

GOLD HILL NUMBER 2

SITE #37

MINFILE# 105M 001au

1. LOCATION AND ACCESS

Gold Hill Number 2 is located on Keno Hill at an elevation of roughly 5900ft (1800m), 350m west of Monument Hill Summit. Four-wheel drive access is possible via the Monument Hill Trail, which branches off the Silver Basin Gulch Trail about 800m east of the signpost on top of the Keno Hill summit. Approximate UTM co-ordinates for the site are 7 090 400m N and 490 740m E (Latitude 63° 56' 34"N and Longitude 135° 11' 20"W).

2. SITE PHYSIOGRAPHY

Gold Hill Number 2 is on a gentle east-facing slope near the Monument Hill summit. Given the elevation, the area is presumably underlain by permafrost. The site is well above the treeline and the vegetation is dominated by grasses. Surface runoff in the area drains to the north into Faro Gulch, a tributary of Keno Ladue River, located approximately 1km downslope.

3. GEOLOGY AND MINERALIZATION

Most of the trenches are underlain by the Earn Group, a quartz, sericite, chlorite phyllite and carbonaceous phyllite. Three of the trenches had narrow greenstone sills within the Earn Group rocks. Keno Hill Quartzite was observed in one trench and at the discovery shaft. Narrow (<0.10) quartz or quartz-sericite vein faults in place or as near bedrock vein float was seen in six of the twelve trenches. Minor amounts of galena associated with oxidized and fresh siderite was observed in trench #12 and at the Discovery prospect shaft. In trench #10 a 10m section of quartz sericite chlorite phyllite had strong rusty staining. This may represent a weathered vein fault, however no vein material was seen. It probably represents phyllite with above normal amounts of disseminated and fracture pyrite now oxidized to limonite.

4. SITE HISTORY

Exploration work consists of an old shallow shaft, extensive bulldozer trenching and limited diamond drilling undertaken in 1980.

5. MINE DEVELOPMENT

Mine development at the site consists of twelve trenches, one shallow prospecting shaft and associated waste rock piles. No ore was processed at the site and no tailings were encountered. There is no waste water treatment

facility at the site. Site photos can be found in Attachment 1 and laboratory results for sampling are in Attachment 2.

5.1 Mine Openings and Excavations

Gold Hill Number 2/Discovery Shaft (photo 37-1)

At the northeast end, beside the Discovery Showing, of the site is a 1.5m by 1.5m collapsed shaft. Waste and mineralized dump material beside the timbered collapsed discovery shaft suggest it is about 3m deep.

Supports: Log cribbing was used to support the collar of the shaft.

Condition: The log cribbing has rotted and the shaft is collapsed.

Accessibility: The shaft cannot be accessed.

Trenches (photo 37-2)

There are twelve trenches at this site. The trenches are excavated from the Discovery Shaft and to the southwest for roughly a kilometer. The trenches range in size from 15m to 63m in length, 1m to 12m in width and 1m to 8m in depth. The gentle to moderately sloped walls of the trenches do not pose any stability concerns. All of the trenches could be easily accessed.

5.2 Waste Rock Disposal Areas

There is a small waste rock pile of roughly 30m³ to the west of the shaft. Fresh fine grained crystalline galena and oxidized sulphides were seen associated with fracture to narrow ponds (<5cm) of fresh and oxidized siderite cutting Keno Hill Quartzite in the prospect shaft dump.

The waste rock piles associated with the trenches are found either at the side or at the end of the trench. The surface composition of the piles consists of primarily overburden and carbonaceous quartz phyllite with minor amounts of quartz veining. None of the trenches had surface or ponded water at the time of the site visit. Strong iron staining in the carbonaceous quartz phyllite was observed in trench #10. A waste rock sample (sample Gold Hill-waste rock) was collected from the trench for laboratory analysis. The field paste pH was 6.8 and the conductivity was 300µS/cm.

6. MINE SITE INFRASTRUCTURE

There are no buildings at the Gold Hill Number 2 site. On the western side of the Monument Hill Trail, there is a 10m x 10m x 2.5m sump (photo 37-3) lined with old style geotextile that was used for holding drill water. A hose leads from the sump to a metal tank at trench #4 (photo 37-4). No other mine site infrastructure was encountered at the site.

7. SOLID WASTE DUMPS

No solid waste dumps were encountered.

8. POTENTIAL CONTAMINANTS OF CONCERN

No hazardous waste was encountered. Potential contaminants of concern include any metals washing from the waste rock piles or the trench walls.

