MAR 20060008: FOLDING MOUNTAIN

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GRAYMONT WESTERN CANADA INC.

2005 EXPLORATION AND DIAMOND DRILLING ON THE FOLDING MOUNTAIN PERMIT

PART B

Metallic and Industrial Mineral Permit
9304050869

Geographic Coordinates

53°15' N
117°47' W

NTS Sheets 83 F/4 and F/5

Owner of MAIM Permit 9304050869
Graymont Western Canada Inc.
190, 3025 - 12 Street N.E.
Calgary, AB, T2E 7J2

Operator:
Graymont Western Canada Inc.
190, 3025 - 12 Street N.E.
Calgary, AB, T2E 7J2

Consultant:
Dahrouge Geological Consulting Ltd.
18, 10509 - 81 Avenue
Edmonton, Alberta T6E 1X7

Authors: J. Dahrouge, B.Sc., P.Geol.

Date Submitted: June 13, 2006
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### DETAILED EXPENDITURE STATEMENT FOR 2005 EXPLORATION
CONDUCTED ON THE FOLDING MOUNTAIN PERMIT

#### a) Personnel

<table>
<thead>
<tr>
<th>Name</th>
<th>Days</th>
<th>Description</th>
<th>Rate</th>
<th>Amount</th>
</tr>
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<tbody>
<tr>
<td>M. Gidluck, geologist</td>
<td>2.00</td>
<td>field work and travel October 4, 5</td>
<td>@ $</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2.00</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>S. Fraser, geologist</td>
<td>21.00</td>
<td>field work and travel August 28, 29; September 25-30; and October 1-16</td>
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<tr>
<td></td>
<td>8.80</td>
<td>preparations for field, logging drill core, reporting</td>
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<tr>
<td></td>
<td>29.80</td>
<td></td>
<td>@ $</td>
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<tr>
<td>J. Dahrouge, geologist</td>
<td>3.10</td>
<td>field work and travel August 10; October 4, 5</td>
<td>@ $</td>
<td></td>
</tr>
<tr>
<td></td>
<td>9.20</td>
<td>supervising and report preparation</td>
<td>@ $</td>
<td></td>
</tr>
<tr>
<td></td>
<td>12.30</td>
<td></td>
<td>@ $</td>
<td></td>
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<tr>
<td>J. Tanton, geologist</td>
<td>1.20</td>
<td>assist with permitting</td>
<td>@ $</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1.20</td>
<td></td>
<td>@ $</td>
<td></td>
</tr>
<tr>
<td>N. McCallum, geologist</td>
<td>9.60</td>
<td>field work and travel September 13, 16; October 7-14</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>0.50</td>
<td>assist with permitting</td>
<td>@ $</td>
<td></td>
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<tr>
<td></td>
<td>10.10</td>
<td></td>
<td>@ $</td>
<td></td>
</tr>
<tr>
<td>A. Wennekamp, geologist</td>
<td>3.70</td>
<td>field work and travel June 12-15</td>
<td>@ $</td>
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<td>0.60</td>
<td>preparations</td>
<td>@ $</td>
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<td></td>
<td>4.30</td>
<td></td>
<td>@ $</td>
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</tr>
<tr>
<td>W. McGuire, draftsman</td>
<td>4.00</td>
<td>field work and travel June 12-15</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>7.10</td>
<td>drafting, preparing and plotting figures and maps, other</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>11.10</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>G. Sauer, assistant</td>
<td>14.50</td>
<td>field work and travel September 13, 16, 25-30; and October 1-7</td>
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<td></td>
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<tr>
<td></td>
<td>0.20</td>
<td>preparations for field</td>
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<td></td>
<td>14.70</td>
<td></td>
<td>@ $</td>
<td></td>
</tr>
<tr>
<td>L. Halverson, assistant</td>
<td>14.50</td>
<td>field work and travel October 4-16</td>
<td></td>
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<tr>
<td></td>
<td>14.50</td>
<td></td>
<td>@ $</td>
<td></td>
</tr>
<tr>
<td>D. Wilson, assistant</td>
<td>49.50</td>
<td>data entry, binding reports, photocopying, other</td>
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<tr>
<td></td>
<td>49.50</td>
<td></td>
<td>@ $</td>
<td></td>
</tr>
</tbody>
</table>

