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007863

1987 FARO
AREA
DRILLING
PROPOSAL

CURRAGH RESOURCES INC.

PROPOSED 1987 DRILLING IN THE ANVIL DISTRICT

The following specifications are for three jobs to be drilled in the Faro area in the next few months. The major emphasis is on fill-in drilling at the proposed Grum and Vangorda pits, there is also a small job in the Faro pit. For the Vangorda Plateau (Grum and Vangorda) jobs the emphasis is different from that of most previous drilling. The major objective is to obtain samples for metallurgical test work and a lesser objective is to fill-in the pattern for better geologic control and reserve definition. The nature of the overburden is of great interest particularly as regards water and permafrost and the distribution of potentially problematic materials like clay beds.

Because of the strong hydrogeological and geotechnical component of the program a split contract is desired with the overburden portion of the holes drilled and tested by one contractor and the bedrock portion by another. Should the contractor wish to bid on both components then a resume of experience with water and geotechnical testing is requested and the rig should be equipped for Standard Penetration Tests.

At Vangorda the ore to be cored is close to the surface and is expected to be broken, sandy and friable thus difficult to core. It is proposed to attempt coring using a triple tube core barrel along with heavy use of mud and or artificial mud ingredients and /or impregnating agents. Due to possible interference with metallurgical bench tests any material to be used in the drilling must be supplied in advance for testing. Cutting oil is out of the question and grease on the core would be very detrimental in the ore sections as these substances definitely cause problems with metallurgical tests.

Because of the interest in the geotechnical properties of the overburden it may be desired to core overburden in selected holes using the triple tube core barrel. The contractor is to supply the triple tube core barrel, however this is negotiable.

The amount of material may be a problem (we require a minimum of 1,500 kg per property) thus a price for HQ as well as NQ drilling is needed.

Both properties are accessible by all weather road. Grum and Vangorda are a few km apart, both properties are about 14 km from the Faro pit.

The contractor should prepare a bid with the assumption that a cat will be required at Grum and Vangorda but not at Faro. For all drilling the Contractor shall supply core boxes and lids, room and board, propane and all other materials but Curragh will supply gasoline and diesel. Consideration should be paid to tests in the holes, both sperry sun and logging tests, and peisometer installation.

The drill program can start as soon as possible, but at present it appears that mid-August is the earliest possible. Two drills would be preferred, one going to Faro and the other to Vangorda with the Faro drill moving to Grum when finished. Please provide a price for the move from Faro to Grum on the assumption that the contractor supplies a truck, however it is likely that Curragh will supply a truck. For the Faro pit drilling assume that Curragh will supply water to the drill.

FARO DEPOSIT

Holes are located in the active mining area of the pit (see map), there will be blasting carried out in the general area from time to time.

7 holes averaging 450 feet (140 m) total footage about 3000 feet (910 m); minimum hole depth 300 feet (92 m), maximum 600 feet (183 m).

Holes may be inclined at up to 45 degrees however the intention is to keep them as close to vertical as pit operations allow.

NQ diameter core.

Drill all holes with mud from collar with cost to be included in footage cost.

Water will have to be hauled from mill, provide quote as if Curragh supplies water.

VANGORDA DEPOSIT

28 holes averaging 216 feet (66 m) total footage about 6000 feet
Minimum 100 feet (30 m), maximum 360 feet (110 m)

All holes will be vertical or inclined at no less than 60°

NQ diameter holes mostly but may require HQ for some holes to get
enough material for the required tests.

In the southeast part of the deposit the ore is very shallow and
oxidized, this material will be friable, broken, blocky and sandy; it
is essential that this material be recovered to the maximum extent
possible thus we are proposing to use a triple tube core barrel
(preferably to be supplied by contractor). Alternatives suggested
will be considered but the size of particles as they exist in the
ground is important thus percussion or rotary drilling will not be
suitable.

Drill all holes from collar with mud or mutually agreeable
alternative. Cost of this to be included in the footage cost.

Water will be pumped from Vangorda Ck. (see map) thus the longest
water line will be 2200 feet (670 m) and the maximum lift will be 130
feet (40 m). Will be able to drive to pump site.

Overburden thickness will be from 30 feet (10 m) to 130 feet (40 m),
the total footage to be drilled in overburden will be 1650 feet (505
m).

Area is gently rolling with elevations from 3700 feet (1125 m) to 3850
feet (1175 m). Swampy conditions will be encountered locally but
should not pose a problem based on past experience. All holes are
between existing sites and there are lots of access roads within the
drill grid.

