

**YEIP
2007
-042**

**Report of 2007 Field Activities
Funded under YMIP Grant #07-042**

NAME OF PROJECTS AREAS

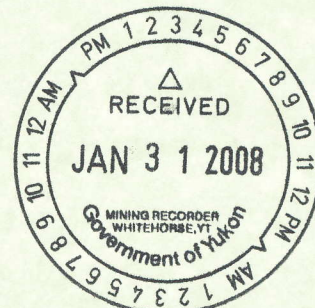
NO 1 MINTO

NO 2 PELLY

PREPARED BY

**ALAN DENDYS
PROSPECTOR / PLACER MINER
BOX 31450
WHITEHORSE, YUKON
Y1A 3T5**

January 15, 2008



| | |
|--|---------------|
| Table of Contents | Page 2 |
| | Page 3 |
| Introduction | |
| Area 1 – Minto | |
| Big Creek and Yukon River Bench | Page 4 |
| Area 2 – Pelly River Bench and Drainage | Page 4 |
| Project Summary | |
| Area 1 Minto | Page 4 |
| Area 2 Pelly | Page 4 |
| Area Location and Access | |
| Area 1 Minto | Page 4 |
| Area 2 Pelly | Page 4 |
| Exploration Activity | |
| Area 1 Minto | Page 5 |
| Area 2 Pelly | Page 5 |
| Test Results | |
| Area 1 Minto | Page 5 |
| Area 2 Pelly | Page 6 |
| Conclusions and Recommendations | |
| Area 1 Minto | Page 6 |
| Area 2 Pelly | Page 7 |

List of Figures

Figure 1 – Test Pit Locations

Coordinates to Test Pits

| | |
|--------------|---------|
| Area 1 Minto | Page 8 |
| | Page 9 |
| Area 2 Pelly | Page 10 |

Figure 2 – Maps

| | |
|--------------|---------|
| Area 1 Minto | Page 11 |
| Area 2 Pelly | Page 12 |

Figure 3 – Pictures of Test Sites

| | |
|--------------------|---------|
| Area 1 Minto | |
| Big Creek | Page 13 |
| Big Creek | Page 14 |
| Big Creek | Page 15 |
| Yukon River | Page 16 |
| Yukon River | Page 17 |
| Yukon River | Page 18 |
| 5 Mile Yukon River | Page 19 |
| Area 2 Pelly | |
| Pelly River | Page 20 |
| Lease # 1L00011 | Page 21 |
| Pelly River | Page 22 |
| Pelly River 5 Mile | Page 23 |
| Pelly River 5 Mile | Page 24 |
| Pelly river | Page 25 |
| Pelly River 5 Mile | Page 26 |

Final Submission Form

Introduction

The Yukon Minerals Incentives Program provided YMIP funding to these two project areas under grant no. (07-042) Target Evaluation.

Area 1 includes Big Creek, and Yukon River Bench ground located on map #115-I-10, lease numbers 1W00234, 1W00235, and claim numbers P50107, P50108, P50109, P50110, P50111, P50112, P50113, P50114.

Area 2 includes Pelly River bench and drainage located on map number 105-F-16; lease number IL00009, IL00010, IL00011.

Project Summary

Area 1.

In April of 2007 exploration test pits were excavated on lease and claims. A one yard bulk sample was processed from Big Creek 1 mile lease and a 1 yard bulk sample from 5 mile lease. These samples were processed through a test plant that screened down to ¼ inch minus. On each of the eight claims a test hole was dug to 25 ft in search of bedrock, however, none was encountered. Gravels were panned from test pits on each claim.

Area 2.

The Pelly River Project seemed to be a carbon copy of the Big Creek and Yukon River Project. Test pits were excavated and gravel was panned. One bulk sample of one yard was tested through a test plant that screened down to ¼ inch minus, the same as area 1. All of area 2 leases were not explored due to restrictions of permitting.

Area location and access

Area 1 is located on category B land owned by Selkirk First Nation at Minto Landing approximately 140 miles north of Whitehorse on the Klondike Highway. Road access is maintained by Minto Resources. The access has an ice bridge in winter and Jacobs Industries runs a barge for summer months.

Project 1 is located in the Whitehorse mining district

Area 2 was located 36 kilometers out of Ross River on the Robert Campbell Highway. Access was traveling on the 3 mile drainage lease to the Pelly River. The excavator walked in and out to each test pit daily. Camp was located three miles from Pelly River on Campbell Highway.

Project 2 is in the Watson Lake mining district

Exploration Activity

Area 1

Exploration and mining activity have indicated placer reserves in the head waters of Big Creek by the various placer operators working in the area.

Area 2

The first explorers that came down the Pelly River indicated that there were placer reserves in the Hoole canyon. Placer gold can be panned along the river bank today. Placer values have been found as high as 19 grams per yard. These values were not present in our test sites.

Area of Projects

Area 1

Area 1 and 2 are river benches. Both areas point out the rivers have receded to where they are today. There was no perma frost indicated in areas of test pits.

Project 1 Test pits were dug to 25 feet in depth. Only one test pit encountered bedrock on surface. In one test site on Yukon River bench a clay layer and water were reached at 15 feet. A one yard sample was tested from this site.

On Big Creek in one test pit water was also encountered at 15 feet but no clay layer. A one yard sample was processed from each site.

Area 2

Test pits were excavated on 3 mile drainage lease to the Pelly and 5 miles River Bench Lease. Due to time restraints of permit no test pits were dug on Hoole canyon 3 mile lease. Only one bulk one yard sample was processed on 5 mile lease. This was the only site we were able to contact bedrock. Hand panning along the river bank only 30 meters from this bedrock test produced values of 19 grams plus a yard.

Test Results

Area 1

Area 1 in the vicinity of Big Creek three holes were excavated to depths of 25 ft and no bedrock was encountered. Only one hole had water seepage. All holes had gravel in which we could pan 1 to 2 colours per pan. A one yard bulk sample was processed from from the test pit that had water. .1 gram of gold was recovered. See pictures for material type.

Five pits were excavated at various locations along the Yukon River bench to the depth of 25 feet. One excavation only had vegetation on top of bedrock. The pan samples from bedrock produced 2 to 3 colours to the pan. Another test pit had gravel down to 15 feet where water and a clay layer were reached. From this area a one yard bulk sample was processed. The sample had .1 gram gold. Of the .1 gram gold recovered .069 gram was one piece indicating possible course gold in the area. Other samples that were panned produced 100 mesh gold.

Conclusions and Recommendations

Area 1

This area has good access and little stripping to gravel and no perma frost. A forest fire has burned off vegetation leaving little vegetation for removal. Good sources for water from the Yukon River and Big Creek. All test pits panned never found a concentrated zone in the top 25 feet of gravel. We found the trace gold was disbursed throughout the gravels. Further exploration would be required to determine full potential of placer reserve. A magnetometer test grid should be laid out on Area 1 to determine concentrated zones. A drilling program would be recommended to determine depth to bedrock and bedrock values because of the deep gravels.

