ASSESSMENT REPORT

105H-07-1

CONGLOMERATE CREEK

PREPARED BY

DIAND TECHNICAL SERVICES

MARCH, 1994

105H-07-1

CONGLOMERATE CREEK

LOCATION

Latitude: 61° 16'27"N Longitude: 128° 42'36"W

The site is located 135km north of the community of Watson Lake. The site is in the Logan Mountains near the headwaters of Conglomerate Creek. The site was accessible by a trail off the Nahanni Range Road, but washouts on this trail make this trail impassable.

The elevation of the site is approximately 1400m above sea level.

Site location maps are included as Appendix A. Site photographs are attached as Appendix B.

WORK HISTORY

A work history has been compiled from the Department of Indian Affairs and Northern DevelopmentYukon Minfile record 105H 011. This work history follows.

September, 1964 - Staked as BM claims by Yukon Pacific Pros Group.

1965 - Mapping, a magnetometer survey, and hand trenching was completed.

March, 1967 - Restaked as Max claims by Max Martin.

- 1968-1971 The property was optioned to Silver Duke Mines Ltd. which conducted hand trenching, magnetometer, and Turam surveys, constructed a road and drilled 91m from 2 holes.
- 1972 A new option was signed with Dusty Mac Mines Ltd. which added the Mar claims and explored with magnetic, grid soil sampling surveys, and trenching before assigning the option to Pan Ocean Oil Ltd. and added the Rieta claims and Woo claims to the south.
- 1973 Pan Ocean carried out geochemical surveys, mapping, and dozer trenching of anomalies on the Rieta and Woo groups.
- 1974 The claims reverted to Martin and were transferred to Turner-Hindmarsh Tungsten Ltd.
- 1977 Dozer trenching was completed and a single crushing/grinding circuit was installed to test the "E" Zone. Canada Tungsten Mining Corporation added the Schee claims and drilled 342m in 6 holes in the "E" Zone.
- 1978 Turner-Hindmarsh changed its name to Tungco Resources Corporation.
- 1979 Dozer trenching and 400m were drilled from 8 holes.
- 1980 305m were drilled from 4 holes.

- 1982 The Rieta group was transferred to Score Resources Corporation and Vancliffe Resources Corporation.
- 1983 A magnetometer survey and mapping was completed. Clifton Star Resources Incorporated tied on Schee and Lite claims to the north and south.

CLAIMS STATUS

No active claims were in place for this area as of 1994/04/18.

Major commodities identified at this site includes lead, zinc, silver, and tungsten. Copper was identified as a minor commodity.

Geologic conditions consist of heavily disseminated galena, sphalerite, magnetite, and minor chalcopyrite in Devono-Mississippian carbonate rocks adjacent to a Cretaceous batholith.

CURRENT SITE CONDITIONS

The Conglomerate Creek exploration site is located near the headwaters of Conglomerate Creek in the Logan Mountains in the southeast corner of the Yukon Territory. The site was once accessible by a trail from the Nahanni Range Road, but the trail is now impassable because of several washouts. This road is approximately 175 kilometres from the nearest community of Watson Lake.

Coarse granular material and outcroppings of bedrock are the surficial soils at the site.

Vegetation at the site consists of a sparse covering of dwarf black spruce to 5m high, some willows, and a variety of sub-arctic alpine vegetation.

Conglomerate Creek, 1.2-2m wide at this location, flows through the camp.

The camp site, covering an area measuring approximately 50x50m, has been abandoned without being cleaned up. Trails around the camp site extend to a number of drill sites, with the main exploration site being above the camp. The vegetation has been removed wherever roads were constructed, drill sites were prepared, or trenching operations took place. No adits were found or recorded in the past.

The infrastructure left at this site includes;

- one 3.7x4.9m wood frame plywood clad storage shed,
- collapsed core shed with core,
- Caterpillar crawler tractor complete with front end loader,
- Dodge Fargo 5 ton truck with flatdeck,
- approximately 20-204 litre barrels, some with residual amounts of hydrocarbon product,
- loading ramp, and

- miscellaneous pieces of material including lumber, hoses, beds, etc.

RECOMMENDATIONS

Exploration activity at this site has resulted in disturbance to the site mainly from the construction of exploration tote roads and the trenching activity. According to the work history little work has taken place at this site for over 10 years. The site was not cleaned up after the last work was finished and the remaining buildings and material is deteriorating as time progresses.

Recommendations for site remediation are specified for the exploration area and the camp site separately.

Exploration Area

Trenching and stripping across this area has resulted in damage to the surficial soils and vegetation. Generally the soils across this moderately sloped area are very coarse and little surface erosion was evident. The creek flowing through the site was clear with no evidence of any recent siltation.

