

ASSESSMENT REPORT

105M-14-4

FORMO

PREPARED BY

DIAND TECHNICAL SERVICES

FEBRUARY, 1994

105M-14-4

FORMO

LOCATION

Latitude: 63° 56'26"N

Longitude: 135° 22'09"W

The exploration site is located approximately 7km past the mining community of Elsa on the south side of Highway 11 between Elsa and Keno Hill. The site is adjacent to the highway with an approach onto the highway.

The site is approximately 975m above sea level.

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

WORK HISTORY

A work history has been compiled from the Department of Indian Affairs and Northern Development Yukon Minfile record 105M 018. This work history follows.

December, 1921 - Staked as Dorothy and Rocket claims by G. Gray and D. Horne.

July - September, 1925 - Restaked as Tyee and Rocket claims by H.E. Formo and A. Stewart.

1929 - 1931 - Formo explored both claims with shafts and drifts when 36.3 tonnes of ore was shipped.

September, 1934 - The claims were taken to lease (Lots 273 & 274).

1947 - Silver Basin Mining Ltd. optioned the property, shipped 54.4 tonnes of ore, and purchased the claims in November, 1948.

January, 1950 - The claims were transferred to Consolidated Yukeno Mining Ltd.

February, 1951 - The claims were transferred to Yukeno Mining Ltd. which did underground development in 1952-53. Over 1219.2m of drifting and crosscutting, plus minor raising and shaft sinking was completed on three levels.

September, 1955 - The leases were renewed.

1961 - A.A. Smith leased the property and shipped 13.4 tonnes of ore.

1962 - The property was purchased by Rio Plata Silver Mining Ltd.

1964 - Rio Plata explored with 13 x-ray holes (205.1m) and trenching.

1974 - Rio Plata explored with trenching, an electromagnetic survey, underground rehabilitation, and 8 holes (274.3m).

1975 - Rio Plata completed percussion drilling.

1980 - 1981 - The 2700 level adit was rehabilitated and the southerly extension was explored with 54 percussion holes (2647.2m) and 6 core holes (289.6m).

February, 1980 - The adjacent Rex, Pro, Abel, Cain, and Horseshoe claims to the west

were acquired by Canada Tungsten Mining Corporation Ltd. and explored with soil sampling.

February, 1982 - The property was leased to J.B. O'Neill who mined about 71.7 tonnes of ore in 1983.

April, 1983 - The Rocket claims were transferred to Reflection Resources Ltd.

June, 1986 - All of Rio Plata's claims in the district were optioned to Dawson Eldorado Mining Ltd.

May, 1987 - The Rocket claims were transferred to Springmount Operating Co. Ltd.

CLAIMS STATUS

The exploration site is now held by lease and is currently held as follows;

<u>LEASE NAME/NUMBER</u>	<u>EXPIRY DATE</u>	<u>LESSEE</u>
Rocket (Lot 273, Group 1054)	September 26, 1997	Rio Plata Silver Mines Ltd. Rio Plata Resources Ltd. Consolidated Rio Plata Res.
Dorothy (Lot 650, Group 1054)	August 3, 2001	Rio Plata Silver Mines Ltd. Rio Plata Resources Ltd. Consolidated Rio Plata Res.

The major commodities identified at this site are silver, lead, and zinc. Gold is a minor commodity.

Geology at the site is made up of erratic narrow lenses of galena, sphalerite, and minor tetrahedrite in a carbonate gangue within a typical narrow, north trending, transverse vein cutting schist and greenstone beneath the Keno Hill Quartzite.

CURRENT SITE CONDITIONS

The Formo exploration site is adjacent to the highway on a north facing slope at the north end of Galena Hill between the communities of Elsa and Keno.

Site photographs showing existing site conditions at the time of inspection on 1993/07/22 are attached as Appendix B of this report.