Test Results

Area 2

Access to test area was by turning off the Campbell Highway at km 36 and traveling down 3 miles drainage lease. Three test pits were excavated on 3 mile lease. Holes were excavated to 25 feet. First hole dug was in a clay layer with little gravel. No colours indicated in the pan.

The second pit excavated encountered water at 10 feet. At this site there was a brown gravel layer to the 10 foot level where it changed to blue grey gravel. No colours were panned. This blue grey gravel was loaded with silver pyrite. No bedrock was reached. A third test pit was excavated on the bottom of the drainage 3 mile lease where it comes into contact with the Pelly River bench gravels. No water or bedrock was reached. One to three colours occurred in the pans.

On the Pelly River flood plain a pit dug to 25 feet never reached bedrock. Water was encountered at 7 feet. Panned one to three colours below the 7 foot mark. Two more pits were excavated to 25 feet on the river bench. Both showed trace gold with one to three colours per pan in gravels from test sites. No bedrock or water was reached from these 2 sites. Only one test pit reached bedrock. At the 8 foot level where a one yard bulk sample was processed. .1 gram of gold was recovered. The four test areas all contained trace placer gold. See pictures for material types.

Conclusion and Recommendations

Area 2 ✓

Area 2 has a vast amount of placer potential due to its gravel source. There was only time due to permitting to have a brief look at this area. We did not find a concentration layer in the upper 25 feet of material where pits were excavated, just trace placer gold. Due to the high values panned along river banks it leads to the possibility of receding flood lines that could transcend into river bench. A grid line with a magnetometer should be done to explore the previous river receding lines. Test pits at random did not locate this possibility. A drill would be recommended to check river bench gravels depth to bedrock and bedrock pay per yard.

A permit should be applied for to upgrade existing trail that leaves highway to 5 mile

