

SHD22

Diamond drillhole SHD22 was collared from Jasper Point in December 1999. The hole was designed to test a deep CSAMT anomaly, off-hole electromagnetic anomaly from NC4 and geochemical zonation defined from previous drilling and mapping. Jasper point is the only site available for positioning a rig to test the 5358500 AMG northing due to the Lake Newton HEC impoundment.

The hole intersected extensive Au and basemetal anomalous silica-sericite-pyrite and sericite-pyrite-carbonate alteration from 94.5m to the end of hole at 616m. The hole was stopped at 616 metres in intensely altered CVC volcanics. The alteration zone proved to be extensive but low grade. The hole swung 30° to the north from the planned azimuth and was not going to test a broad enough stratigraphic package, resulting in the hole being stopped. Cross sections are located in Enclosures and Figure 5.

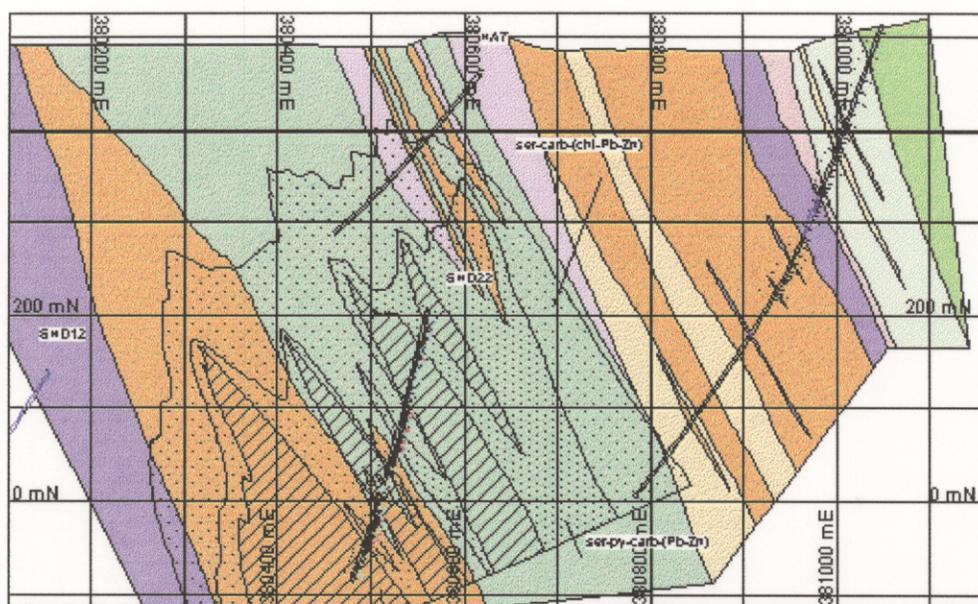
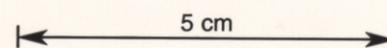


Figure 5. Section 5358500, SHD22 (Legend as for Figure 3).



A summary log of the hole is listed below:

- 0.0-94.5m Quartz-feldspar-(hornblende) porphyry. Suite II Porphyry. Pervasive chlorite alteration, 2-5% jasper veins. Cp
- 94.5-452.8m Massive quartz porphyry. Suite II porphyry. Intense silica-sericite-pyrite alteration with minor carbonate alteration and basemetals. Intensely foliated, sub-mylonitic. Cp
- 452.8-476.0m Dacitic pumice breccia. Intense silica-sericite alteration. Disseminated pyrite (2-5%) with chlorite halos. Minor sphalerite-galena blebs and veins. Ccv
- 476.0-491.0m Quartz porphyry. Suite II Porphyry. Intense silica-sericite-pyrite alteration with minor carbonate alteration. Cp
- 491.0-519.0m Dacitic lithic volcanoclastic breccia and vitric siltstone. Intense silica-sericite-pyrite alteration. Minor chlorite and sphalerite-galena alteration. Ccv