The site is covered by thick vegetation made up predominantly of alder, willow, and black spruce. The surface material is a silt and gravel till overlying bedrock. The trenching also exposed bedrock outcroppings. No surface water features were observed in the area and the site appears well drained and dry.

According to the historical records activity appears to have been first started in 1929 when shafts and drifts were started. Between 1929 and 1981 various activities, that includes shipping ore, trenching, drilling, adit development and redevelopment, have

been undertaken over at least eight distinct periods. Ownership also changed several times.

Remaining infrastructure and material is quite old and it is apparent that the activity at the site occurred a long time ago. Remaining pieces of infrastructure left from the exploration and mining activity includes;

- remnants of three adits,
- 4 empty barrels at the workshop site,
- old wood frame wood clad workshop measuring 7.3x9.1m. This building contains remnants of old core,
- several overgrown waste piles.

Most of the trails, waste piles, and trenching areas around the site are overgrown with vegetation.

The buildings, trenching, and adits are all confined generally to one area. A trail leading upslope was overgrown and could only be followed less than 100m before it disappeared. This trail may have led farther upslope at one time, but it is so overgrown that no trail is any longer discernible.

A detailed description of the infrastructure follows.

Trenching and Adits

The trenching appears to have taken place in a concentrated area beside the highway. It appears that the trenching was also concentrated in two or three areas and appears as "borrow pit" development with relatively large deep excavations to bedrock. These excavations appear to have extended into the old adits and collapsing or removing any underground structures that may have existed at one time. The only evidence of adits was the remains of some timber supports left on the face of one of the excavated faces.

The waste piles appear to have been pushed in place from the trenching operations.

Building and Barrels

The one old warehouse (or garage) is very old and deteriorating. It is expected that in a few years this structure will start to collapse caused by a combination of repetitive snow loading and weathering. It does not appear that the remaining core in this building is salvageable.

Four empty 204 litre barrels were also found beside the building. No hydrocarbon products were found.

RECOMMENDATIONS

Exploration activity at this site has resulted in disturbance to the site mainly from the construction of exploration roads, trenching, and adit excavation. According to the work history and site inspection, it is apparent that little work has taken place at this site for a long time.

Vegetation is re-established over most of the old trench and excavation areas and the site is essentially overgrown. The site can be seen from the highway only if a careful inspection is made of the area. As the site is recovering naturally it is recommended this process should be allowed to continue. Attempting specific site remediation of the trenching area will only disturb the natural progress made at this site.

No adits were found at this site as it appears they were destroyed by more recent trenching operations.

The one remaining building is deteriorating and vegetation is growing up close to it. This building does not appear to constitute an environmental liability at this time. In future, if this building deteriorates to the point where it is structurally unsafe, it may be considered a safety hazard and should then be removed. This building should be removed before an unsafe situation develops, however it is considered a **LOW** priority at this time. Setting a time to clean up this building should be determined from periodic inspections of the site.

The four empty barrels found at the site should be removed when the site is next inspected. These barrels are empty and could be recovered at any time in the future.

SUMMARY

Very little needs to be done at this old exploration site to improve the environmental conditions. The four remaining empty barrels should be removed and the building may have to demolished, however this remediation work is considered to be a **LOW** priority at this time.

