

POTATO HILLS (PAN)
SITE #92
(MINFILE #106D 026)

1. LOCATION AND ACCESS

Coordinates 64-02-26 N, 135-45-08 W. Located on a mountain plateau southwest of Potato Hills proper. Elevation approximately 4500 feet asl. Access to the site is via the South McQuesten Highway (from Highway 11, Silver Trail) to Haggart Creek Road, and along Dublin Gulch Road, 800 m southwest of the Potato Hills peaks.

2. SITE PHYSIOGRAPHY

The site is situated on a mountain plain consisting of a sparse distribution of mature spruce trees, low shrubs (e.g., dwarf birch) and forbs. Moderate disturbance was observed in this area from exploration activities including clearing, trenching and well installations. The topography is relatively high and no watercourses were observed in the area. The site borders the treeline and, although the presence of permafrost soils could not be ascertained; the elevation would suggest the possibility of discontinuous permafrost.

3. GEOLOGY AND MINERALIZATION (from original minfile)

Host rocks consist of clastic sediments of the Hyland Group intruded by stocks, dykes, and sills of Tombstone Putonic Suite. Alteration and gold and tungsten mineralization is directly associated with the intrusions. Scheelite occurs with feldspar, muscovite, pyrite, and small amounts of arsenopyrite in a quartz stockwork and as disseminations near the veins, which cut granite of the Potato Hills stock. Alteration is weak and consists of narrow argillic envelopes around the veins. The mineralized area is approximately 180 m long and 760 m wide and was well outlined by a soil survey. Copper and molybdenum are present in trace amounts. Quartz veins in the stock grade up to 10.1 % WO_3 and adjacent wallrock assays up to 1.3% WO_3 with wallrock grading as high as 3.4% WO_3 . A pegmatite vein consisting of quartz and white mecca assayed 6.4% WO_3 across 25 cm. Across large intervals, grades were very low averaging 0.05% WO_3 . First Dynasty drilled 9 HQ diamond drill holes near Potato Hills to test for mineralization underneath the proposed heap leach pad area. A total of 376 selective samples were analyzed from the 9 drill holes and 93% assayed below detection limit. One sample returned 40.02 g/t gold. This sample was attributed to a single 40 cm quartz-arsenopyrite vein.

4. SITE HISTORY (from original minfile)

Placer scheelite was noted in Dublin Creek in 1904 by the GSC. Staked as Tungsten King, etc cl (12723) in Sept./18 by W. Steinberg and restaked about 1941 by A.J. Kinsey and R. Fisher and optioned to Treadwell Yukon CL. Claims owned by Mayo Silver ML covered this occurrence in 1961-4 but the tungsten potential was not investigated. The first interest in bulk tonnage tungsten potential commenced in Sept./68 when the Pan & Arpa cl (Y27203) were staked by C. Provencher. The property was optioned in 1968 by Great Plains Dev C of Can L, which conducted bulldozer trenching; Tam ML in 1969; and Connaught ML from 1969 to late 1971. The Connaught option was assigned in 1970 and 1971 to canex EL, which carried out an extensive soil geochemical survey in 1970, and bulldozer trenched and drilled three holes (457.2 m) in 1971. The claims reverted early in 1972 to Provencher, who transferred them to a private company, Scheelite Hills Mls L. The west end was restaked as R & D cl (YA1393) in Oct./75 by R. Holway & D. Duensing, who trenched in 1976 and transferred the claims to Dublin Gulch Mg L. The remainder was staked as MAR cl (YA14897) in Mar./77 by Queenstake Res L. which performed mapping and bulldozer trenching later in the year. In 1978, Canada Tungsten Mg Corp L entered a joint venture with Queenstake, optioned the R&D group, enlarged the property and conducted extensive mapping and sampling in 1978 and 1979. Cantung dropped its interest in 1986. Some of the R&D and Mar cl were transferred to Ivanhoe Goldfields Ltd. in Mar./93. In Sept./93, Ivanhoe dug several test pits in decomposed bedrock on the R & D claims and the Olive Crown Grant. Samples were then screened, gravity concentrated and assayed. In Aug./94, First Dynasty Mines Ltd. acquired Ivanhoe Goldfields Ltd. In 1995, First Dynasty and in 1996 its wholly owned subsidiary, New Millenium Ltd. carried out a major drilling program to outline a core resource/reserve on Eagle Zone (minfile occurrence # 106D 025). The companies also carried out diamond drilling on Potato Hills (minfile occurrence #106D 026) to test for mineralization under the proposed heap leach pad area.

5. MINE DEVELOPMENT

5.1. Mine Openings and Excavations

Adits/Shafts/Portals

No apparent mining development at this site.

Open Pits

No apparent development at this site.

Trenches

Small number of bulldozed trenches along the southwest side of Dublin Gulch Road (Photo 92-1).

Dimensions: (L x W x H): ~ 100 m x 3 m x 0.75 m

Condition: loose packed overburden; appears to be stable; small piles of overburden in the vicinity; no watercourses in area of site.

Accessibility: along Dublin Gulch Road

5.2. Waste Rock Disposal Areas

No apparent waste rock, aside from small piles of overburden near trenches noted above. No evidence of sulphide bearing minerals were observed; no samples, therefore, were taken.

5.3. Tailings Impoundments

Tailings Dams

No apparent dams

Tailing Ponds

No apparent tailings ponds

5.4. Minesite Water Treatment

No apparent treatment facilities.

6. MINE SITE INFRASTRUCTURE

6.1. Buildings

No apparent buildings or campsite.

6.2. Fuel Storage

No apparent fuel storage facilities.

6.3. Rail and Tressel

No apparent activity.

6.4. Milling and Processing Infrastructure

No processing facilities apparent.

6.5. Electrical Equipment

No apparent electrical equipment.

7. SOLID WASTE DUMPS

No apparent waste dumps.

8. POTENTIAL CONTAMINANTS OF CONCERN

8.1. Out of Service Transformers

None apparent at site.

8.2. Metals and Hydrocarbons in Soil

No evidence of staining, spills, or odours.

8.3. Liquid Hazardous Materials

None apparent at site.

8.4. Solid Hazardous Materials

None apparent at site.

9. WATER QUALITY

No samples were taken due to the dry topography and absence of any water course in the area. A few monitoring wells were observed along Dublin Gulch road southwest of the trench area, but were not sampled.

10. RECLAMATION

Natural revegetation is beginning to occur in the trench areas and other disturbed locations of the site along Dublin Gulch Road (see Photo 92-1). No evidence of any reclamation measures at this site.

11. OTHER SOURCES OF INFORMATION AND DATA

Much of the available information for this area is focused on the exploration activities of New Millennium Mining Ltd. in this area. Waste rock from nearby Eagle Zone was determined to have an NP/AP average of 6.95.

12. REFERENCES AND PERSONAL COMMUNICATIONS

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Yukon Geology and Exploration, 1979-80, p.238-240. (used in production of minfile)

Yukon Exploration and Geology, 1995, p.8, 33 (used in production of minfile)



Photo 92-1 : Potato Hill (proper) showing extensive trench work along access road (over-burden) looking S.