**Total Amount:** $42,838.73
EXPENDITURE STATEMENT (continued)

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>b) Food and Accommodation</td>
<td>70 man-days @ $ 55.47 accommodations, 70 man-days @ $ 26.33 meals, 70 man-days @ $ 15.26 groceries and other</td>
<td>$ 3,904.76, $ 1,853.66, $ 1,074.40</td>
</tr>
<tr>
<td>c) Transportation</td>
<td>Rental(s) for 4x4 Vehicle(s) (June 12-15, September 13, 16, September 15-30; and October 1-16), ATV Rentals (September 13 and 16), Fuel, Mileage</td>
<td>$ 6,832.82</td>
</tr>
<tr>
<td>d) Instrument Rental</td>
<td>n/a</td>
<td></td>
</tr>
<tr>
<td>e) Drilling</td>
<td>Target Drilling (493 m, NQ Core), Water tanks, truck and delivery, Core Splitter, Other Equipment</td>
<td>$ 100,738.70</td>
</tr>
<tr>
<td>f) Analyses</td>
<td>n/a</td>
<td></td>
</tr>
<tr>
<td>g) Report</td>
<td>Reproductions and assembly</td>
<td>$ 46.75</td>
</tr>
<tr>
<td>h) Other</td>
<td>Airphotos, Courier and Shipping, Digital Data, Disposable Supplies, Long distance telephone, Permits, Photocopying, Plots, Storage</td>
<td>$ 165,251.64</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>$ 165,251.64</td>
</tr>
</tbody>
</table>

Jody Dahrouge
1. SUMMARY

During 2005, exploration of Metallic and Industrial Minerals (MAIM) Permit 9304050869 of Graymont Western Canada Inc. near Folding Mountain, included the examination of 12 discrete stratigraphic intervals exceeding 31½ m thickness, and the completion of four NQ diamond-drill holes totalling 493.39 m.

Results of the exploration showed low-quality, variably dolomitic or argillaceous limestone, dolomitic grainstone, and shales of the Banff Formation and Rundle Assemblage in outcrop, and Banff Formation in drill holes.

The 2005 exploration expenditures for MAIM Permit 9304050869 totaled $165,251.64 (Appendix 1). The expenditures are to be applied towards work period years 1 and 2, 3 and 4, 5 and 6, 7 and 8, 9 and 10; with excess expenditures carried over to work period years 11 and 12.

2. INTRODUCTION

The "exploration objectives" or "scope" of the 2004 and 2005 exploration were to locate high-quality carbonate rocks. To achieve the "exploration objectives", outcrops were located and mapped, and diamond drilling was completed.

3. LOCATION AND ACCESS

MAIM Permit 9304050869 (Fig's. 3.1 and 3.2) is located within National Topographic System Map Sheets 83 F/4 and F/5, and is centered upon approximately 53°15' N latitude 117°47' W longitude.

Access to the property is via Highway 16 from Edmonton to just opposite Folding Mountain. Gravel roads, trails and cut lines that cross the property provide additional access.

A total of 12 stratigraphic sections and 4 drill sites were completed within the permit. These locations are shown in Fig. 3.3.
4. WORK PERFORMED

From June 12 to 15, and on August 10, 2005 Dahrouge Geological Consulting Ltd. (Dahrouge) on behalf of Graymont Western Canada Inc. (Graymont), measured 12 stratigraphic intervals totaling 31½ m. Individual stratigraphic units were described, and quality assessed in the field using a solution of 5% HCL. Stratigraphic thicknesses were determined by measuring outcrops perpendicular to bedding.

From September 13 to October 16, 2005 Dahrouge flagged access to, located water for, and supervised the completion of 493.39 m of NQ drilling in four holes. Target Diamond Drilling of Calgary Alberta performed the diamond drilling using a Longyear 38 diamond drill rig. Due to environmental concerns, water was trucked to the nearest access point, stored in tanks and pumped to the drill.

5. RESULTS

Between June 12 to 15, and on August 10, 2005, 12 discrete stratigraphic intervals were examined (Table 5.1). The measured intervals varied from less than \( \frac{1}{4} \) m to about 7\( \frac{3}{4} \) m thickness. They consisted primarily of variably dolomitic or argillaceous limestone, attributed to the Banff Formation or Rundle Assemblage. Prior exploration had indicated potential for good quality limestone within the Palliser Formation (Holter, 1976). Descriptions of the stratigraphic intervals are in Part C, Appendix 1; and summarized in Table 5.1.

**TABLE 5.1: LOCATIONS EXAMINED WITHIN MAIM PERMIT 9304050869**

<table>
<thead>
<tr>
<th>Location</th>
<th>Formation</th>
<th>Measured Strat. Thick. (m)</th>
<th>Measured Intervals</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005 (Part C, Appendix 2)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Along Access Road -</td>
<td>Rundle</td>
<td>&gt;12( \frac{3}{4} )</td>
<td>5</td>
</tr>
<tr>
<td>West Flank of Folding Mtn Anticline*</td>
<td>Assemblage</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Along Powerline Corridor -</td>
<td>Banff (?)</td>
<td>2( \frac{3}{4} )</td>
<td>1</td>
</tr>
<tr>
<td>Core Folding Mtn Anticline</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Along Road to Dump-</td>
<td>Banff (?)</td>
<td>N/A</td>
<td>1</td>
</tr>
<tr>
<td>East Flank of Folding Mtn Anticline*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Along Highway 16 -</td>
<td>Rundle</td>
<td>16( \frac{1}{4} )</td>
<td>5</td>
</tr>
<tr>
<td>West Flank of Folding Mtn Anticline</td>
<td>Assemblage</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Totals:</td>
<td></td>
<td>&gt;31( \frac{1}{2} )</td>
<td>12</td>
</tr>
</tbody>
</table>

* Isolated section(s)

From September 13 to October 16, 2005, four drill holes were completed. They generally intersected low-quality, variably dolomitic or argillaceous limestone, dolomitic grainstone, and shale
attributed to the Banff Formation. Drill logs are in Part C, Appendix 2; and summarized in Table 5.2.