Figure 1 – Test Pit Locations

Coordinates to Test pits

Area 1

Big Creek

North 62 degrees 35 ft 42.3 inches
West 137 degrees 01 ft 03.7 inches

North 62 degrees 35 feet 26.7 inches
West 137 degrees 01 feet 28.8 inches

North 63 degrees 35 feet 32.7 inches
West 137 degrees 01 feet 05.5 inches

Yukon River Bench

North 62 degrees 35 feet 53.3 inches
West 136 degrees 59 feet 22.3 inches

North 62 degrees 35 feet 48.6 inches
West 136 degrees 57 feet 09.5 inches

North 62 degrees 35 feet 34.4 inches
West 136 degrees 54 feet 45.1 inches

North 62 degrees 35 feet 34.3 inches
West 136 degrees 54 feet 44.1 inches

North 62 degrees 35 feet 20.7 inches
West 136 degrees 53 feet 11.4 inches

Yukon River Bench Claims Coordinates

North 62 degrees 35 feet 49.9 inches
West 136 degrees 58 feet 35.9 inches

North 62 degrees 35 feet 47.3 inches
West 136 degrees 58 feet 26.9 inches

North 62 degrees 35 feet 35.6 inches
West 136 degrees 57 feet 29.3 inches

North 62 degrees 35 feet 42.5 inches
West 136 degrees 57 feet 04.0 inches

North 62 degrees 35 feet 45.1 inches
West 136 degrees 58 feet 17.7 inches

North 62 degrees 35 feet 39.7 inches
West 136 degrees 57 feet 53.3 inches

North 62 degrees 35 feet 43.0 inches
West 136 degrees 56 feet 56.3 inches

North 62 degrees 35 feet 40.5 inches
