

007

The lines of holes 1 through 19 will give us additional information about the main channel system and lines 20 through 25 will give information on tributary channels.

It is recommended that the lines be drilled in the following order:-

Lochaber Channel 13 - 12 - 11 - 10 - 9 - 8 - 7.

Scotia Channel 6 - 5 - 4 - 2 - 1 - 3 - 14 - 15 - 16 - 17.

Tributaries 24 - 23 - 25 - 22 - 21 - 20.

Extension of Scotia Channel to the north west 18 - 19.

PRELIMINARY RESERVE ESTIMATES:

The figures given in this report are based upon information available to date and are subject to modification or change based upon the results of the recommended drilling programme. They should be used as a guide and are of a "geological order of magnitude". (Fig.3).

These reserves may be divided into blocks as follows:-

<u>Block No.</u>	<u>Overburden Cu. yds.</u>	<u>Wash Cu. yds.</u>
1	2,959,628	263,801
2	4,195,815	133,614
3	4,148,451	199,995
4.	4,722,096	427,983
5	7,416,136	423,031
1 to 5	23,542,126	1,448,424
1 - 2 - 3 - 4	16,125,990	1,025,393

The reliability of these reserves are based primarily upon the amount of drilling to date but also to some extent on geological factors.