**TABLE 5.2**

<table>
<thead>
<tr>
<th>Hole ID</th>
<th>Location</th>
<th>Formation</th>
<th>Depth (m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>F05-01</td>
<td>Along Northeast Trending Cutline, near Radio Tower (NAD 83: 446398E, 5901228N)</td>
<td>Palliser(?)</td>
<td>171.52</td>
</tr>
<tr>
<td>F05-02</td>
<td>Along Northeast Trending Cutline, near Radio Tower (NAD 83: 446605.5E, 5901452.5N)</td>
<td>Palliser(?)</td>
<td>137.77</td>
</tr>
<tr>
<td>F05-03</td>
<td>Along Northeast Trending Cutline, near Radio Tower (NAD 83: 446755E, 5901654N)</td>
<td>Banff</td>
<td>61.57</td>
</tr>
<tr>
<td>F05-04</td>
<td>Along Powerline Corridor - Core Folding Mtn Anticline (NAD 83: 447059.7E, 5900751.6N)</td>
<td>Palliser(?)</td>
<td>122.53</td>
</tr>
<tr>
<td><strong>Totals</strong>:</td>
<td></td>
<td></td>
<td><strong>493.39</strong></td>
</tr>
</tbody>
</table>

Drillhole F05-01 intersected 9.75 m of unconsolidated overburden and 161.77 m of dolomitic limestone, limestone, shaly limestone and calcareous shale. Bedding structures were generally at 60° to 75° to CA, and rarely at 80° to CA; indicating approximate dips from 10° to 30°.

Drillhole F05-02 intersected 6.10 m of unconsolidated overburden and 131.67 m of shaly dolomitized limestone, cherty dolomitic limestone, shaly limestone, calcareous shale and some thin interbeds of dolomitic grainstone. Bedding structures were generally at 60° to 80° to CA; indicating an approximate average dip of 20°.

Drillhole F05-03 intersected about 19.81 m of unconsolidated overburden and about 41.76 m of grey to greyish black shale, with some thin interbeds of dolomite.

Drillhole F05-04 intersected about 6.05 m of unconsolidated overburden and about 116.48 m of dolomitic limestone, limestone, shaly limestone and calcareous shale.

**6. CONCLUSIONS**

The area examined and drilled is within the core of Folding Mountain Anticline and is underlain by the Banff Formation. No significant intervals of high-quality carbonates were intersected within the drill holes.

Given the poor results and environmental sensitivity of the area, no future exploration is recommended.
REFERENCES

STATEMENT OF AUTHOR

I, Jody Dahrouge, residing at 11 Country Lane, Stony Plain, Alberta, do hereby certify that:

- I am a graduate of the University of Alberta, Edmonton, Alberta with a B.Sc. in Geology, 1988 and a Special Certificate (Sp.C.) in Computing Science in 1994.
- I have practised my profession as a geologist intermittently from 1998 to 1994, and continuously since 1994.
- I am a registered professional geologist with the Association of Professional Engineers, Geologists and Geophysicists of Alberta, member M48123.
- I hereby consent to the copying or reproduction of this Technical Report after the end of the one-year confidentiality period.
- I am the author of the report entitled “2005 Exploration and Diamond Drilling on the Folding Mountain Permit” and accept responsibility for the veracity of technical data and results.

Dated this 13th day of June, 2006.

Jody Dahrouge, BSc. Geol
APEGA M48123
APPENDIX 1: COST STATEMENT FOR THE 2005 EXPLORATION

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
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<tbody>
<tr>
<td>a) Personnel</td>
<td>$42,838.73</td>
</tr>
<tr>
<td>b) Food and Accommodation</td>
<td>$6,832.82</td>
</tr>
<tr>
<td>c) Transportation</td>
<td>$9,434.89</td>
</tr>
<tr>
<td>d) Drilling</td>
<td>$100,738.70</td>
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<td>e) Report</td>
<td>$46.75</td>
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<td>f) Other</td>
<td>$5,359.74</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$165,251.64</strong></td>
</tr>
</tbody>
</table>
APPENDIX 2: MEASURED STRATIGRAPHIC SECTIONS

Note: Stratigraphic thicknesses are based on measured attitudes of bedding as listed below with appropriate interpolations. Section intervals are listed in order from stratigraphic top to bottom.