The roads generally follow the contours of the ground and little material has been cut or filled. The most significant damage from the road construction has been the removal of the vegetation. The only significant excavations have occurred from the trenching where piles of material have been left. Site remediation could include reshaping these excavation piles and attempting to revegetate any cleared areas. It is recommended that neither reshaping or revegetating be considered in this remote, very dry, and very harsh climate. Reshaping would only set back any natural recovery that has started and revegetating this site with very little organics that could not be tended is not likely to be very successful. The disturbed areas will eventually revegetate themselves from the local vegetation encroaching into the disturbed areas. This revegetation process is likely the only practical solution in an area that is extremely remote with a harsh climate.

Camp Site

As noted above, the camp was not cleaned up when the exploration activity was finished; and equipment, core, barrels with some hydrocarbon product, buildings, and miscellaneous junk has been left behind.

The highest priority for clean-up at the camp is considered to be the removal of the barrels from the area. Although the potential for any hydrocarbon spill is small, it still exists as long as these barrels remain on site.

The two large pieces of equipment, the crawler tractor and the truck, are not in running condition and do not appear to be practically repairable. Removing these pieces of equipment would be costly as they would either have to be flown from the site in pieces,

or the road would have to be repaired and equipment mobilized to haul this equipment off the site. Although this equipment is unsightly, it is considered a **LOW** priority for cleanup. The other remaining material left on-site is also considered to be a **LOW** priority for cleaning up the site as they do not appear to be causing any significant ongoing environmental damage.

The buildings left behind are deteriorating and have started collapsing. Although considered a **LOW** priority, it is recommended that these buildings along with any other lumber be stacked and burned in an appropriate manner and location.

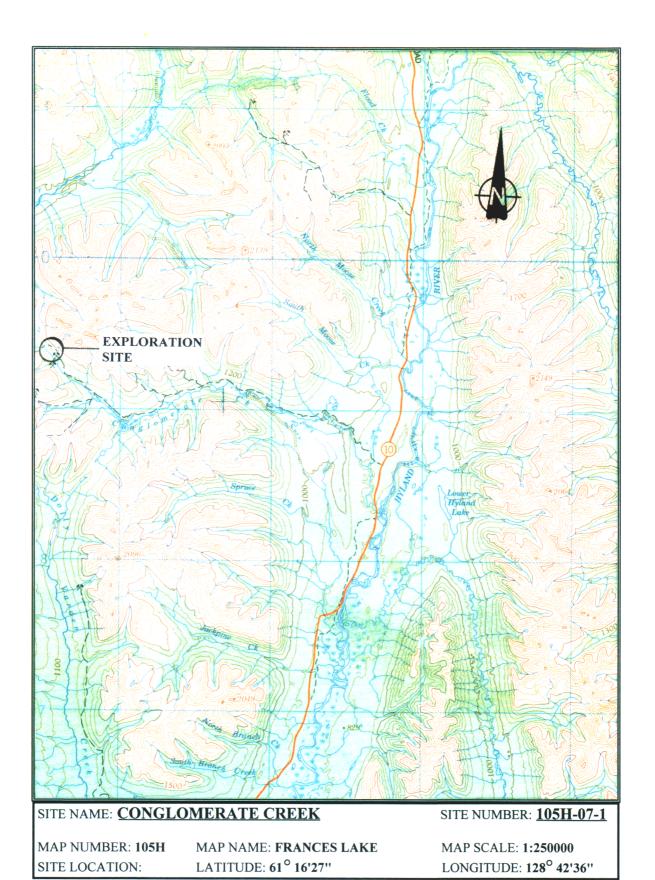
The value of the core was not known from the inspection and it is recommended that a proper geological inspection be completed before salvage of this core is contemplated.

SUMMARY

The major consideration to cleaning up this site would be the redevelopment of the road into the site. If the road was rehabilitated, then the site could be entirely cleaned up. However this road rehabilitation will require additional clearing and cause a further detrimental impact on the local environment. If clean-up is conducted only from the air, it is recommended that only removal of the **HIGH** priority items, that is removal of the barrels, would be considered practical.

APPENDIX A

SITE LOCATION MAPS





SITE NAME: CONGLOMERATE CREEK

AIRPHOTO NUMBER: A25289-242 YEAR: UNKNOWN

SITE LOCATION: LATITUDE: 61° 16'27"

SITE NUMBER: **105H-07-1**

AIRPHOTO SCALE: UNKNOWN

LONGITUDE: 128° 42'36"

APPENDIX B

SITE PHOTOGRAPHS



OVERALL VIEW OF SITE





EXPLORATION SITE



CRAWLER TRACTOR AND CAMP BUILDING



ABANDONED FLAT DECK TRUCK AND MISCELLANEOUS DEBRIS



TRENCH SITE ABOVE CAMP