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Anvil Range
MINING CORPORATION

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FACSIMILE

To: Richard Hornot

Date: JUNE 27/96

Company/City: Anvil Range

Fax #: 668-6518

From: John Fleming

Phone Extension #: _____

Engineering/Mine Operations

Number of pages including Cover Page 2

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MESSAGE: DICK,
DRILLING PROGRAM FOLLOWING
AS REQUESTED. NOTE - ORDER OF HOLES
WILL CHANGE AND I'll ADD SOME \$ FOR
SUPPLIES TO TAKE AFE TO \$350,000,
BUT DEPTHS ~~SHOULD~~ OF HOLES SHOULD
BE CLOSE.

REGARDS,

TORONTO
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GRUM-EXTENSION DRILLING COST ESTIMATE

STAGE I DRILLING

HOLE I.D.	LENGTH (meters)	COST	PURPOSE
A	320	\$32,000	Test northwest extension of Grum U.G zone
B	170	\$17,000	Test northwest extension of Grum O.P. mineralization
C	170	\$17,000	Test northwest extension of Grum O.P. mineralization
D	170	\$17,000	Test northwest extension of Grum O.P. mineralization
E	220	\$22,000	Test northeast extension of Grum O.P. mineralization
F	230	\$23,000	Test northeast extension of Grum O.P. mineralization
G	210	\$21,000	Test northeast extension of Grum O.P. mineralization
H	<u>250</u>	<u>\$25,000</u>	Test northwest extension of Grum mineralization
8 HOLES	1,740	\$174,000	

CONTRACT GEOLOGIST	\$7,000
CORE SPLITTER	\$5,200
BOXES & RACKS	\$4,400
CORE SHACK	<u>\$10,000</u>
SUB-TOTAL	\$200,600
CONTINGENCY (15%)	\$30,100
TOTAL STAGE I	\$230,700

STAGE II DRILLING

HOLE I.D.	LENGTH (meters)	COST	PURPOSE
I	210	\$21,000	Fill-in development drilling on northeast pit extension
J	180	\$18,000	Fill-in development drilling on northwest pit extension
K	170	\$17,000	Fill-in development drilling on northwest pit extension
L	160	\$16,000	Fill-in development drilling on northwest pit extension
M	<u>200</u>	<u>\$20,000</u>	Fill-in development drilling on northeast pit extension
5 HOLES	920	\$92,000	

CONTRACT GEOLOGIST	\$3,700
CORE SPLITTER	\$2,800
BOXES & RACKS	<u>\$2,300</u>
SUB-TOTAL	\$100,800
CONTINGENCY (15%)	\$16,100
TOTAL STAGE I	\$116,900

TOTAL STAGES I AND II **\$347,600**

2,660 m

13 HOLES



INTER-OFFICE MEMORANDUM

DATE: July 10, 1996
TO: Derek Condie - Purchasing Supervisor
FROM: Dick Arndt - Superintendent of Exploration Projects
SUBJECT: Tender Documents for 1996 Exploration Drilling Bids
cc: John Fleming Douglas Brownlee

We are presently laying out part of our 1996 Diamond Drilling programme which includes, at present, three projects - The Grum NW Extension; the Faro NW Area and the MM/JJ Claims, located ~ 75 km south of Ross River.

We need to go out for bids for this work, as we did for the Swim Basin drilling last winter. Therefore, I have listed below the parameters we need to be able to evaluate the bids.

The timing would be as follows:

Grum NW Extension - ASAP

13 Holes @ 205 m/hole (average) = 2660 metres

Faro NW Area - sometime after the Grum drilling starts; since we may need time to get assay data from Grum before proceeding with further drilling

8 holes @ 600m/hole = 4800 metres

MM/JJ Claims - late July or early to mid-August (not later than August, as the cold weather moves in early at these elevations.

5 holes @ 600m/hole = 3000 metres

Total Drilling = 26 holes 10,460 metres

Specifications for drilling that we need to analyze and need broken down by the Bidders:

- Core should be NQ in size
- Need footage rates for various hole depths
- Operating rate per hour
- Non-operating rate per hour
- Labour rate
- Mobilization cost
- Demobilization cost

Conditioning DDH
Ream/Case
Delays
Drill moves
Crew travel time
Water lines
Staging DDH
Dip tests
Core boxes
Consumables
Additives
Lost equipment
Dozer time
Fuel

Total cost of drilling:

Cost per metre
Moving
Delay time
Conditioning time
Reaming
Casing
Staging to DDH
Fuel
Consumables
Additives
Lost equipment
Cat (dozer) rental
Core boxes - # and cost

I can come up with a written statement of just what we want to accomplish. I'm not sure if we have all of the information as to hole locations etc. at this time - but we have to get started on this as the season is almost half over.

Dick Arndt

Derek, let's get this on the road - we'll talk on the procedures.

NOTE!

POSSIBLE CONTRACTERS ARE: Advanced Drilling of Vancouver - Caron Drilling of Whitehorse and there is a Kluane Drilling in Whitehorse that should be contacted.