Abreviations are: Banff - Banff Formation; RA - Rundle Assemblage (includes: Pek - Pekisko, Sh - Shunda, and TV - Turner Valley Formations)

<table>
<thead>
<tr>
<th>Sections</th>
<th>Formation</th>
<th>Strat.</th>
<th>Description</th>
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<td>Isolated Sections</td>
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<tr>
<td>14701</td>
<td>RA</td>
<td>7(^{3/4})</td>
<td>Limestone, light-brownish-grey weathered, light tan-grey fresh, micritic to fine-grained, poor to very poor reaction with HCl, beds 3 to 30cm, attitude of beds 221°/41°</td>
</tr>
<tr>
<td>14702</td>
<td>RA</td>
<td>3(^{3/4})</td>
<td>Limestone, medium-dark-brown/grey weathered, brown/grey fresh, micritic to cryptocrystalline, beds up to 30cm, attitude of beds 224°/41°, 225°/26°</td>
</tr>
<tr>
<td>14703</td>
<td>RA</td>
<td>(\frac{1}{2})</td>
<td>Dolomitic Limestone, medium- to dark-brown/grey weathered, brown/grey fresh, massive, micritic to cryptocrystalline, poor HCl reaction on fresh surface, no reaction on weathered surface</td>
</tr>
<tr>
<td>14704</td>
<td>RA</td>
<td>(\frac{1}{4})</td>
<td>Dolomitic Siliceous Limestone, dark-brown/grey weathered, brown/grey fresh, gritty texture, poor HCl reaction on fresh surface, no reaction on weathered surface, attitude of beds 221°/39°</td>
</tr>
<tr>
<td>14705</td>
<td>RA</td>
<td>N/A</td>
<td>Dolomitic Siliceous Limestone, dark-brown/grey weathered and fresh, gritty texture, some white calcite veins up to 2mm thick, poor to moderate HCl reaction on fresh surface, no reaction on weathered surface</td>
</tr>
<tr>
<td>14706</td>
<td>Banff</td>
<td>2(^{3/4})</td>
<td>Dolomitic Limestone, grey weathered, dark-grey fresh, micritic, some white calcite veins, good HCl reaction</td>
</tr>
<tr>
<td>14707</td>
<td>RA</td>
<td>N/A</td>
<td>Dolomitic Limestone, dark-grey-brown and tan weathered, dark-grey fresh, micritic, abundant calcite veins, good HCl reaction</td>
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</table>

Section FM05-01: North side of Yellowhead Highway (UTM 447412E, 5899337N)

<table>
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<th>Description</th>
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<tr>
<td>14708</td>
<td>TV</td>
<td>3</td>
<td>Dolomitic Limestone, very light grey to white weathered, very light grey fresh, cryptocrystalline, beds 4 to 20cm, attitude of beds 231°/41°</td>
</tr>
<tr>
<td>14709</td>
<td>TV</td>
<td>3</td>
<td>Dolomitic Limestone, as above for top metre, then 1(\frac{1}{2})m of laminated white/grey dolomite with abundant chert lenses/layers to 2cm thick throughout, beds 8-50 cm, attitude of beds 220°/34°</td>
</tr>
<tr>
<td>14710</td>
<td>TV</td>
<td>3(^{3/4})</td>
<td>Dolomitic Limestone, tan/grey weathered, grey fresh, fine-grained, fine-vugs throughout, large-calcite filled vugs 5cm diameter, beds 30cm to 1m, attitude of beds 220°/43°</td>
</tr>
<tr>
<td>14711</td>
<td>TV</td>
<td>2(^{3/4})</td>
<td>Dolomitic Limestone, as above, except a bit lighter weathered, fine-grained to micritic, well jointed, calcite along joints and in vugs, beds 10 to 40cm, attitude of beds 213°/50°</td>
</tr>
<tr>
<td>14712</td>
<td>TV</td>
<td>3(^{3/5})</td>
<td>Dolomitic Limestone, (1m covered below 14711), dirty brown-grey weathered, dark-grey fresh, cryptocrystalline, crumbly, abundant chert lenses to 4cm, vuggy, abundant calcite in vugs to 2cm, beds 10 to 50cm, attitude of beds 213°/47°</td>
</tr>
</tbody>
</table>

- covered
## APPENDIX 3 - DRILL LOGS

### DIAMOND DRILL LOG

**Company:** GRAYMONT WESTERN CANADA INC.  
**Project:** Folding Mountain  
**Hole No:** F05-01  
**Core Size:** NQ  
**Total Depth:** 171.52 m

