

GARNET (RAY GULCH)

SITE #93

(MINFILE #106D 027)

1. LOCATION AND ACCESS

Coordinates 64-01-41 N, 135-44-57 W. Located along the top of the northeast slope of Ray Gulch, along Dublin Gulch Road approximately 1.5 km due south-southeast of Potato Hills (proper). Elevation approximately 4600 feet asl. Access to Garnet is via the South McQuesten Highway (from Highway 11, Silver Trail) to Haggart Creek Road, and follow Dublin Gulch Road.

2. SITE PHYSIOGRAPHY

The site faces north along the edge of a plateau along at the top of the west slope of Ray Gulch, which drops to the south where it eventually meets Lynx Creek. Garnet is above the treeline, located in a relatively dry alpine tundra with characteristic vegetation. Raised frost-heave areas, polygons and the high altitude suggest the presence of continuous permafrost in the area (Photo 93-1).

3. GEOLOGY AND MINERALIZATION (from original minfile)

The Dublin Gulch area is underlain by deformed Upper Proterozoic or Lower Cambrian clastic rocks of the Hyland Group that have been intruded by Cretaceous age Tombstone suite stocks, dykes and sills. Alteration and gold and tungsten mineralization is directly associated with the intrusions. Ray found large blocks of pale green, coarsely crystalline tremolite skarn float containing 2.7% to 3.3% scheelite. In 1943, the GSC located an outcropping zone 25 m thick in Late Proterozoic Hyland Group quartz-biotite schist, from which grab samples assayed 0.27% to 0.5% WO_3 . Mayo Silver ML traced arsenopyrite-quartz to a narrow vein conformable with bedding, which assayed 69.3 g/t silver and 125.1 g/t gold across 0.8 m. The skarn showing was further explored in 1978 and found to average 12 m and reach 25 m in thickness. The skarn is composed of diopside, amphibole, epidote, minor magnetite and no sulphides. This zone, called the Garnet Zone, dips gently northwest towards the Potato Hills Stock. The 1979-80 drilling tested an area 1000 m long and 700 m wide and disclosed the presence of buried tungsten deposit containing 7.26 million tonnes of 0.87% WO_3 . At least three of the mineralized horizons outcrop under shallow overburden, but none appear in the Ray Gulch canyon. The 1982 holes cut weak mineralization stratigraphically below the deposit. The best intersection (Hole 82-1) assayed 0.18% WO_3 and 0.34 g/t gold over 0.8 m, as well as a 1.7 section that ran 0.14% WO_3 .

4. SITE HISTORY (from original minfile)

Staked as Tip Top cl (55220) in Oct./42 by Harvey Ray, examined by Ventures L in 1942, and investigated by the GSC in 1942-44. Restaked in Aug./51 by R.A. Batty & E. Barker as Batty cl (61878), which were prospected and sampled in 1956 by Stride E & Dev cl. Mayo Silver ML staked

claims on the east side of the gulch about 1960 and bulldozer trenched in 1963 or 1964. Restaked as Pan & Arpa cl (YA27203) in Sept./68 by C. Provencher as part of the adjoining Potato Hills property but not explored by the various optionees. Restaked as Mar cl (YA14897) in Mar./77 by Queenstake Res L, which conducted mapping and bulldozer trenching later in the year. In 1978, Canada Tungsten Mg Corp entered a joint venture with Queenstake, optioned the adjoining R & D group from Dublin Gulch Mg L and explored with extensive geochem and geophysical surveys in 1978, 1879 and 1981, 21 holes (2423 m) in 1979, 64 holes (11,278 m) in 1980, and 3 holes (751 m) plus additional mapping, geochem and VLF-EM surveys and trenching in 1982. Cantung dropped its option in 1986. H-6000 Holdings optioned the property in 1991 and subsequently optioned it in Sept./91 to Amax Gold Inc., which explored with mapping, geochemistry, geophysics, and 16 diamond drillholes totaling 2500 m. In 1992, Amax performed 1129.9 m of reverse circulation drilling on the R & D 2 and 16, Bob 1, Smoky 64, 65, 74 and 76 claims. In the late 1992, the property was returned to Ivanhoe Goldfields Ltd. (a successor company of H-6000 Holdings). In Sept./93, Ivanhoe drilled 10 reverse circulation drill holes totaling 2079 m on the Smoky 3 and 4 claims and Smoky 96 fractional claim, and dug several test pits in decomposed bedrock on the R & D claims and the Olive crown grant in Sept/93. Samples were then screened, gravity concentrated and assayed. Ivanhoe also performed a soil survey on the West, Sec and DG claims in Sept./93. In Aug/94 First Dynasty Mines Ltd. acquired Ivanhoe Goldfields Ltd. In Oct/94 Queenstake Resources Ltd. transferred its interest in the Mar, R & D, DG, Jeff, Bob and Smoky claims to First Dynasty. 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

Extensive bulldozer trenching and shallow test-pitting has occurred throughout this site along the access road particularly through the early 1960s. The two largest are located near the surveying peak at the site near the top edge of Ray Gulch. (Photos 93-2 and 93-3).

Dimensions: (L x W x H): ~ 60 m x 3 m x 1 m

Condition: loose packed overburden; some natural re-colonization evident, appear to be stable

Accessibility: along Dublin Gulch Road

5.2. Waste Rock Disposal Areas

Waste Rock Pile # 1

Single rock pile consisting of overburden removed from the trenches. Several core boxes remain at the site. No apparent drainage in the area.

Location: Along Dublin Gulch road approximately 80 m northeast of surveying peak (see Photo 93-1).

Sampling: No visual signs of sulphide minerals. Based on field assessment, no apparent ARD associated with waste rock. No samples collected.

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. Evidence of previous campsite including old picnic table, camp fire, and scattered wood debris.

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; limited amounts of wood debris scattered over site.

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 dry topography of area and distance from any observable water course.

10. RECLAMATION

Natural re-vegetation is beginning to occur at the site in the trench areas around site (Photo 93-3). The trench area along the east slope of the gulch, however, remains bare (see Photos 93-2 and 93-3). 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. to the south, and within the Dublin Gulch (proper).

12. REFERENCES AND PERSONAL COMMUNICATIONS

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Photo 93-1 : Garnet. Looking N. rom peak to camp debris, wash rock pile & Potato Hill (background).



Photo 93-2 : Garnet. One of numerous bulldoze trenches along access road (looking N.E.).



Photo 93-3 : Garnet. Bulldoze trench along access road looking S.E. to peak.