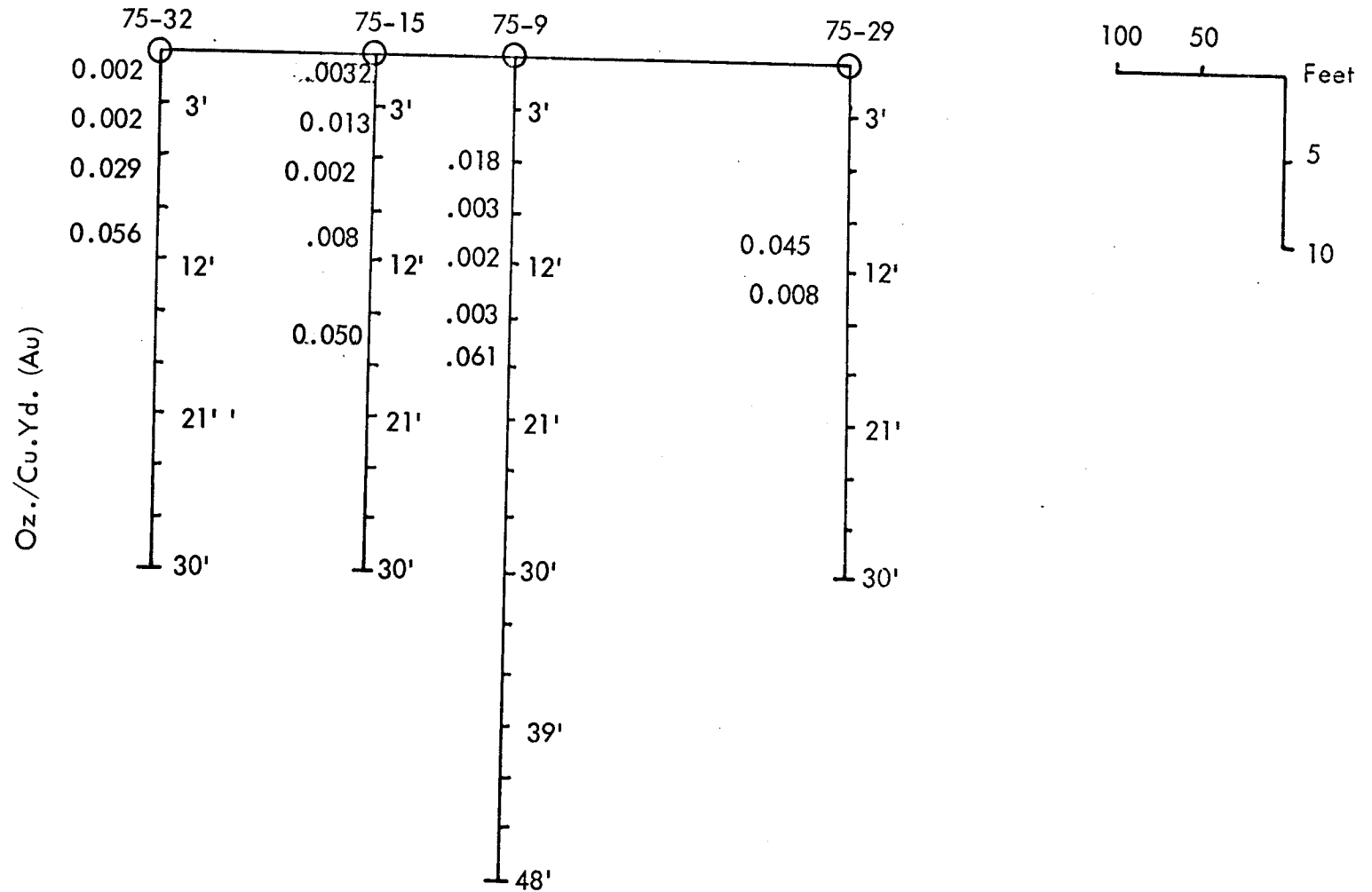
CLAYMORE RESOURCES LTD.