PROPOSED 1987 VANGORDA DRILLHOLES

section	northing	depth (m)	overburden (m)	bedrock (m)	sulphides (m)
0	0.5	96	12	84	61
2	0.5	91	6	85	60
3	0.5	100	15	85	60
3	-0.5	110	10	100	50
5	0.5	100	30	70	43
5	-0.5	110	20	90	47
7	0.5	75	35	40	37
7	-0.5	100	30	70	38
8	0.5	62	30	32	32
8	-0.5	75	36	39	36
9	-0.5	90	35	55	36
10	-0.5	95	33	62	17
11	0.5	85	35	50	34
14	0.5	60	25	35	28
14	1.5	60	25	35	27
17	-1.0	40	18	22	22
18	-0.5	30	10	20	16
19	-1.0	40	15	25	11
19	-0.5	30	15	15	16
21	0.5	35	10	25	9
21	-0.5	45	10	35	20
22	1.5	30	10	20	20
24	-2.5	35	10	25	20
24	-1.5	48	11	37	21
24	-0.5	37	11	26	25
24	1.5	33	5	28	24
number of holes		26			
total meters		1,712	502	1,210	810
total feet		5,617	1,647	3,970	2,657
average meters		66	19	47	31
maximum meters		110	36	100	61
minimum meters		30	5	15	9
average feet		216	63	153	102
maximum feet		361	118	328	200
minimum feet		98	16	49	30
weight of the sulphides at			4 lb/ft or	6.2 kg/m	
is: 5,050 KG			75 lb/box		

590 samples

GRUM DEPOSIT

18 holes averaging 400 feet (122 m) total footage about 7200 feet (2200 m). Minimum hole length 230 feet (70 m), maximum length 800 feet (250 m)

NQ diameter but price for HQ also requested

All holes will be vertical or inclined at no less than 45°

Will not be likely to need the triple tube core barrel to core in bedrock but may want to core overburden in a couple of holes.

Drill all holes with mud or mutually agreeable alternative.

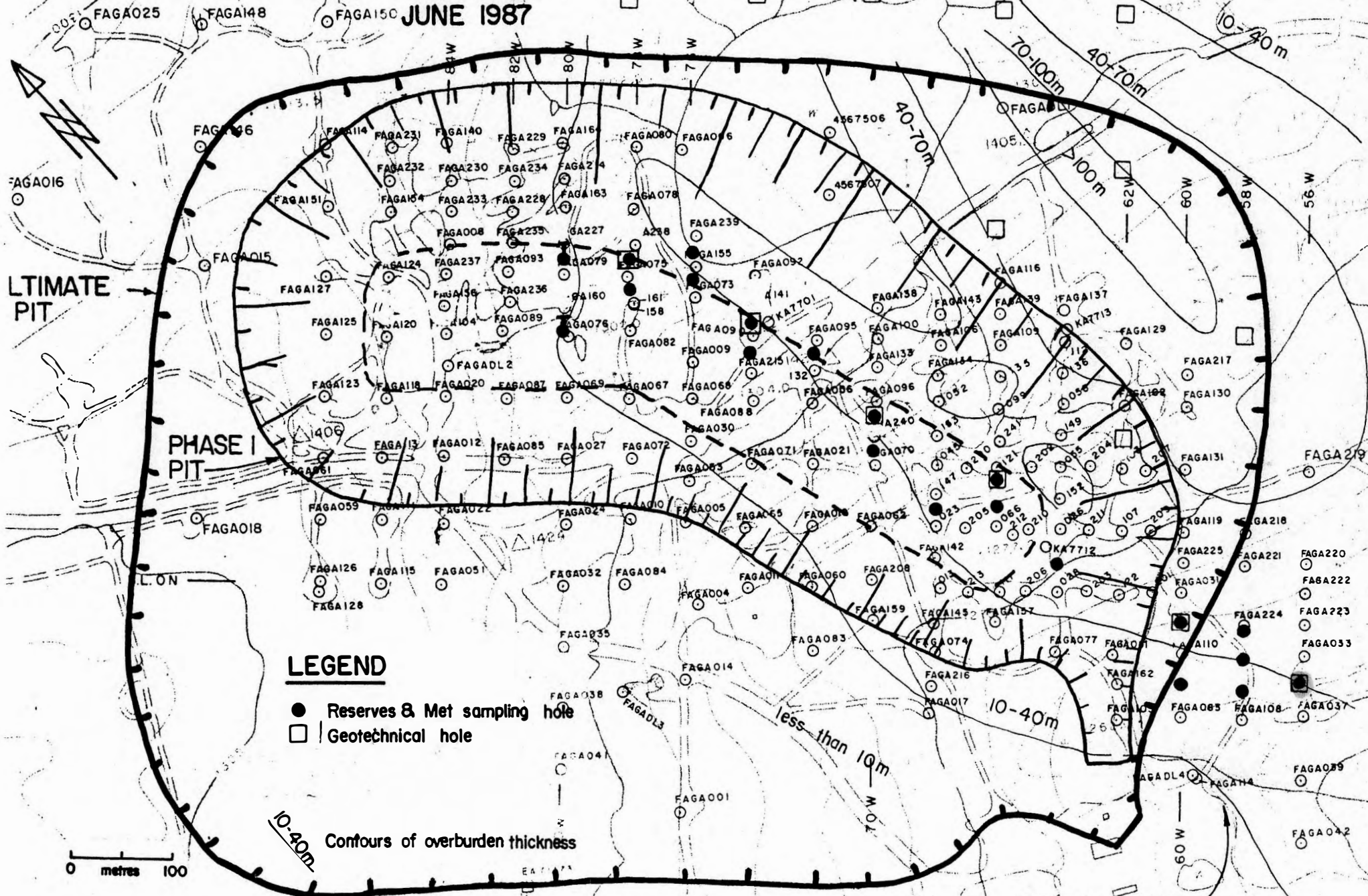
Water will be pumped from Doal Lake or closer sources (see map) thus the longest water line will be 2200 feet (670 m) and the maximum lift likely would be 80 feet (25 m) but many holes could be gravity fed from the Lake. During the program the draining of Doal Lake will be started but it is not likely there will be a water supply problem. Will be able to drive to pump site.