9. WATER QUALITY

There was no water in any of the trenches at the time of the site visit. A lined pond (photo 37-3) is located to the west of the Monument Hill Trail.

10. RECLAMATION

Most of the trenches are overgrown with grass. Some trench walls are still barren of vegetation.

11. REFERENCES

Minfile #105M 001au

ATTACHMENT 2: 1999 GOLD HILL No. 2 WASTE ROCK

LABORATORY RESULTS

Site Number	Detection Limit	Units	Gold Hill - Waste Rock - Sept 16/99
Sample Description			Sample from trench #10, from a strongly oxidized carbonaceous quartz phyllite
Paste pH (field)	N/A	pH	6.8
Conductivity (field)	N/A	µS/cm	300
pH in Saturated Paste			
pH	0.1	pH	6.7
pH in Soil (1:2 water)			
pH	0.01	pH	7.1
ICP Semi-Trace Scan			
Aluminum	5	µg/g	21500
Antimony	2	µg/g	6
Arsenic	2	µg/g	71
Barium	0.05	µg/g	1150
Beryllium	0.1	µg/g	0.4
Bismuth	5	µg/g	<5
Cadmium	0.1	µg/g	1.7
Calcium	5	µg/g	1980
Chromium	0.5	µg/g	26.9
Cobalt	0.1	µg/g	41.1
Copper	0.5	µg/g	387
Iron	1	µg/g	36000
Lead	1	µg/g	63
Lithium	0.5	µg/g	41.5
Magnesium	1	µg/g	3860
Manganese	0.5	µg/g	2450
Mercury	0.01	µg/g	0.04
Molybdenum	1	µg/g	5
Nickel	1	µg/g	87.3
Phosphorus	5	µg/g	749
Potassium	20	µg/g	3090
Selenium	2	µg/g	<2
Silicon	5	µg/g	759
Silver	0.5	µg/g	11
Sodium	5	µg/g	478
Strontium	1	µg/g	51
Sulphur	10	µg/g	910
Thorium	1	µg/g	6
Tin	1	µg/g	2
Titanium	0.2	µg/g	125
Uranium	5	µg/g	<5
Vanadium	1	µg/g	31
Zinc	0.5	µg/g	198
Zirconium	0.1	µg/g	26

ATTACHMENT 2: 1999 GOLD HILL NUMBER 2 WASTE ROCK LABORATORY RESULTS MODIFIED SOBEK METHOD ACID-BASE ACCOUNTING TEST							
SAMPLE	SITE DESCRIPTION	PASTE pH	S(T) %	S(SO4) %	AP	NP	NET NP
Gold Hill - Waste Rock - Sept. 16/99	Sample from trench #10, from a strongly oxidized carbonaceous quartz phyllite	7.5	0.04	0.02	0.6	2.5	1.9
							4.0

AP = ACID POTENTIAL IN TONNES CaCO3 EQUIVALENT PER 1000 TONNES OF MATERIAL.

NP = NEUTRALIZATION POTENTIAL IN TONNES CaCO3 EQUIVALENT PER 1000 TONNES OF MATERIAL.

NET NP = NET NEUTRALIZATION POTENTIAL = TONNES CaCO3 EQUIVALENT PER 1000 TONNES OF MATERIAL.

NOTE: WHEN S(T) AND/OR S(SO4) IS REPORTED AS <0.01, IT IS ASSUMED TO BE ZERO FOR THE AP CALCULATION.

N/D = NO DUPLICATE ASSAY. CALCULATIONS ARE BASED ON ASSAY RESULTS OF THE INITIAL SAMPLE.

RE = REPLICATE.

NOTE - A HIGH LEVEL OF SOLUBLE METALS (ESPECIALLY IRON) WERE OBSERVED IN MANY SAMPLES DURING THE ABA TITRATIONS.

SAMPLES WITH A NEGATIVE NET NP SHOULD BE TESTED FOR MOBILE METALS USING STANDARD SHAKE FLASK EXTRACTION TESTS.



Photo 37-1 : Gold Hill No. 2. View of the Discovery shaft and showing. (Azimuth 320°)



Photo 37-2 : Gold Hill No.2. View of Trench #5. (Azimuth 340°)



Photo 37-3 : Gold Hill No.2. Lined sump used for holding water for diamond drilling.
(Azimuth 280°)



Photo 37-4 : Gold Hill No.2. Metal water tank near Trench #4. (Azimuth 212°)