Profile of Holes 75-14, 8, 27, 28, through holes 75-14 and 75-28



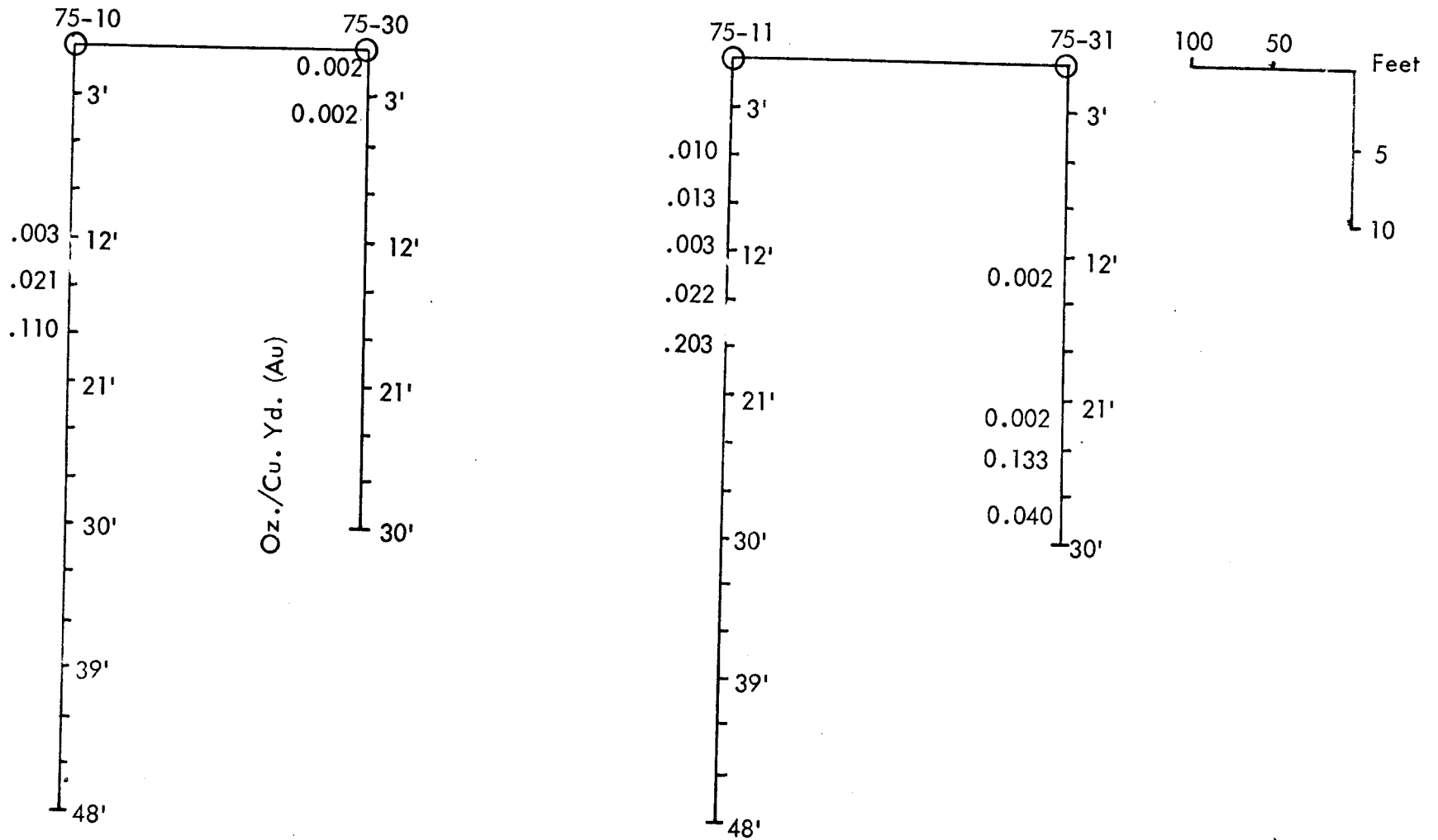
CLAYMORE RESOURCES LTD.

