

ASSESSMENT REPORT

105D-06-4

LEGAL TENDER

PREPARED BY

DIAND TECHNICAL SERVICES

NOVEMBER, 1993

105D-06-4

LEGAL TENDER

LOCATION

Latitude: 60° 20'10"N

Longitude: 135° 14'01"W

The exploration site is located approximately 35km northwest of the village of Carcross and 25km southwest of Robinson on the South Klondike Highway south of Whitehorse. The site is on Red Ridge of Mount Hodnett in the Boundary Ranges (Coast Mountains). The site can be reached from the Wheaton River valley road (Annie Lake road) at the Robinson intersection south of Whitehorse on the South Klondike Highway. The site is between 1450-1525m above sea level.

Site maps showing the location of the site are attached as Appendix A to this report.

WORK HISTORY

The site was first staked about 86 years ago. A summary of the work history follows.

- July, 1907 - Staked as Legal Tender claims by Laura Hill who drove a 30m adit and surveyed the claim in 1908.
- 1914 - This claim and six other claims were leased in 1914. On the Lucky Boy claim to the southeast, trenching was done on a separate showing at that time.
- 1925 - Restaked as Polar Star claims by A. Auston and T. Brooks who trenched between 1926-1928.
- July, 1944 - Restaked as Banded Ore claims by W. McAlister and C. Eminger who trenched in 1947.
- May, 1965 - Restaked as Min claims in May, 1965 by Yukon Antimony Corporation Ltd. who constructed a dozer trail to the site.
- May, 1968 - Restaked as LT claims by C. Eminger.
- March, 1969 - Restaked as Toby claims by W.J. Reed.
- December, 1974 - Restaked as LT and WM claims by J. Higgins who trenched in 1980-1982.
- 1983-1985 - Tally-Ho Exploration Co. Ltd. purchased the property in 1983 and performed mapping and sampling in 1984 and 1985 on behalf of Wheaton River Joint Ventures. G. Harris tied on MH claims in June, 1985 and carried out sampling and prospecting.

June, 1986 - October, 1988 - Restaked as Laf claims by New Era Development Ltd. and Havilah Gold Mining Ltd. which remapped the adit and performed mapping and sampling and tied on Four F claims to the east. G. Harris transferred the claims in 1988 to Skukum Gold Incorporated which added the Hod, Vin, and Net claims and mapped, sampled, prospected, and hand trenched in 1989.

July, 1991 - The Hod claims were restaked by Eric Bergvinson.

CLAIMS STATUS

Status of mineral claims including claim names and numbers, claim expiry dates, and current owners in the vicinity of the Legal Tender site have been noted as of 1992/05/01 as follows;

<u>CLAIM NAME/NUMBERS</u>	<u>EXPIRY DATE</u>	<u>OWNER</u>
Four F 10-13	Sept. 10, 1992	Havilah Gold Mines Ltd.
Four F 20-23	Sept. 10, 1995	Havilah Gold Mines Ltd.
Four F 36-39	Sept. 10, 1996	Havilah Gold Mines Ltd.
Four F 56-59	October 13, 1993	Havilah Gold Mines Ltd.
Four F 70-160	October 13, 1993	Havilah Gold Mines Ltd.
LT 1-8	April 21, 1992	Skukum Gold Inc.
LAF 1-9	June 9, 1992	Havilah Gold Mines Ltd.
HOD 1-46	June 14, 1992	Eric Bergvinson

The major commodities identified at this site are silver and gold. The minor commodities identified at this site are lead and copper.

Gold and silver occur along the Tally-Ho shear zone in northwest trending veins associated with Eocene rhyolite and andesite dykes which cut Cretaceous granodiorite. The Legal Tender vein contains bands and disseminations of galena, pyrite, and some chalcopyrite. The Lucky Boy claims consist of a series of en-echelon quartz pods in chlorite schist. Individual pods contain small amounts of chalcopyrite, pyrite, galena, malachite, and azurite.

CURRENT SITE CONDITIONS

The Legal Tender site is accessible by trail leaving the Wheaton River road on the north side of Annie Lake. From the Wheaton River road the trail follows the Thompson Creek valley then up the Morrison Creek valley partly up Mule Hill a distance of approximately 14km. This trail fords several small creeks along the creek valley. The upper part of the trail is very steep near the exploration site.

Site photographs showing current site conditions are attached as Appendix B to this report.

The exploration site is high, on a steep slope, and is dry. The only surface water in the area will be from snowmelt and rainfall. No streams are this high on the slope.

The site is above tree line and the vegetation is limited to alpine species of short grasses, mosses, and lichens.

Surficial soils at the site consists of a thin veneer of weathered soil overlying bedrock (schist). The bedrock is highly oxidized and fractured near the surface.

Physical development at this site includes trenching, trails, and an old adit. The only remaining evidence that could be seen from the past activity was the switchback trail up the mountainside. The old adit from 1907 has possibly collapsed as it could not be found.

There is no evidence of any waste such as barrels, buildings, or other garbage in the area.

The predominant feature from the past development is the trail up the mountainside. As noted, this trail is very steep and would be susceptible to erosion if there was much water in the area. However the site is very dry and erosion from water appears to be insignificant. Some erosion from wind is occurring, however this is not significant as most of the material is too coarse to be transported. The site does not appear to be unstable as no landslides were observed in the area.

The road has overgrown in one area where vegetative cover is thicker. Because the site is so dry this revegetation over the total length of the road will be very slow.