West 136 degrees 56 feet 28.6 inches

Coordinates to Test Pits

Area 2

3 Mile Lease Drainage

North 61 degrees 50 feet 56.3 inches
West 132 degrees 06 feet 37.0 inches

North 61 degrees 49 feet 35.2 inches
West 132 degrees 05 feet 41.9 inches

North 61 degrees 49 feet 08.1 inches
West 132 degrees 05 feet 41.9 inches

5 Mile Lease River Bench

North 61 degrees 51 feet 09.2 inches
West 132 degrees 06 feet 37.5 inches

North 61 degrees 51 feet 24.0 inches
West 132 degrees 05 feet 58.0 inches

North 61 degrees 51 feet 25.7 inches
West 132 degrees 05 feet 57.3 inches

North 61 degrees 51 feet 25.3 inches
West 132 degrees 05 feet 58.4 inches

Figure 2 Maps

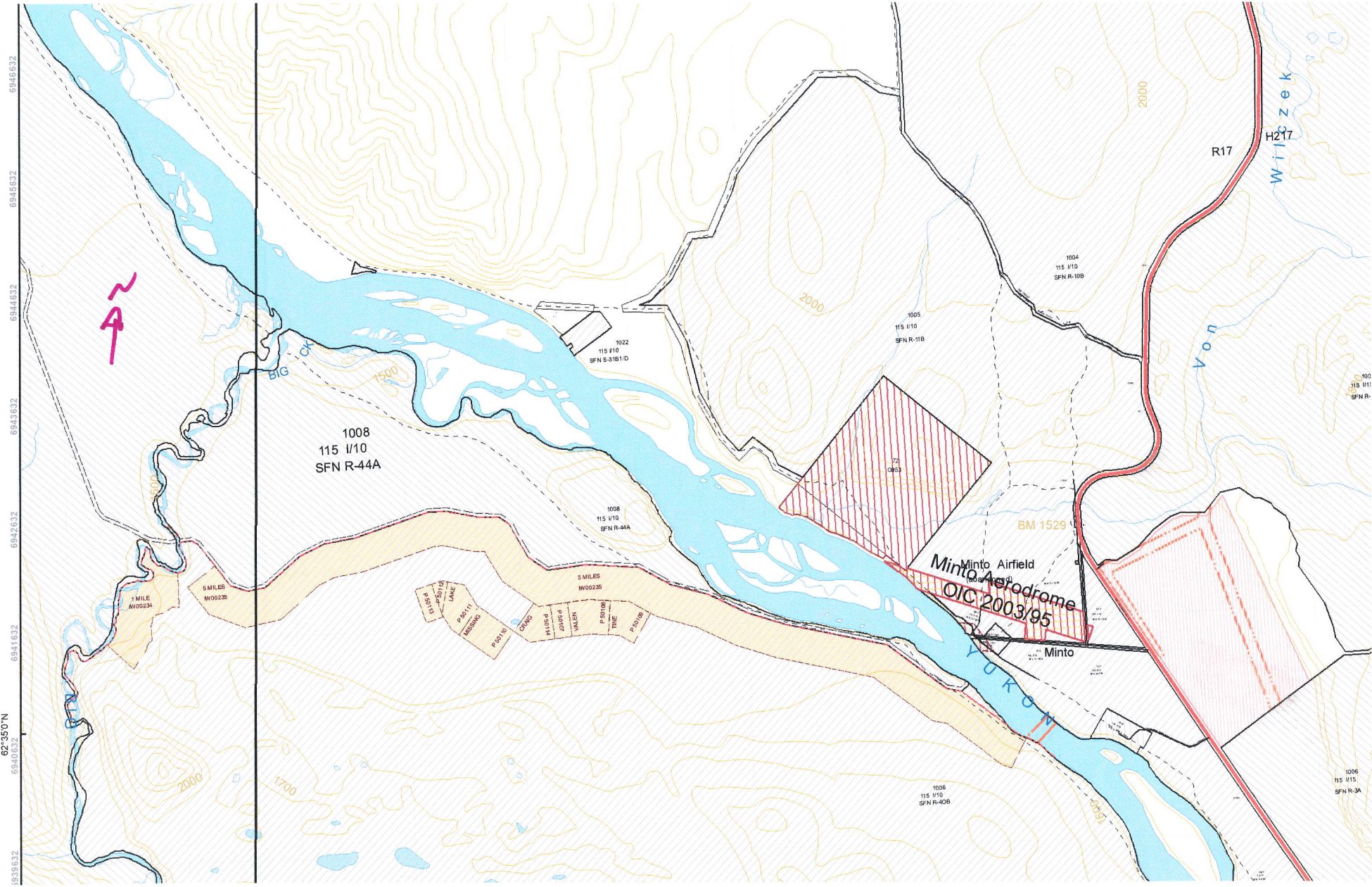
Area 1

Minto Maps

115 - I - 10

115-I-10

AREA 1



KLONDIKE HIGHWAY & MINTO MINE SITE ROAD

AREA 1

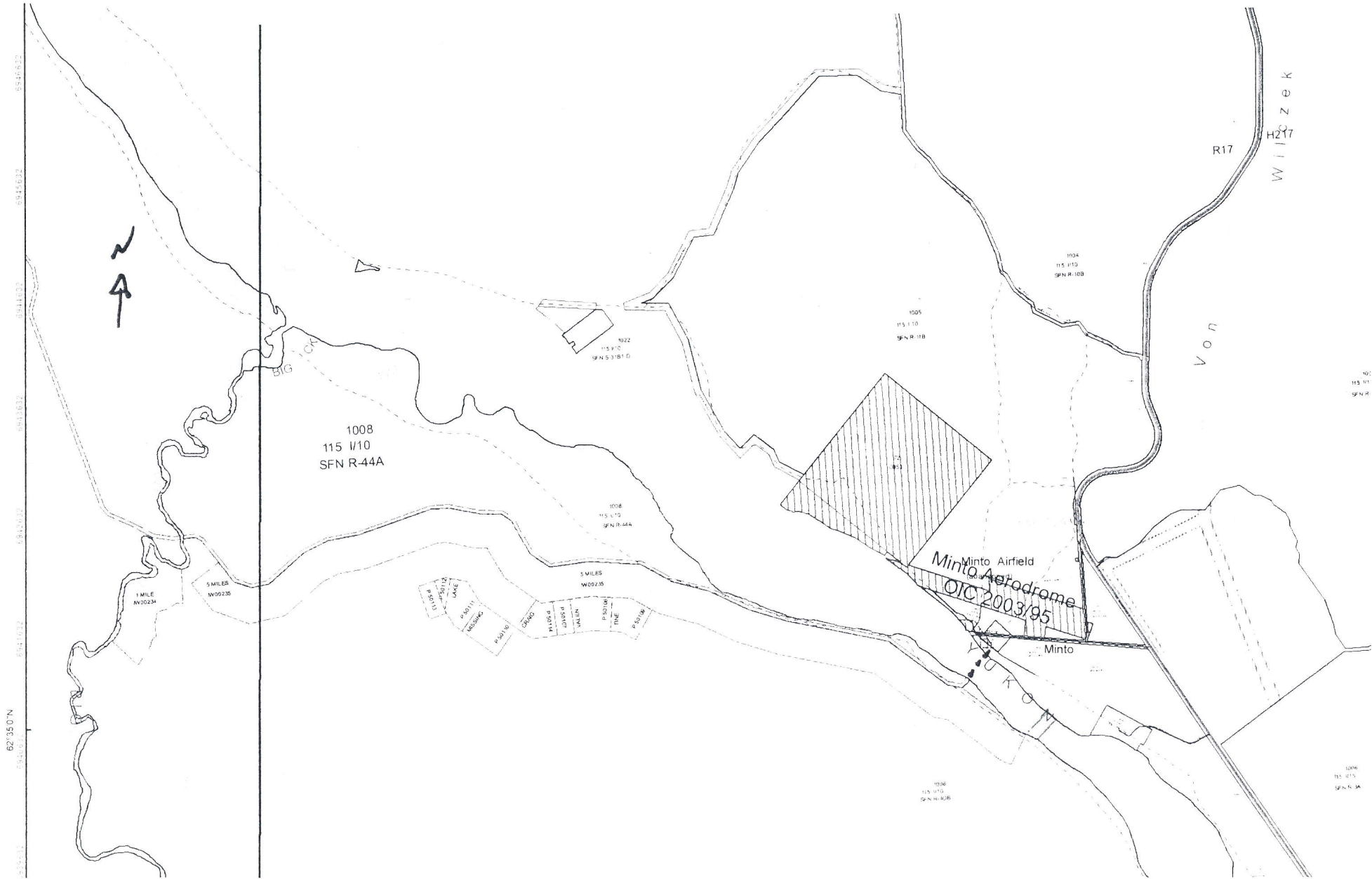


Figure 2 – Maps

Area 2

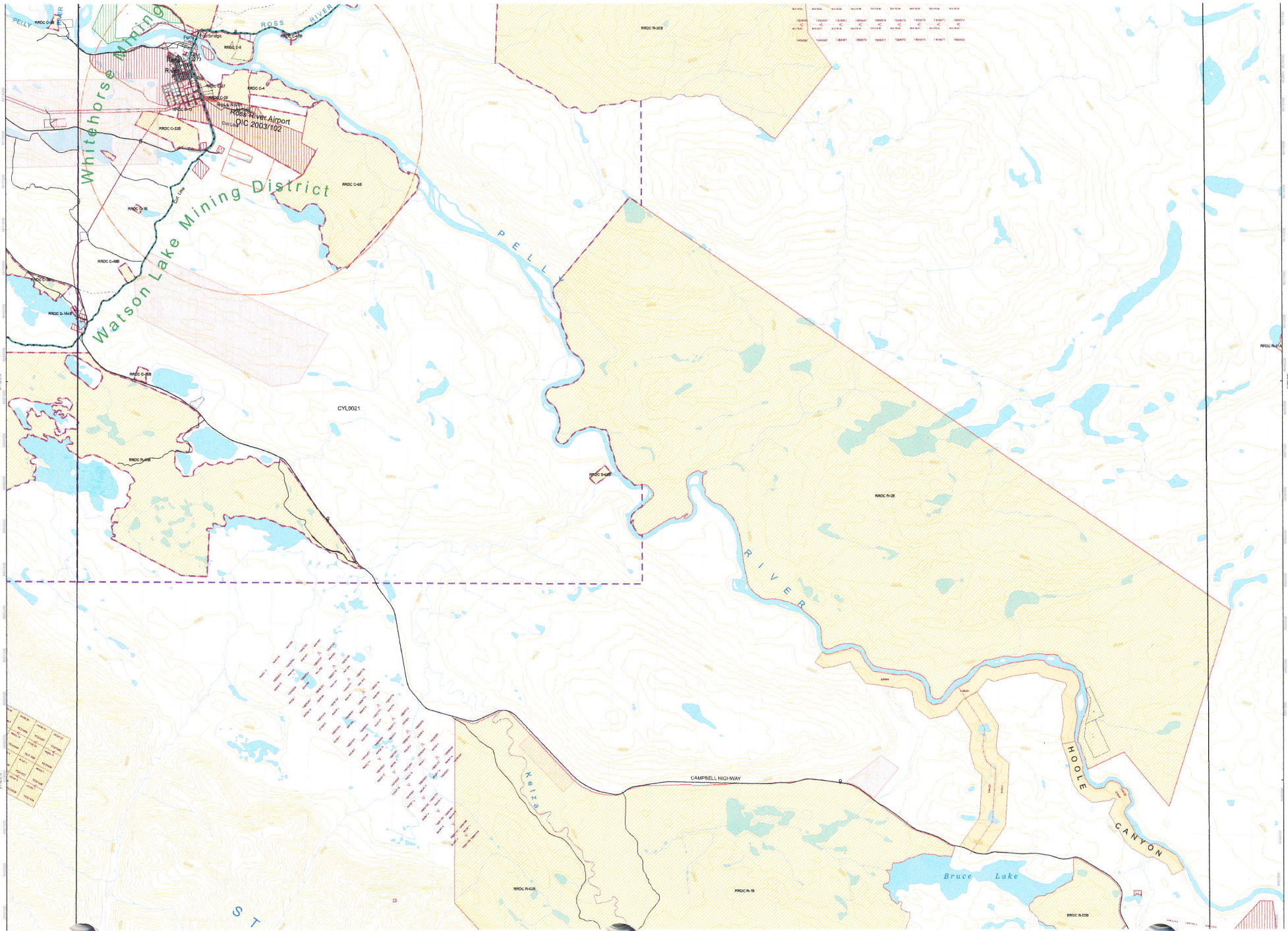
Pelly River Maps

105 – F - 16

AREA 2

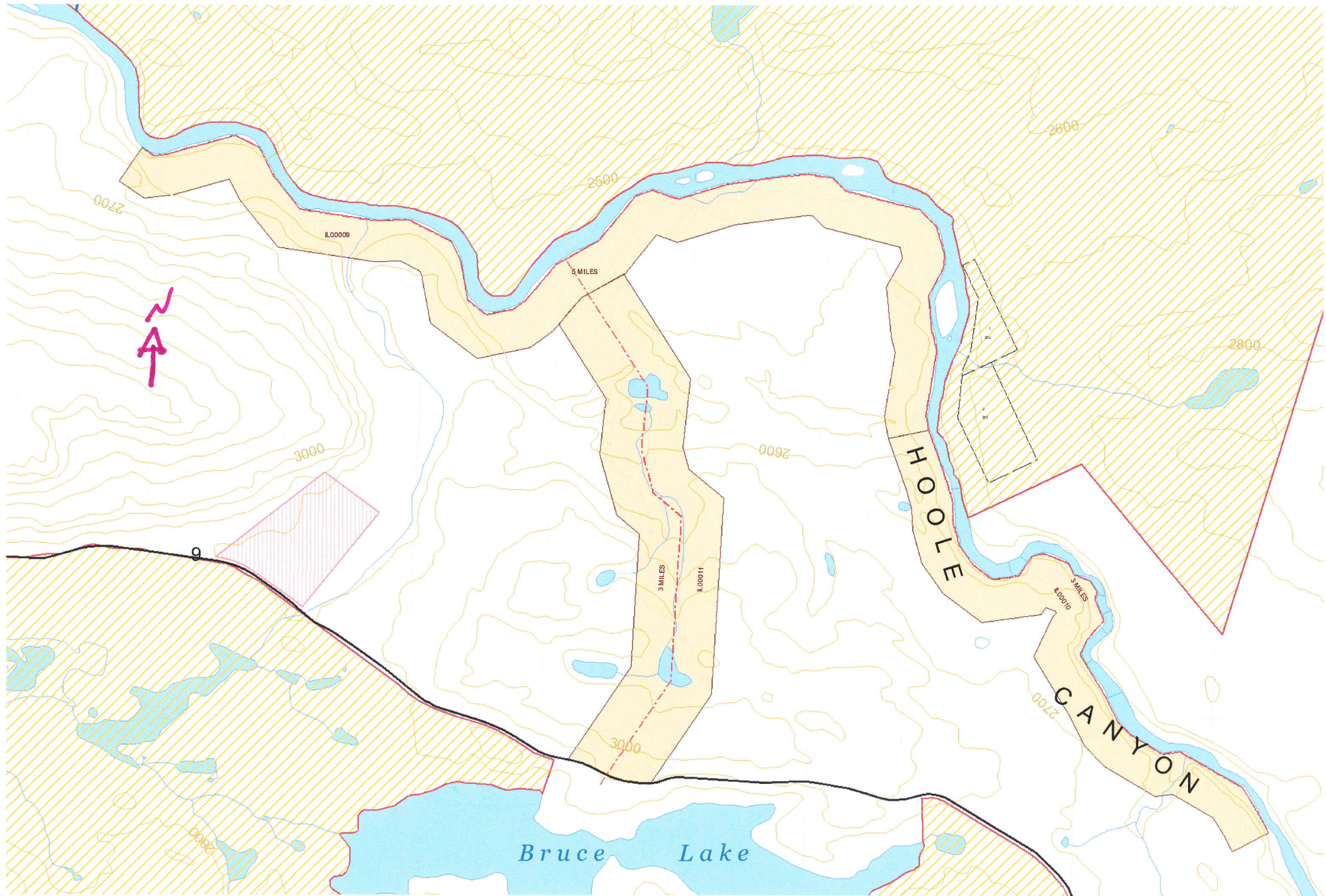
CAMPBELL HIGHWAY KM #36

~
↑



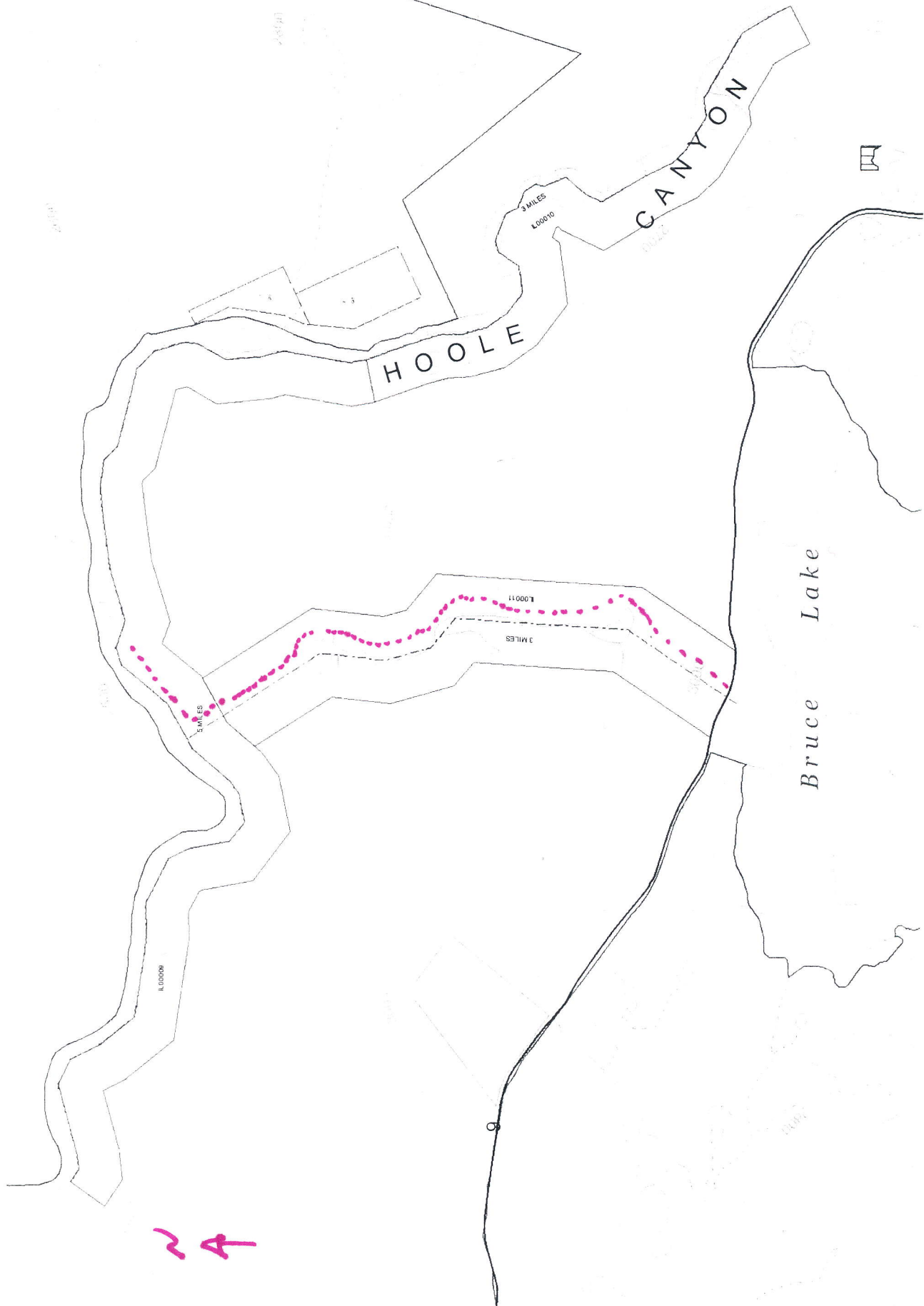
ARMA 2

105-F-16



AREA 2

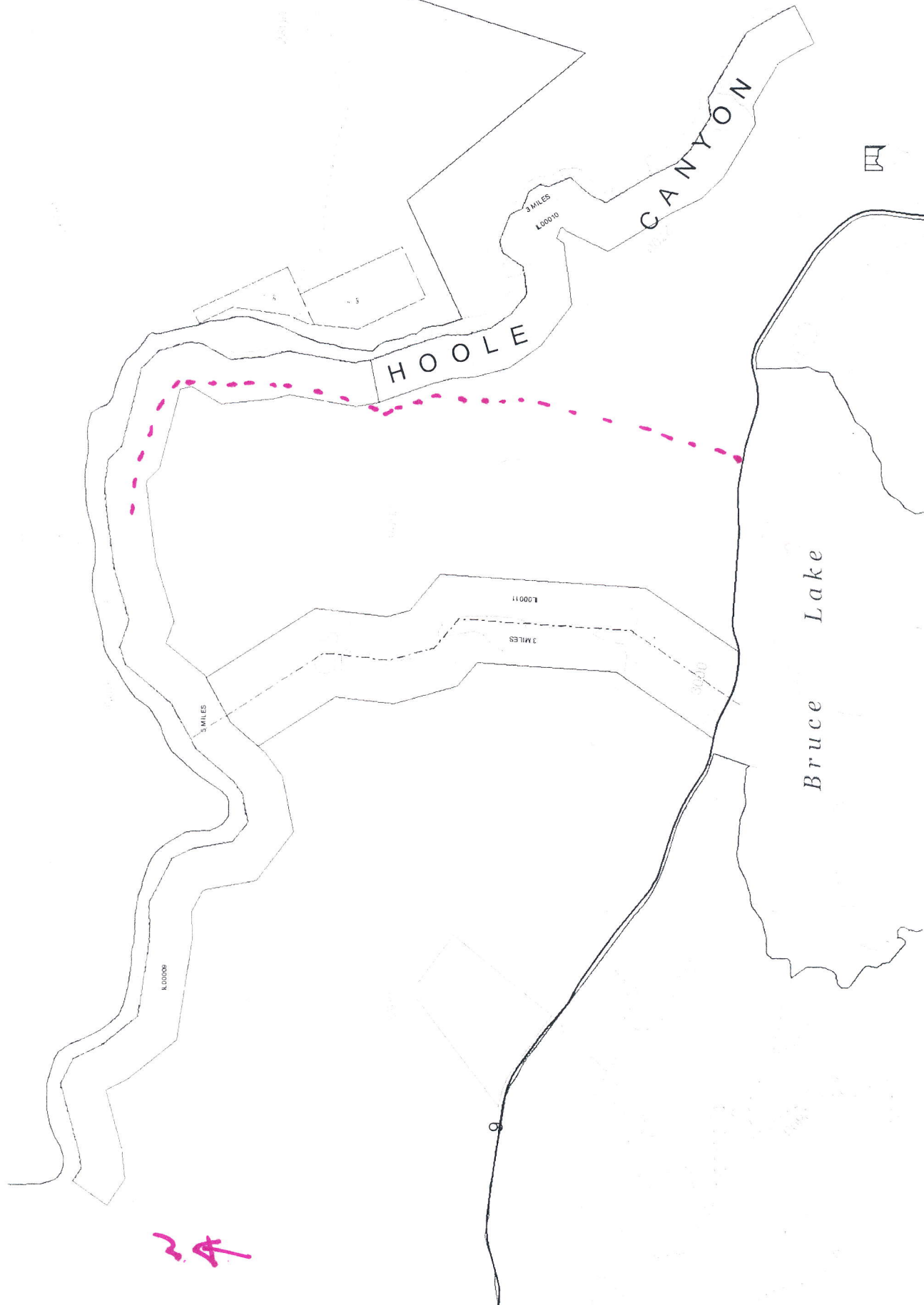
ROUTE USED TO TEST PITS



2A

AREA 2

Existing TRAIL



AREA 2

TEST SITES

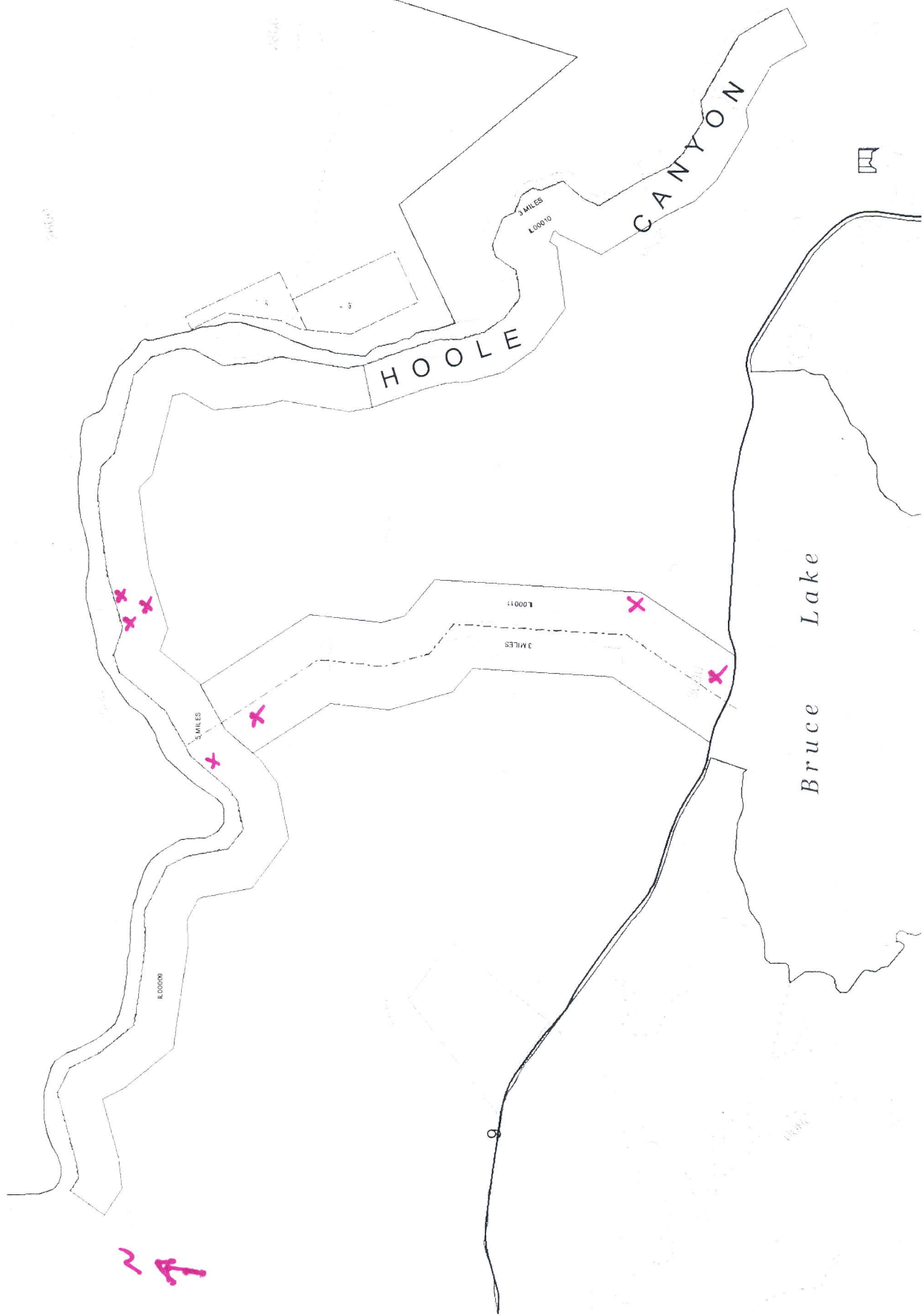