Overburden thickness will be from 40 feet (12 m) to 170 feet (52 m), the total footage to be drilled in overburden will be 2200 feet (670 m).

Area is a gentle slope with elevations from 4100 feet (1250 m) to 4315 feet (1315 m). Swampy conditions will be encountered locally but should not pose a problem based on past experience. All holes are between existing sites and there are lots of access roads within the drill grid.

CURRAGH RESOURCES INC. GRUM DRILLING PROGRAM

JUNE 1987



LEGEND

- Reserves & Met sampling hole
- Geotechnical hole

Contours of overburden thickness

0 metres 100

0 feet 500

CHAMP ZONE

PROPOSED 1987 GRUM DRILLHOLES

section	northing	depth (m)	overburden (m)	bedrock (m)	sulphides (m)
64	1.00	90	50	40	20
66	2.50	70	45	25	25
66	3.50	80	37	43	20
68	2.50	130	45	85	80
70	4.50	110	35	75	60
70	5.50	110	42	68	60
72	7.50	100	52	48	50
74	7.50	120	40	80	60
74	8.50	110	40	70	70
76	9.66	110	40	70	60
78	9.50	130	30	100	100
78	10.50	110	33	77	70
80	10.50	130	12	118	80
80	8.00	145	15	130	80
56	-3.00	130	38	92	10
58	-3.00	190	32	158	15
58	-2.00	165	40	125	15
58	-1.00	145	45	100	15
number of holes		18			
total meters		2,175	671	1,504	890
total feet		7,136	2,201	4,934	2,920
average meters		121	37	84	49
maximum meters		190	52	158	100
minimum meters		70	12	25	10
average feet		396	122	274	162
maximum feet		623	171	518	328
minimum feet		230	39	82	33
weight of the sulphides at			4 lb/ft or	6.2 kg/m	
is:			75 lb/box		
5,549 KG					

249, 683 @ \$34.94/ft @ base off \$30
620 samples

PROPOSED GEOTECHNICAL HOLES AT GRUM (not diamond drillholes)

section	northing	depth (m)	overburden (m)	bedrock (m)	sulphides (m)
78	10.00	110	33	77	0
74	20.00	60	40	20	0
70	5.00	110	42	68	0
66	12.00	110	65	45	0
66	3.00	80	37	43	0
62	20.00	60	40	20	0
58	8.00	85	80	5	0
32	-20.00	50	45	5	0
28	-20.00	50	45	5	0

Also a 6" ID well hole drilled half way to bedrock (approx 40 m) for a pump test then deepened into bedrock (approx 100 m) for a second pump test.

At Vangorda there will probably be an additional four geotechnical holes totaling 300 m in areas with 20 to 30 m of overburden and a well hole for a pump test as above about 50 m deep.