<table>
<thead>
<tr>
<th>Depth</th>
<th>Angle</th>
<th>Collar</th>
<th>Depth Angle</th>
<th>Collar 90°</th>
<th>171.5</th>
<th>89°</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.00</td>
<td></td>
<td></td>
<td>9.75</td>
<td>9.75</td>
<td>9.75</td>
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</table>

### Claim: Folding Mtn.

**Bearing:** 0°

**Inclination:** -90°

**Easting (m):** 446398.0  
**Northing (m):** 5901228.0  
**Elevation (m):** 1170.7

**Date Started:** Sept. 28, 2005  
**Date Finished:** Oct. 4, 2005  
**Date Logged:** Oct. 12, 2005  
**Logged By:** S. Fraser

<table>
<thead>
<tr>
<th>From (m)</th>
<th>To (m)</th>
<th>Interval (m)</th>
<th>RQD (%)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
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| 9.75     | 25.00  | 15.25        | 40      | DOLOMITIZED LIMESTONE:  
massive to thin-bedded, dark-grey to tan, fine-grained to cryptocrystalline; 
few vuggy sections; beds 80° to CA (16.2m)  
9.60-9.65 m - bioturbated and aligned 75° to CA  
9.75-9.85 m - carbonaceous band 10° to CA  
12.60 m - fracture subparallel to CA  
11.90 m - motting and fracture 65° to CA  
13.25 m - fracture with oxidation and minor gouge 45° to CA  
13.40-13.6 m - light-grey to brown motting (dolomitic)  
13.65-13.75 m - calcite spar as blebs  
13.90-14.05, and 15.05 m - vuggy and very porous, oxidized  
14.25 m - fracture 60° to CA  
15.65-15.7 m - fracture 65° to CA with oxidation  
16.20 m - beds 80° to CA  
16.35-16.7 m - broken core; fractures 15° to CA, minor gouge  
18.55-18.75 m - minor solution breccia  
19.15 m - fracture 70° to CA  
19.25 m - fracture 30° to CA  
19.75 m - fracture 40° to CA  
19.75-21.55 m - abundant calcite veining as irregular suture  
20.15-21.5 m - broken core with gouge/clay 75-80° to CA  
21.50 m - fracture 15° to CA  
21.85 m - beds 60° to CA  
22.70 m - fracture 25° to CA  |
| 25.00   | 51.80  | 26.80       | 49      | MASSIVE LIMESTONE:  
medium to dark-grey, cryptocrystalline matrix, sparry calcite to 29.5 m, 
reacts well with 6% HCL  
25.90-31.80 m - abundant calcite spar as 2-3mm blebs  
26.05 m - fracture 45° to CA  
28.10 m - fracture 45° to CA; minor clay gouge  
29.6-29.65 m - vuggy with calcite spar  
29.40 m - fracture 45° to CA with minor gouge  
30.00 m - fracture 45° to CA  
31.45 m - fracture 40° to CA with clay/gouge  
34.30 m - fracture sub parallel to CA |
### DIAMOND DRILL LOG

**Company:** GRAYMONT WESTERN CANADA INC.  
**Project:** Folding Mountain  
**Hole No:** F05-01  
**Core Size:** NQ

<table>
<thead>
<tr>
<th>From</th>
<th>To</th>
<th>Interval</th>
<th>RQD</th>
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</thead>
</table>
| 51.80 | 96.10 | 44.30 | 74 | **SHALY DOLOMITIZED LIMESTONE**  
- dark-grey, generally massive, cryptocrystalline to fine-grained, locally well bedded  
- 51.80-57.38m - predominantly calcareous shale with beds at 60° to CA, thin laminae, partly dolomitized  
- 54.55m - fracture 10° to CA  
- 57.38-59.35m - light-grey, massive, 10cm calcite filled cavity at 58.05m  
- 62.00m - beds 68° to CA  
- 66.17-69.65m - dark- to light-grey limestone, abundant fossils, minor bioturbation  
- 69.65-74.80m - light- to dark-grey, massive to weakly bedded  
- 71.00m - beds 65° CA  
- 74.80-76.5m - calcareous shale, dark-grey, massive  
- 78.40m - fracture 45° to CA  
- 76.50-86.30m - dark-grey to greyish-black, massive limestone, reacts well in 6% HC1; fossiliferous  
- 86.30-93.10m - light- to dark-grey to grey-black, vague bedding to massive, partly fossiliferous  
- 88.35m - beds 75° to CA  
- 96.10 | 98.15 | 2.05 | 33 | **WEAKLY CALCAREOUS SHALE**  
- dark-grey to grey-black, shaly, well bedded, beds 70° to CA  
- 96.13m - fracture with gouge 75° to CA  
- 98.15 | 113.39 | 15.75 | 77 | **INTERBEDDED FOSSILIFEROUS LIMESTONE AND DOLOMITIZED**  
- light- to dark-grey, mottled, cryptocrystalline to fine-grained  
- 100.60-102.20m - calcareous shale as per 96.10 to 98.15m  
- 102.4-103.55m - predominantly bioclastic grainstone, coarse-grained, crinoid rich  
- 103.55-113.39m - light-grey to greyish-black, mottled, reacts well in 6% HCl, fossiliferous  
- 111.65m - beds 75° to CA  
- 113.39 | 119.35 | 5.96 | 75 | **INTERBEDDED GRAINSTONE WITH CALCAREOUS SHALE**  
- bioclastic, grains to 5mm, partly vuggy, sharp upper contact 65° to CA, lower
### DIAMOND DRILL LOG