Figure 3 - Pictures of Test Sites

Photos

Area 1

Big Creek

Big Creek Camp
Supplies and Test Plant





Photos

Area 1

Big Creek

1 yard test

Material Screened to $\frac{1}{4}$ inch minus

Test Site Located at

North 62 degrees 35 feet 42.3 inches

West 132 degrees 01 feet 03.7 inches









Photos

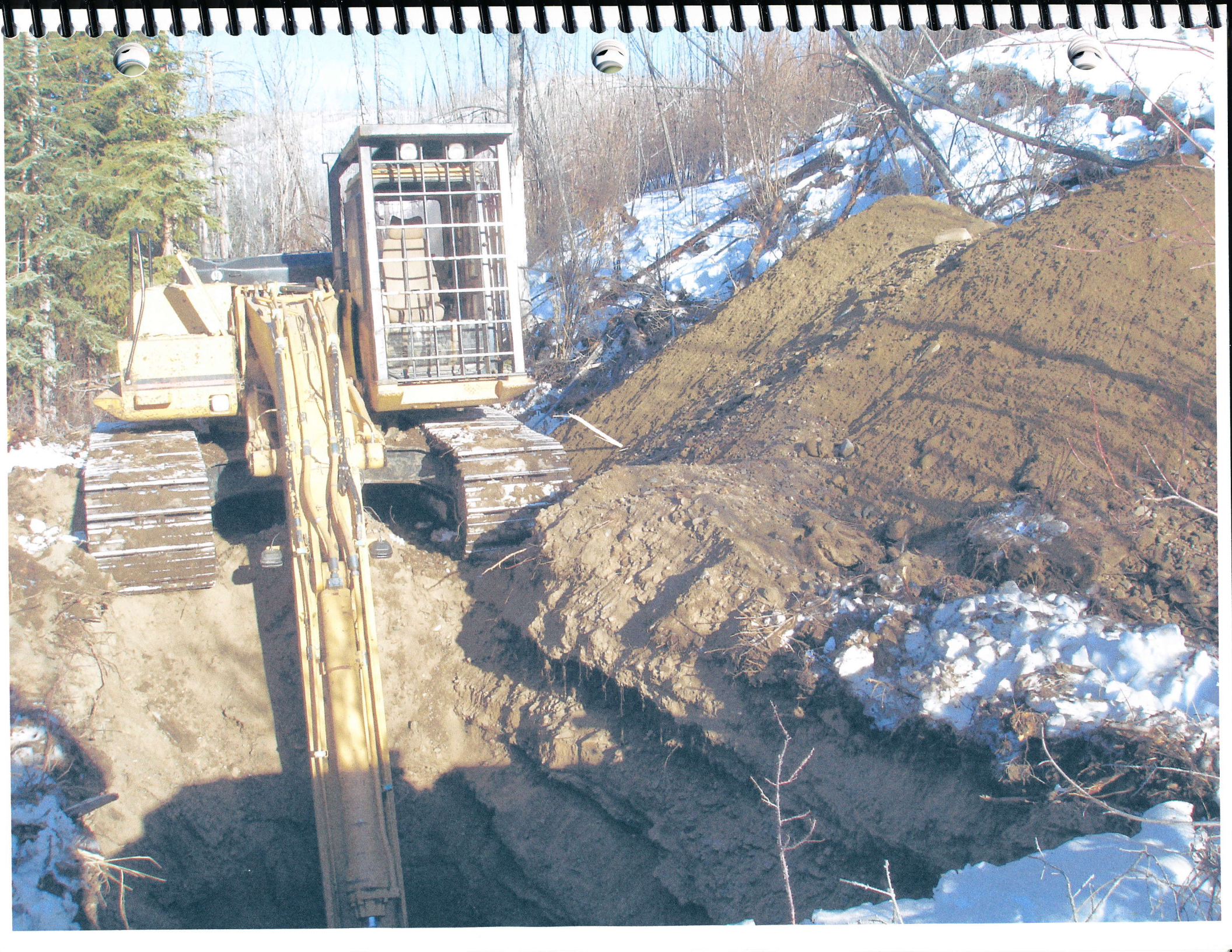
Area 1

Big Creek

25 feet No water
1 to 2 fines to a pan

Test Site Located

North 62 degrees 35 feet 26.7 inches
West 137 degrees 01 feet 28.8 inches





Photos

Yukon River Clay

Bottom and Water

3 feet top soil

12 feet gravel to clay

Test site located

North 62 degrees 35 feet 34.3 inches

