



November 8, 1974

Netherlands Acceptance Corporation, #1912 - 1177 West Hastings Street, Vancouver, B.C. MINING RECORDER RECEIVED and RECORDED JUN 25 1976 M.R. #______ VICTORIA, B. C.

SM-TULAMEEN 74(3)C

Dear Sirs;

RE: Coalmont Coal Property N¹₂L 294

Diamond Drill Hole No.1 has now been completed on the eastern side of N¹₂L 294 coal property near Coalmont, B.C.

The results of this drilling indicates that the coal reserves contained on the above mentioned ground would be approximately 1,750,000 tons to a mining depth of 200 feet. It is assumed that any mining would be by open pit methods to this depth.

Drill Hole No.l was drilled at a -60 angle to the N E with the target being the intersection of the surface expression of the coal seam at a depth of 200 feet. The seam was intersected at a distance 242 feet and continued to 287 feet. Bands of mudstone were contained within this section giving a total width of coal of 35 feet. Caving conditions were encountered at 342 feet and the hole was stopped at this footage. To continue beyond this depth would have resulted in extremly high costs and since the coal encountered resembled the surface exposure it was considered unecessary. The country rock penetrated on both the hanging wall and footwall of the coal seam is a brownish mudstone showing a near vertical altitude.

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It is not recommended that any additional drilling be carried out on the property at this time. A second drill hole located on the western side of the property would probably help to verify the present assumptions but it is doubted that it would increase the coal reserves to any great extent.

Greater tonnages of coal could best be obtained by acquiring additional property east and west of lot 294, these being lots 293 and 379.

Yours very truly,

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Terence F. Schorn Manager, Mining Division

TFS:ct

Enclosures

Log of Diamond Drill Hole No.1

0 - 15 feet - Overburden
15 - 80 feet - Brown mudstone, drilled with a tricone bit and therefore no core was recovered.
80 - 242 feet - Brown mudstone showing a near vertical dip.
242 - 248 feet - Coal
248 - 250 feet - Brown mudstones
250 - 255 feet - Coal
255 - 256 feet - Brown mudstones
256 - 260 feet - Coal
260 - 263 feet - Brown mudstones mixed with bands of coal.
263 - 287 feet - Mainly coal, some interbedded mudstones.
267 - 342 - End of hole

@ 274 feet - 6 inches of mudstone
@ 275 feet - 6 " " "
@ 277 feet - 6 " " "

D.D. HoLE 1 View NW Approx 35 ft. of Coal contained EL. 3750' within 250 Mudstone (dip near vestice) 200 ft. Level Approx. 35 ft. 3⁴² of coal contained, within. Scale: 1"= 100 ft. = 350 tins (200 ft depth) Indicated tons of coal per lineal foot Indicated tons of ceal for seco ft = 1,750,000 Tons Indicated waste: coal ratio = 3:/ Indicated tons of waste = 5,250,000 tons CHINDOK CONSTRUCTION ENGINEERING LTO Nov 7/74

CABLE ADDRESS CONTECO

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COMMERCIAL TESTING & ENGINEERING CO.

GENERAL OFFICES: 228 NORTH LA SALLE STREET, CHICAGO, ILLINOIS 60601 - AREA CODE 312 728-8434

lease address all correspondence to: 47 Riverside Dr., North Vancouver, B.C. V7H 1T6

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Office: Tel. (604) 929-2228 Roberts Bank Tel. (604) 946-7021 June 19, 1974

CERTIFICATE OF ANALYSIS FOR:

Netherlands Acceptance Corp. 1912 - 1177 West Hastings Sureez Vancouver, B.C.

SAMPLE IDENTIFICATION:

REPORT NO. 67-4647

Coal sample submitted to Laboratory.

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% Moisture % Ash % Volatile % Fixed Carbon	4.65 7.85 32.67 <u>54.83</u> 100.00	8.23 34.26 <u>57.51</u> 100.60
Btu/lb. % Sulfur * Net Calories/gram	12440 0.31 6600	12047 0.32 7042

* Estimated based on 4.0% Hydrogen in Dry Coal.

Respectfully of mitted,

COMPRCIAL TESTING & INCLUMINANG CO.

R. A. Housez,

District Manager