**Company:** GRAYMONT WESTERN CANADA INC.  
**Project:** Folding Mountain  
**Hole No:** F05-01  
**Core Size:** NQ  

<table>
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<th>From</th>
<th>To</th>
<th>Interval</th>
<th>RQD</th>
<th>Description</th>
</tr>
</thead>
</table>
| 119.35 | 128.00 | 8.65     | 46  | 75° to CA  
|       |       |          |     | **GRAINSTONE:** bioclastic, grainstone with abundant crinoid ossicles; partly vuggy  
|       |       |          |     | 119.35m - 5cm cavity                                                       |
| 128.00 | 148.00 | 20.00    | 76  | 75° to CA  
|       |       |          |     | **INTERBEDDED DOLOMITIC LIMESTONE WITH CALCAREOUS SHALE:** rhythmic intercalations of coarse-grained, light-grey, fossiliferous packstone with less calcareous mudstone and bioclast particles  
|       |       |          |     | 140.80-143.86m - interbedded carbonaceous mudstones and medium- to coarse-bioclastic fragments  
|       |       |          |     | 141.20-141.70m - mudstone with soft sediment deformation  
|       |       |          |     | 143.50-146.15m - predominantly finely laminated calcareous shale, beds at 68° to  
|       |       |          |     | 147.85-148.00m - fault slickensides with gouge and graphite; lower contact 65° to |
| 148.00 | 171.51 | 23.51    | 73  | 148.00 - 171.51  
|       |       |          |     | **CHERT BEARING DOLOMITIC LIMESTONE:**  
|       |       |          |     | medium- to dark-grey, well bedded, mottled, slightly argillaceous, abundant sub-chert nodules, local soft sediment deformation  
|       |       |          |     | 163.80-165.00m - abundant stylolites with graphitic slips, subparallel and at irregular angles to CA, abundant calcite veins  
|       |       |          |     | 167.85m - beds 75° to CA  
|       |       |          |     | 169.65-169.70m - graphitic fault, 65° to CA  
|       |       |          |     | EOH |
## DIAMOND DRILL LOG

**Company:** GRAYMONT WESTERN CANADA INC.  
**Project:** Folding Mountain  
**Hole No:** F05-02  
**Core Size:** NQ  
**Total Depth:** 137.77

### Co-ordinates (NAD83)
- Easting (m): 446605.5  
- Northing (m): 5901452.5  
- Elevation (m): 1191.8

### Date
- Date Started: Oct. 5, 2005  
- Date Finished: Oct. 8, 2005  
- Date Logged: Oct. 10, 2005

### Logged By
- N. McCallum

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<td>6.10</td>
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<td>16.45</td>
<td>52.30</td>
<td>35.85</td>
<td>74.4</td>
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### Description

- **Casing**
- **LIMESTONE:**
  - light-grey, fine-grained to cryptocrystalline, massive, few calcite veins that are generally sub-parallel to CA, local vugs rugose corals
    - 6.10-11.70m - generally cryptocrystalline
    - 11.70-16.40m - packstone
    - 15.60-16.30m - beds 70° to CA
    - 16.40-16.50m - grainstone
- **SHALY DOLOMITIZED LIMESTONE:**
  - shaly, dark-grey, generally massive
    - 22.71-24.59m - dolomitic limestone, grey-brown, massive, some vugs to 2mm
    - 23.00-28.00m - well developed bedding
    - 24.59-27.14m - dark-grey, thin laminated shale 80° to CA
    - 26.40-26.80m - local slump structure
    - 27.14-31.03m - limestone, dark-grey, fine-grained, crinoids and brachiopods
    - 30.03-31.80m - shale, dark-grey, massive
    - 31.80-34.92m - limestone, dark-grey, fine-grained, massive
    - 33.66-34.25m - vugs
    - 34.92-36.25m - wackestone, dark-grey, beds to 10 cm, fossiliferous; fine-grained matrix, beds 80° to CA, good reaction to HCL
    - 34.92-36.25m, beds 80° to CA
    - 36.25-37.13m - lime mudstone, dark-grey, poor reaction to 6% HCL
    - 37.13-37.66m - shale, dark-grey, massive
    - 37.66-44.63m - lime mudstone, medium- to dark-grey
    - 43.28m - calcite vein 10° to CA
    - 44.63-46.20m - calcareous mudstone, medium-grey
    - 46.20-48.72m - packstone, dark-grey, abundant crinoid fragments, good reaction
    - 48.72-50.54m - mudstone, dark-grey, laminated, beds 62° to CA, moderate reaction to HCL
    - 50.54-52.72m - calcite vein 10° to CA
    - 52.72m - calcite vein 10° to CA
- **WEAKLY CALCAREOUS SHALE**
  - dark-grey, well bedded, fractures along cleavages, local interbeds of packstone to grainstone
**DIAMOND DRILL LOG**