Profile of Holes 75-32, 15, 9, 29 through Holes 75-32 and 29



CLAYMORE RESOURCES LTD.

Profile of Holes 75-10, 30 and 75-11, 31



APPENDIX VI

EXPLORATION SWAMP CREEK AREA

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RECONNAISSANCE EXPLORATION
SWAMP CREEK AREA

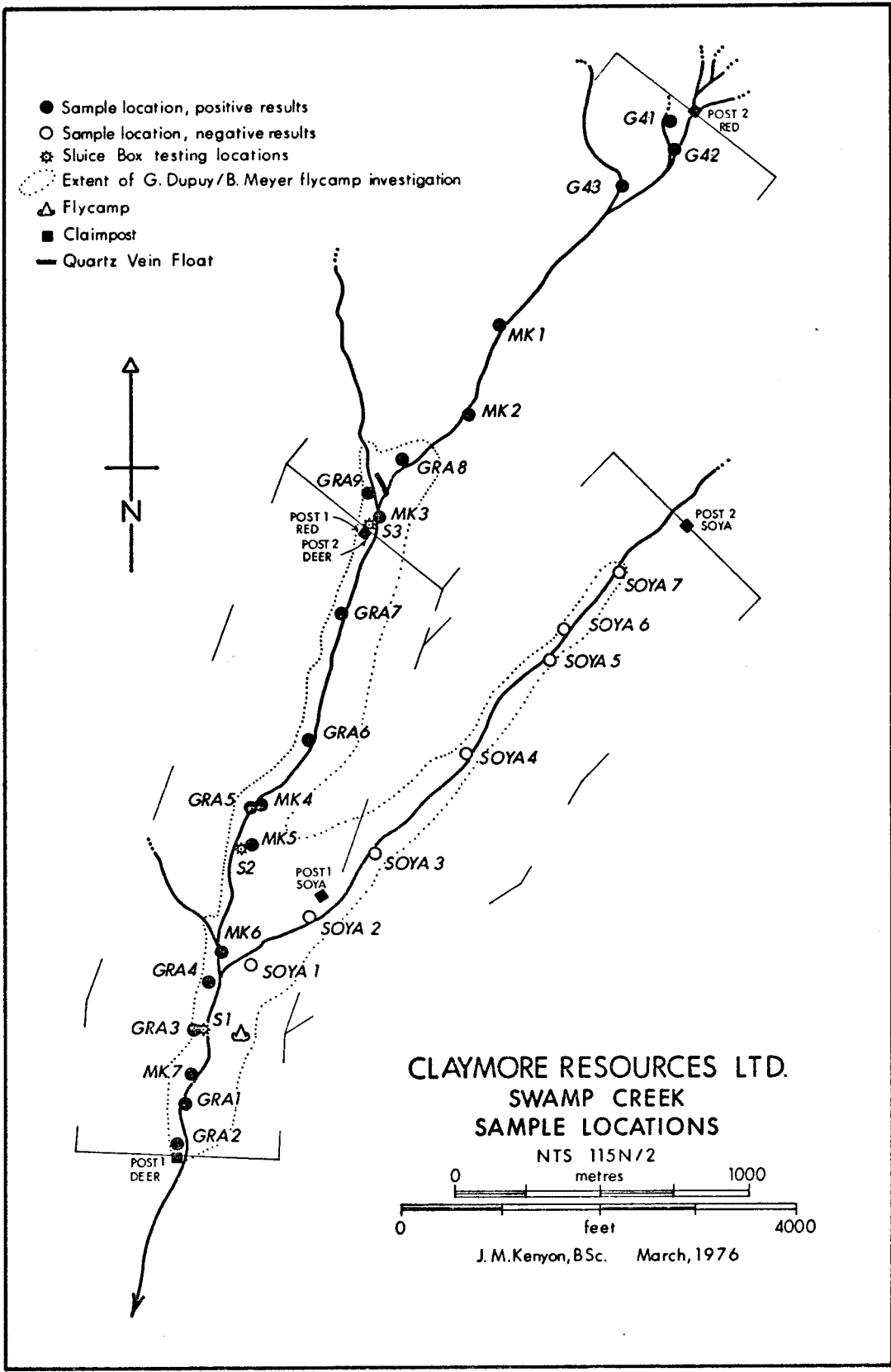
Swamp Creek flows off the west side of the Moosehorn Range immediately south of Discovery Creek. The creek was initially checked and subsequently staked as an obvious extension to the earlier discovery of placer gold in the region. Placer exploration work was carried out as part of Claymore Resource's Ltd. summer 1975 exploration programs.