RECOMMENDATIONS

The most impact at this site is from road development in the area. The road to the site was constructed using typical "cut and fill" methods and is quite noticeable on the hillside. However there is no evidence that any significant slope instability or erosion has been created from this road construction. It is not recommended that any site remediation be considered for the roads or trenched areas. Site remediation of the road would require reestablishing the original ground profile and revegetating the disturbed areas. This is considered a very costly exercise and will set back any natural revegetation which is well underway.

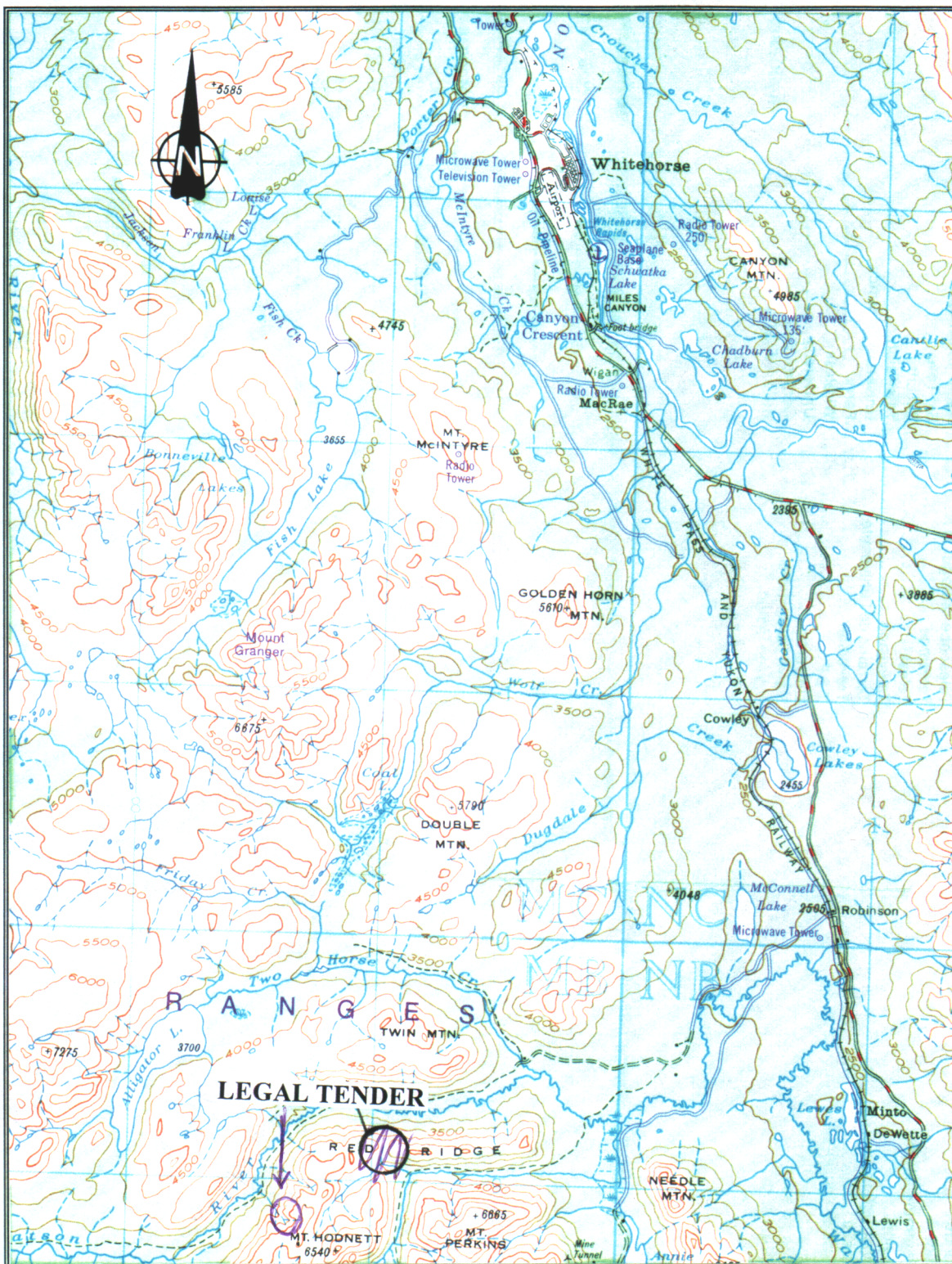
Summary

The most significant environmental damage at this site occurred from the road construction. The impact on the environment from this activity is considered **LOW** at this site as there does not appear to be any resulting stability or erosion problems. Revegetating the road is considered a very low priority for this site.

The site is considered clean as no waste material or above ground infrastructure was found.

APPENDIX A

SITE LOCATION MAPS



SITE NAME: **LEGAL TENDER**

SITE NUMBER: **105D-06-4**

MAP NUMBER: **105D**

MAP NAME: **WHITEHORSE**

MAP SCALE: **1:250000**

SITE LOCATION:

LATITUDE: **60° 20' 10"**

LONGITUDE: **135° 14' 01"**



SITE NAME: LEGAL TENDER

SITE NUMBER: 105D-06-4

AIRPHOTO NUMBER: A27018-56 YEAR: 1986

AIRPHOTO SCALE: 1:40000

SITE LOCATION: LATITUDE: 60° 20'10"

LONGITUDE: 135° 14'01"

APPENDIX B

SITE PHOTOGRAPHS



ROAD ACCESS TO SITE UP MORRISON CREEK



STEEP SWITCHBACK TRAILS TO SITE ON MULE HILL