**Company:** GRAYMONT WESTERN CANADA INC.  
**Project:** Folding Mountain

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</table>
| 58.10    | 64.20  | 6.10         | 74.5    | INTERBEDDED FOSSILIFEROUS LIMESTONE AND DOLOMITIZED LIMESTONE  
light- to dark-grey, mottled, matrix is cryptocrystalline, locally fossiliferous  
with coarse-grained crinoid and brachiopod fragments  
58.06-59.55m - wackestone, light- to dark-grey, mottled  
59.55-61.38m - grainstone, light-grey, coarse-grained, interbeds of calcareous shale  
61.38-64.15m - predominately grainstone |
| 64.20    | 71.29  | 7.09         | 80.0    | INTERBEDDED GRAINSTONE WITH CALCAREOUS SHALE  
fine-grained, well bedded  
64.15-67.01m - packstone to wackestone, light-grey, with interbeds of shale,  
fossiliferous beds 70° to CA  
67.01-68.23m - wackestone, light-grey, coarse-grained, fossiliferous  
68.23-71.29m - grainstone, minor interbeds of shale |
| 71.29    | 80.65  | 9.36         | 51.7    | GRAINSTONE  
predominantly light-grey, coarse-grained, fossiliferous, grainstone with  
lesser calcareous shale  
76.81-79.36m - calcareous shale |
| 80.65    | 101.1  | 20.45        | 84.1    | INTERBEDDED DOLOMITIC LIMESTONE WITH CALCAREOUS SHALE  
interbedded, light-grey, packstone and dark-grey, mottled shale, local soft sediment  
deformation  
85.82-87.92m - wackestone to packstone  
87.92-97.62m - alternating limy mudstone to packstone, and grey to black  
calcareous shale, beds 60° to 70° to CA  
97.62-102.7m - interbedded dark- and light-grey calcareous mudstone with  
graphitic fault  
101.00-101.10m - fault contact (lower) 63° to CA |
| 101.1    | 137.77 | 36.57        | 82.9    | CHERT BEARING DOLOMITIC LIMESTONE  
medium- to dark-grey, well bedded, sub-rounded chert nodules  
102.70-104.20m - wackestone/packstone, coarse fossil fragments within fine-grained  
shaly matrix  
104.20-107.30m - interbedded light- to dark-grey mudstone; crinoid  
and brachiopod fragments  
107.10-109.40m - packstone, light-grey, coarse-grained, fossiliferous  
109.40-121.50m - interbedded light- to dark-grey mudstone, some mottles  
121.50-137.77m - mudstone, micritic, dark-grey, massive, locally abundant calcite  
calcite veins, some fossiliferous intervals |

EOH
**APPENDIX 3 - CONTINUED**

**DIAMOND DRILL LOG**

**Company:** GRAYMONT WESTERN CANADA INC.  
**Project:** Folding Mountain  
**Hole No:** F05-03  
**Core Size:** NQ  
**Total Depth:** 61.57

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</table>
|       |       | 19.81| 61.57 | 41.76 | SHALE:  
|       |       |      |      |      | shale, grey to greyish black  
|       |       |      |      |      | 19.81m - local tan color  
|       |       |      |      |      | 20.10-20.95m - light- to dark-grey, fine-grained, calcareous shale, bedded  
|       |       |      |      |      | 29.55 m @ 20° to CA  
|       |       |      |      |      | 20.35-20.90m - vuggy  
|       |       |      |      |      | 25.30m - fracture 25° to CA  
|       |       |      |      |      | 27.60m - shear 25° to CA  
|       |       |      |      |      | 28.04m - shear ° to CA  
|       |       |      |      |      | 28.04-34.14m - well developed bedding  
|       |       |      |      |      | 32.70m - beds 25° to CA  
|       |       |      |      |      | 33.90m - fault zone 75° to CA  
|       |       |      |      |      | 34.14m - greyish-brown, massive, local sparry calcite  
|       |       |      |      |      | 39.20, 39.50, 40.55, 41.00m - broken core  
|       |       |      |      |      | 44.20 m - shear 25° to CA  
|       |       |      |      |      | 44.90m - shear subparallel to CA  
|       |       |      |      |      | 47.80m - shear with 1½ cm gouge, 25° to CA (photo taken)  
|       |       |      |      |      | 49.90m - abundant stylolites (carbaraceous)  
|       |       |      |      |      | 50.80-51.00m - vugs  
|       |       |      |      |      | 53.80-57.00m - greyish-black, fine-grained, shale, vague bedding @ 25° to CA  
|       |       |      |      |      | 57.12m - fault/shear with gouge @ 20° to CA  
|       |       |      |      |      | 57.00-61.57m - shale, light-grey to grey-brown, massive, minor stylolites  