Exploration on Swamp Creek was first carried out by Gary Dupuy, B.Sc. (Geol.). This work consisted of a series of pan size samples taken largely from the upper reaches of the stream. As the tests were only pan sized, the values found were considered encouraging.

Further testing was undertaken on the creek by D. Flanagan and the author on July 23rd, 1975. Panning was again employed, but over a greater length of creek. Good colours were found along the creek in surface gravels; lack of good gravel exposures was the major hindrance in sampling to any depth and permafrost prevented hand-pitting. Mineralized quartz boulders were also observed.

On August 1, 1975, J. A. Greig and J. D. Godfrey, visited Swamp Creek as part of the preparation for a consulting report by the latter. Dr. Godfrey had previously performed an aerial photographic interpretation of the Moosehorn Range area and was of the opinion that there were large amounts of eluvial material in both Discovery and Swamp Creeks. During his visit to the property, Dr. Godfrey tested both the eluvial and alluvial gravels of Swamp Creek. Positive results, colours occurring in pan sized samples, were attained in gravels of both origins (see Figure 1).

The presence of gold in the two types of gravel has been proven in both Swamp and Discovery Creek. This is an important factor when evaluating the potential of the area and when planning exploration programs.



**CLAYMORE RESOURCES LTD.
 SWAMP CREEK
 SAMPLE LOCATIONS**

NTS 115N/2

J. M. Kenyon, B.Sc. March, 1976

G. Dupuy and B. Meyer, fly-camped on Swamp Creek for four days, from August 20th to 23rd, 1975 in an attempt to acquire more quantitative information of its placer potential. A study of the characteristics of the stream indicates that the volume of potential placer gravels is greater than that of Discovery Creek. The creek is meandering, with good point bar development. From the viewpoint of direct quantitative examination, it is unfortunate that the gradient is shallow and very little downcutting has occurred. In some instances the exposed gravels were underlain by organic material, indicating recent non-placer flood gravels (Figure 1).

Upstream from the flycamp a significant discovery was made. A relatively large quartz vein, measuring up to 14 inches wide, was uncovered near the upper fork of Swamp Creek. Samples obtained exhibit visible gold. The vein is thicker than those observed on the ridge top, but the strike length is not known, due to limited exposure. Quartz float and boulders were seen along the length of the creek as well as on its banks. The existence of the vein is of consequence for both lode and placer potential. It lends strong support to Dr. Godfrey's idea that Swamp Creek should contain significant eluvial and alluvial gold. It also extends the area of known gold veins and provides a greater volume potential for economic placer gravels. Pan sized samples in the area of the vein gave good colours in what was classified as eluvial material, the gold being angular and, in part, wire-like, thus indicate its residual origin.

On the final day of the flycamp expedition, the crew worked their way up the east fork of Swamp Creek, encompassed by the SOYA 1 lease. Test pits were dug along the length of the stream and pan size samples were tested. No positive values were found here, but it was subsequently discovered that all gravels tested were recent and surficial nature, not placer gravels.

CONCLUSIONS

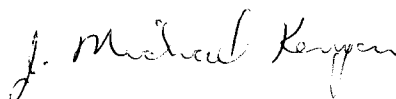
Work performed to date on Swamp Creek has indicated the presence of gold-bearing gravels along approximately 10,000 feet of the creek. Although no bulk sampling has been done, the number of pan size samples and the study of the creek, points toward a potential as good as, if not better than, Discovery Creek. The existence of both eluvial and alluvial deposits indicates large volumes of potentially gold-bearing gravels. The gold bearing quartz vein cutting across the valley of Swamp Creek provides a source of gold at lower elevations, adding to those known veins on the ridge top.