APPENDIX A

SITE LOCATION MAPS



SITE NAME: **FORMO**

SITE NUMBER: **105M-14-4**

MAP NUMBER: **105M**

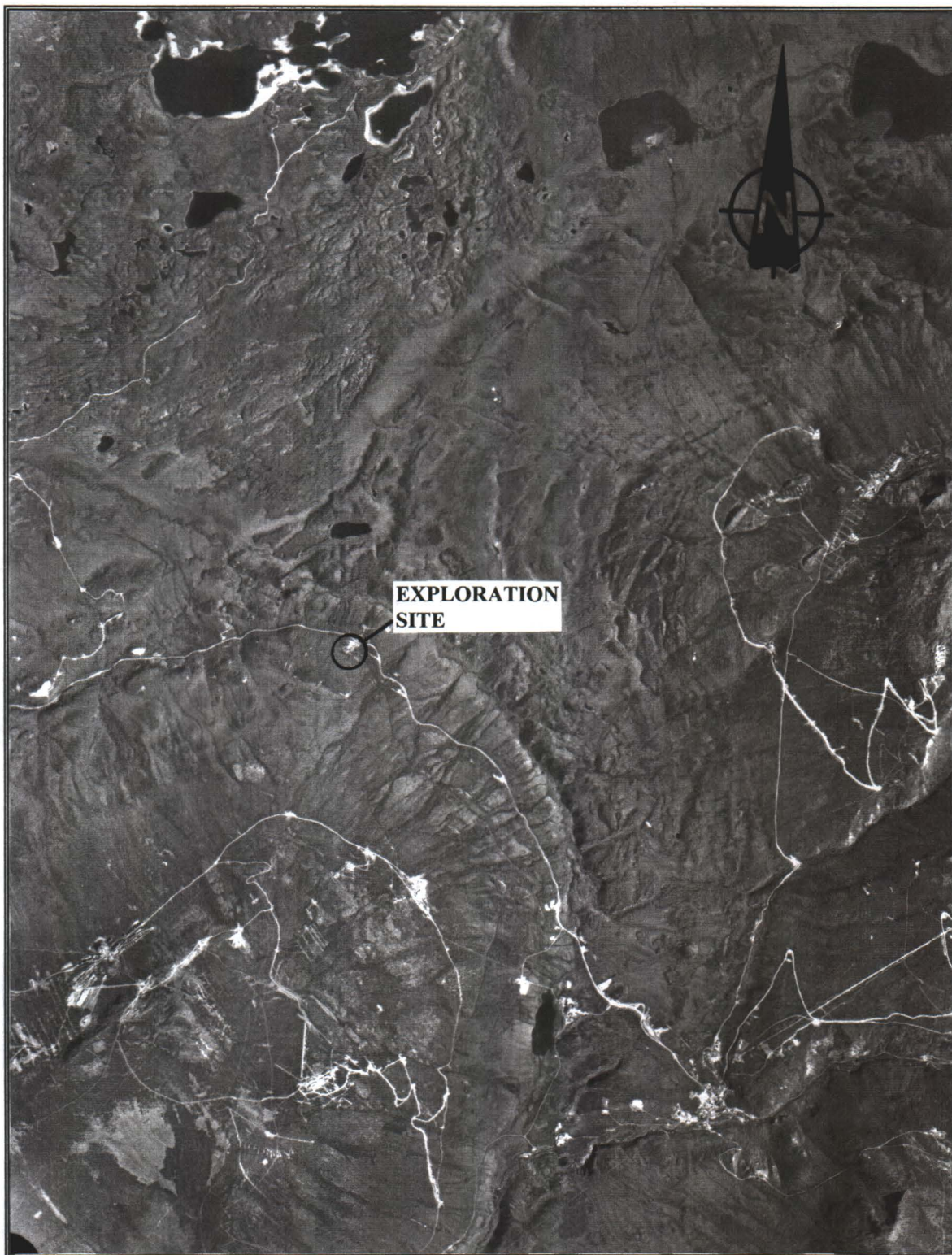
MAP NAME: **MAYO**

MAP SCALE: **1:250000**

SITE LOCATION:

LATITUDE: **63° 56'26"**

LONGITUDE: **135° 22'09"**



SITE NAME: **FORMO**

SITE NUMBER: **105M-14-4**

AIRPHOTO NUMBER: **A19980-10** YEAR: **1968**

AIRPHOTO SCALE: **1:250000**

SITE LOCATION: LATITUDE: **63° 56'26"**

LONGITUDE: **135° 22'09"**

APPENDIX B

SITE PHOTOGRAPHS



ACCESS FROM HIGHWAY



GARAGE/WAREHOUSE