EOH
### DIAMOND DRILL LOG

**Company:** GRAYMONT WESTERN CANADA INC.  
**Project:** Folding Mountain  
**Hole No:** F05-04  
**Core Size:** NQ  
**Total Depth:** 122.53

#### Dip Tests

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**Co-ordinates (NAD83):**  
Easting (m): 447059.7  
Northing (m): 5900751.6  
Elevation (m): 1208.0

**Date Started:** Oct.11, 2005  
**Date Finished:** Oct. 13, 2005  
**Date Logged:** Oct. 16, 2005

**Logged By:** S. Fraser

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| 6.05 | 122.53 | 116.48 | PALLISER FORMATION (?)  
light- to dark-grey, massive limestone, with local interbeds of calcareous shale, sections well-bedded, some beds contorted, some sections consist of bioclastic grainstone, beds are generally at steep angles to CA |
| 6.05 | 21.05 | 15.00 | 55.9 | SHALY DOLOMITIZED LIMESTONE:  
calcareous shale with minor interbeds of limestone; shaly intervals are generally light-grey, thin-bedded, locally contorted with slump structures; limestone intervals light-grey, massive, fossiliferous, react well in 6% HCL  
6.05-8.05m - light-grey, limestone  
8.80m - graphitic shear 70° to CA  
14.30m - beds 70° to CA  
8.05-16.90m - thin-bedded, calcareous shale  
14.30m - beds 70° to CA  
16.90-17.75m - massive, fossiliferous, limestone  
17.75-20.50m - shale  
20.50-21.10m - conglomeratic bed with rounded calcareous pebbles |
| 21.05 | 49.38 | 28.33 | 65.9 | LIMESTONE WITH SHALE INTERBEDS  
light-grey to dark-grey, to greyish-black, generally massive limestone, few sections well bedded, local mottles, some interbeds of crinoidal grainstone, and rare of olive-green shale  
21.05-36.05m - limestone, massive, locally fossiliferous, good reaction to 6%  
33.26-33.60m - shale, olive-green  
36.05-40.20m - limestone, alternating light-grey and greyish-black, interbeds to 5 thick of crinoidal grainstone  
40.20-41.20m - shale, greyish-black, reacts slowly with 6% HCL  
40.80m - beds 70° to CA  
36.05-40.20m - limestone, alternating light-grey and greyish-black, interbeds to 5  
41.40-49.38m - alternating light-grey, dark-grey, greyish-black, bands of  
45.00 -45.70m - shaly  
47.03 - 47.70m - mainly crinoidal grainstone, abundant brachiopods |
**DIAMOND DRILL LOG**

**Company:** GRAYMONT WESTERN CANADA INC.  
**Project:** Folding Mountain  
**Hole No:** F05-04  
**Core Size:** NQ

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<td>greyish-black limestone (wackestone) with thin interbeds and lenses of light-grey grainstone, with thin secondary calcite veins</td>
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<td>49.38-50.40m - grainstone, beds 73° to CA</td>
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<td>57.25-59.20m - crinoidal grainstone, partly vuggy, beds 70° to CA</td>
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<td>60.17-60.83m - crinoidal grainstone</td>
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<td>61.35-61.84m - crinoidal grainstone</td>
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<td>61.84-65.53m - light-grey to dark-grey to black mottled, limestone, with occasional lenses of grainstone</td>
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<td>65.53-70.10m - mottled with alternating bands of light-grey to dark-grey limestone, minor calcite stringers and veins at steep angles to CA</td>
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<td>70.10-71.80m - crinoidal grainstone, grains 1-2 mm, lower contact 80° to CA</td>
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<td>71.80</td>
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<tr>
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<td>dark-grey to greyish black limestone, with interbeds of calcareous shale, well bedded</td>
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<td>74.00m - beds 58° to CA</td>
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<td>77.15m - beds 72° to CA</td>
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<tr>
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<td>light to dark-grey, to greyish-black limestone, irregular silty clots and lenses, local vugs, occasionally well-bedded, partly fossiliferous</td>
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<td>88.50m - minor shear 70° to CA</td>
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<td>90.25m - vug 3 cm across</td>
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<td>97.50-101.50m - mottled, bioturbated(?)</td>
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<td>116.80m - beds 80° to CA</td>
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<td>117.40-117.70m - tan dolomite (photograph)</td>
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<tr>
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<td>122.25m - beds 80° to CA</td>
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