RECOMMENDATIONS

Since the method of drilling on Discovery Creek failed to yield any representative results in terms of grade, it should not be undertaken on Swamp Creek.

The presence of recent surficial gravels and very poor exposures of the placer deposits makes surface work by hand very difficult, if not impossible. To pursue this course of action would be a waist of time and money.

The best method of exploring Swamp Creek and its tributaries is bulk sampling with a backhoe/sluice box set-up, possibly using a bulldozer. Narrow trenches should be cut across the creek valley at a regular interval which will provide realistic and useful results. Care must be taken by the geologist in charge to obtain a representative constant volumetric sample, so as to ensure accurate quantitative results.



J. Michael Kenyon, B.Sc.

March, 1976

REFERENCES

- Godfrey, J.D. 1975. Report on Claymore Resources Ltd. Placer Gold Potential, Gold Range Area, Yukon Territory. Private Report Claymore Resources Ltd.

SCHEDULE OF EMPLOYEES

<u>Name & Address</u>	<u>Period of Employment & Position</u>	<u>Salary</u>
KENYON, J. Michael P.O. Box 129 Nisku, Alberta	July 23, 1975 (Party Chief)	\$1200/mo.
FLANAGAN, David E.J. 10947 - 86 Avenue Edmonton, Alberta	July 23, 1975 (Assistant Geologist)	\$ 400/mo.
DUPUY, Gary D. #2, 7317 - 118 Street Edmonton, Alberta	July 27, 1975 August 20 to 23, 1975 (Geologist)	\$1000/mo.
MEYER, Brian H. 1938 Bonneville Drive Sherwood Park, Alberta	July 27, 1975 August 20 to 23, 1975 (Assistant Geologist)	\$ 550/mo.
GODFREY, John D, Ph.D., P. Geol. Research Council of Alberta Edmonton, Alberta	August 1st, 1975 (Consultant)	\$ 300/per day
GREIG, John A, B.Sc., M.Sc., P. Geol. #1502, 11111 - 87 Avenue Edmonton, Alberta	August 1st, 1975 (Supervising Geologist and consultant)	\$ 300/per day

STATEMENT OF QUALIFICATIONS

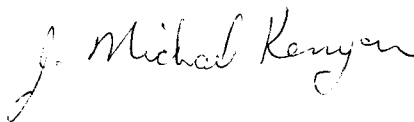
I, J. Michael Kenyon, of the City of Edmonton, in the Province of Alberta, hereby declare:

- (1) That I am a graduate of the Northern Alberta Institute of Technology, Edmonton with a diploma in Geology, 1970 and a graduate of the University of Alberta, Edmonton with a B.Sc (Spec.) 1974.

- (2) That I have worked in mineral exploration since 1969 in various capacities, predominantly as a summer employee. In the summer of 1975 I worked as a party chief for Claymore Resources Ltd. At this time I am enrolled in a Masters program in Geology at the University of Alberta.

- (3) This report is based on personal knowledge of the property. I was, as party chief, largely responsible for the field operations of the 1975 exploration program.

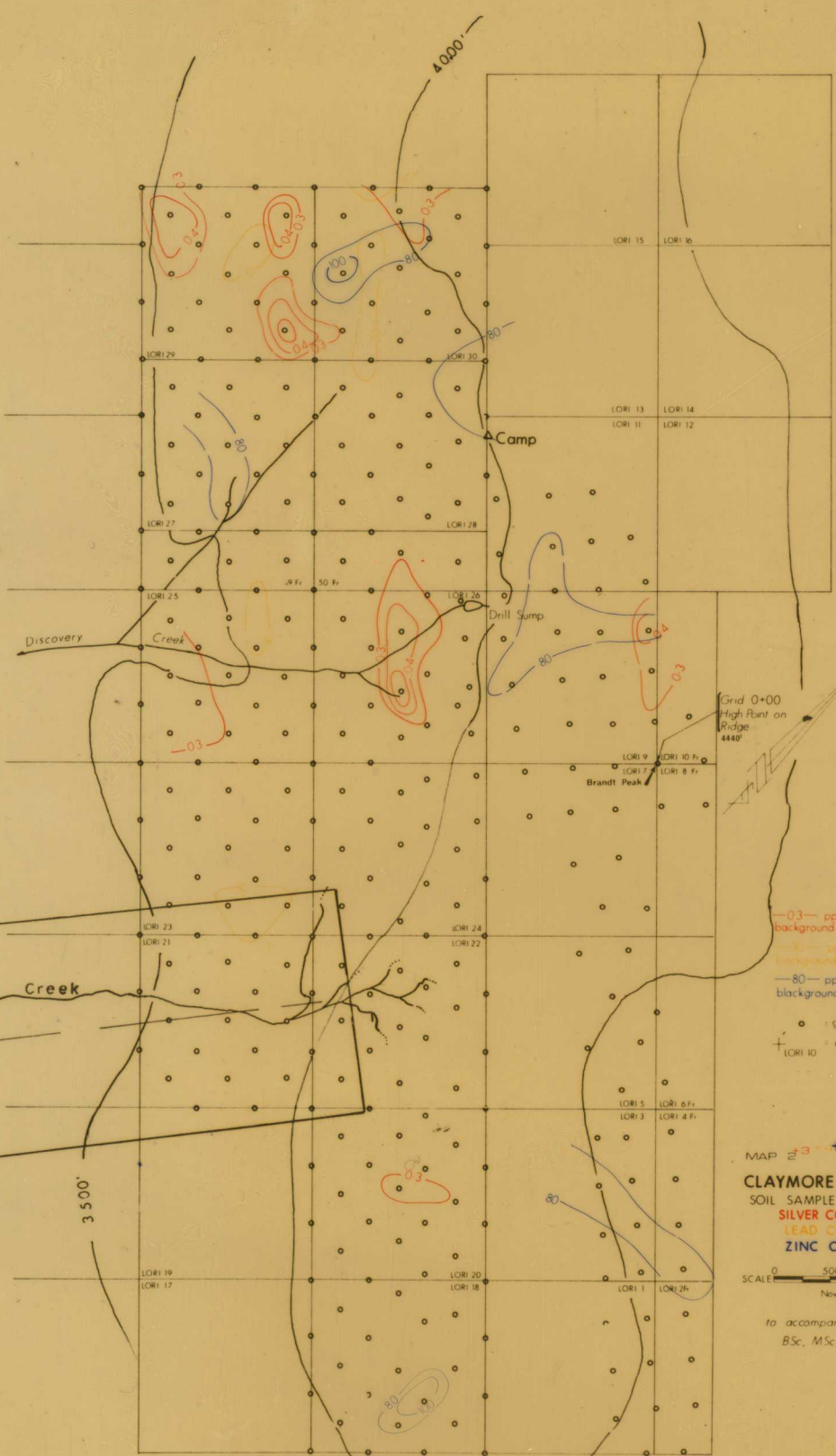
Dated at Edmonton, Alberta this 18th day of March, 1976.



J. Michael Kenyon, B.Sc.

APPENDIX I

SOIL GEOCHEMISTRY OF THE UPPER
SWAMP CREEK BASIN



Grid 0+00
High Point on
Ridge
4440'

0.03 — ppm Ag
background ~ 0.15 ppm

0.15 — ppm Pb
background ~ 0.18 ppm

80 — ppm Zn
background ~ 50 ppm

○ — geochem sample location
+ — claim name

MAP 23 + 5

CLAYMORE RESOURCES LTD.
SOIL SAMPLE & CLAIM LOCATIONS
SILVER CONTOUR MAP
LEAD CONTOUR MAP
ZINC CONTOUR MAP

SCALE 0 500 1000 1500 FEET
November, 1975

to accompany Report by J.A. Greig
B.Sc., M.Sc., P.Geol. - Dec 1975