West 136 degrees 54 feet 44.1 inches

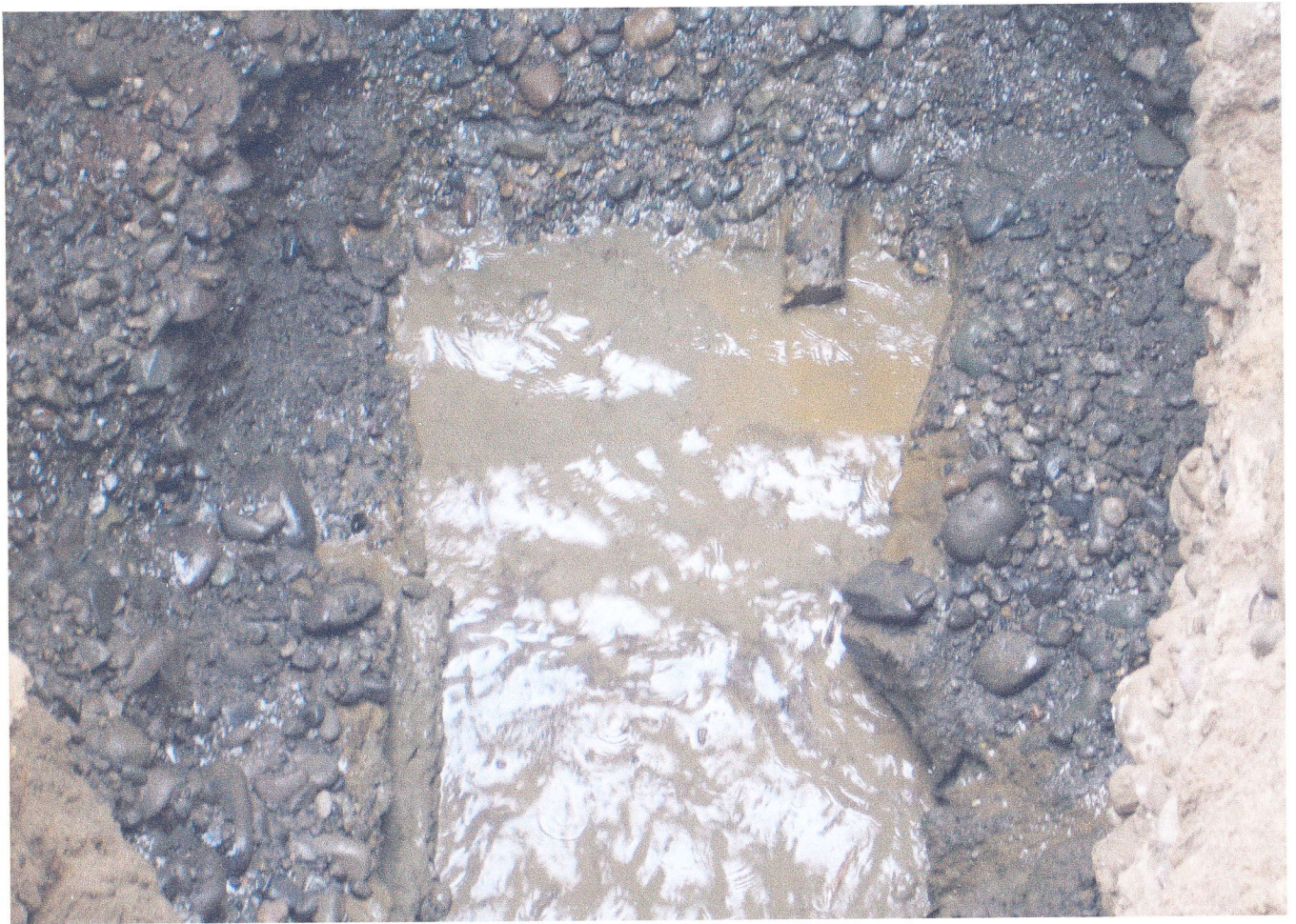












Photos

Area 1

Yukon River

Bedrock pit

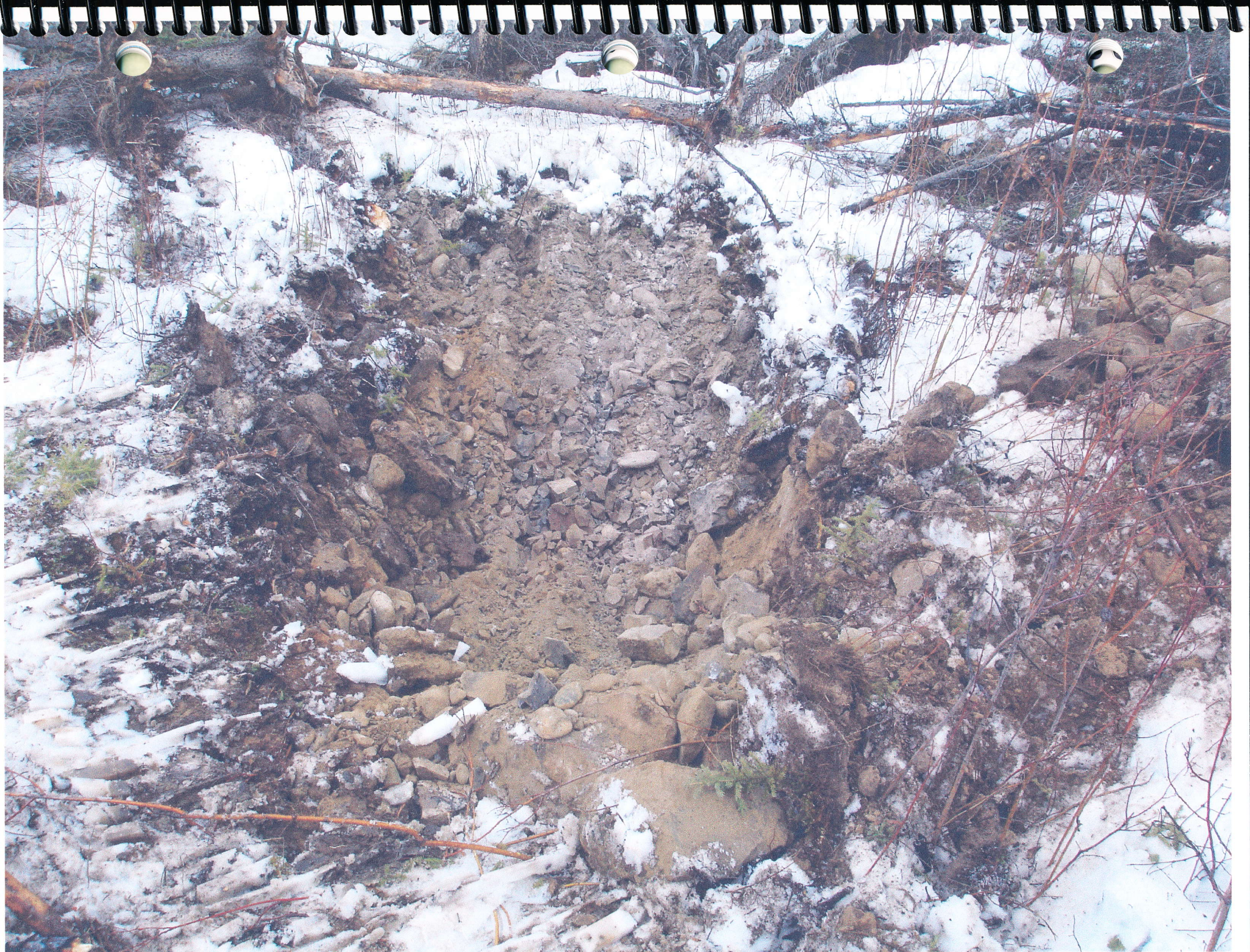
3 feet in bedrock

3 to 4 colours

Test Site Located

North 62 degrees 35 feet 13.1 inches

West 136 degrees 52 feet 45.7 inches



Photos

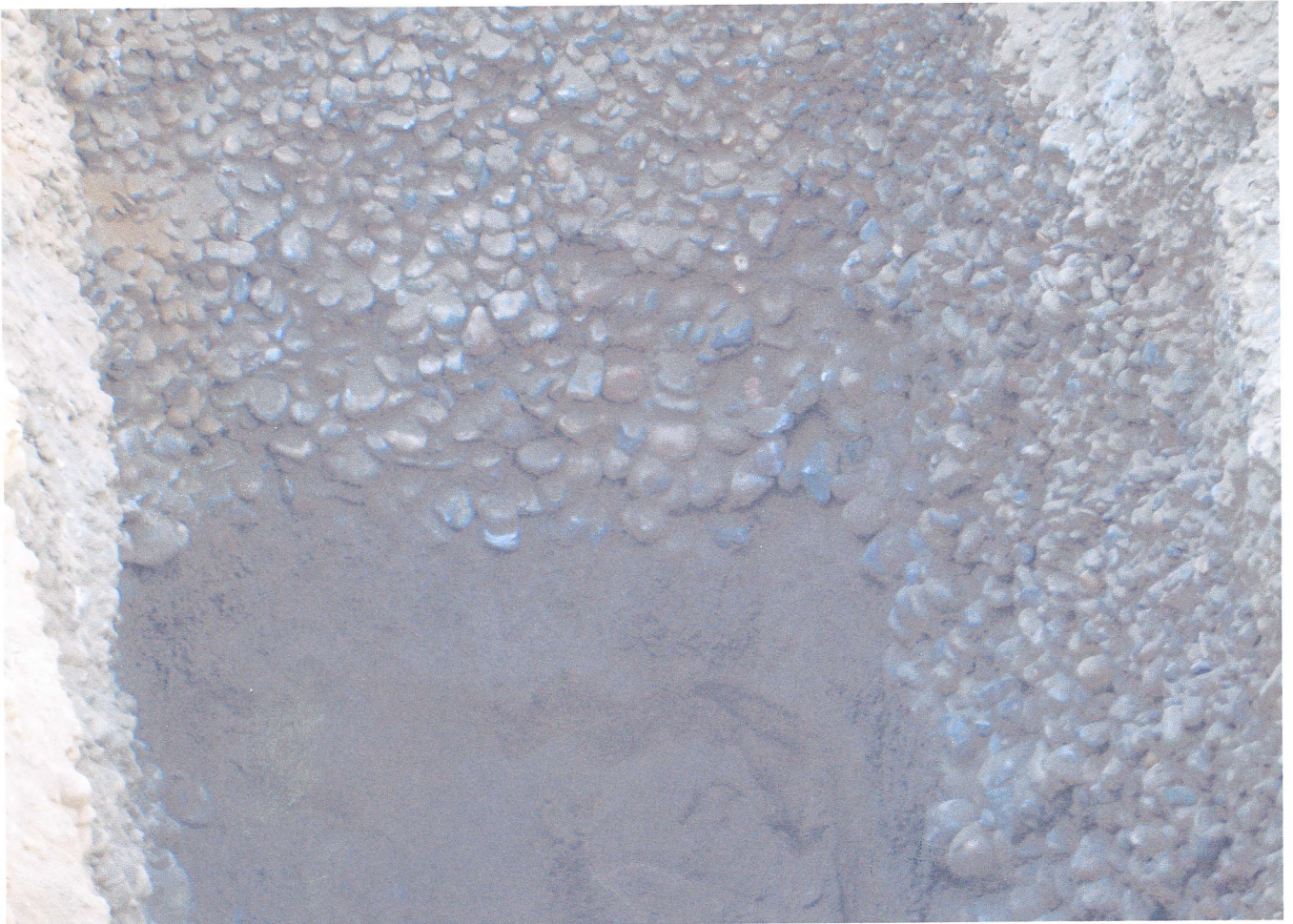
Area 1

Yukon River

6 feet of cobble silty sand down 25 feet
Full depth of machine reach
Very dry and dusty material

Location of test site

North 62 degrees 35 feet 48.6 inches
West 136 degrees 57 feet 09.5 inches



Photos

Area 1

5 Mile Yukon River

Test site location

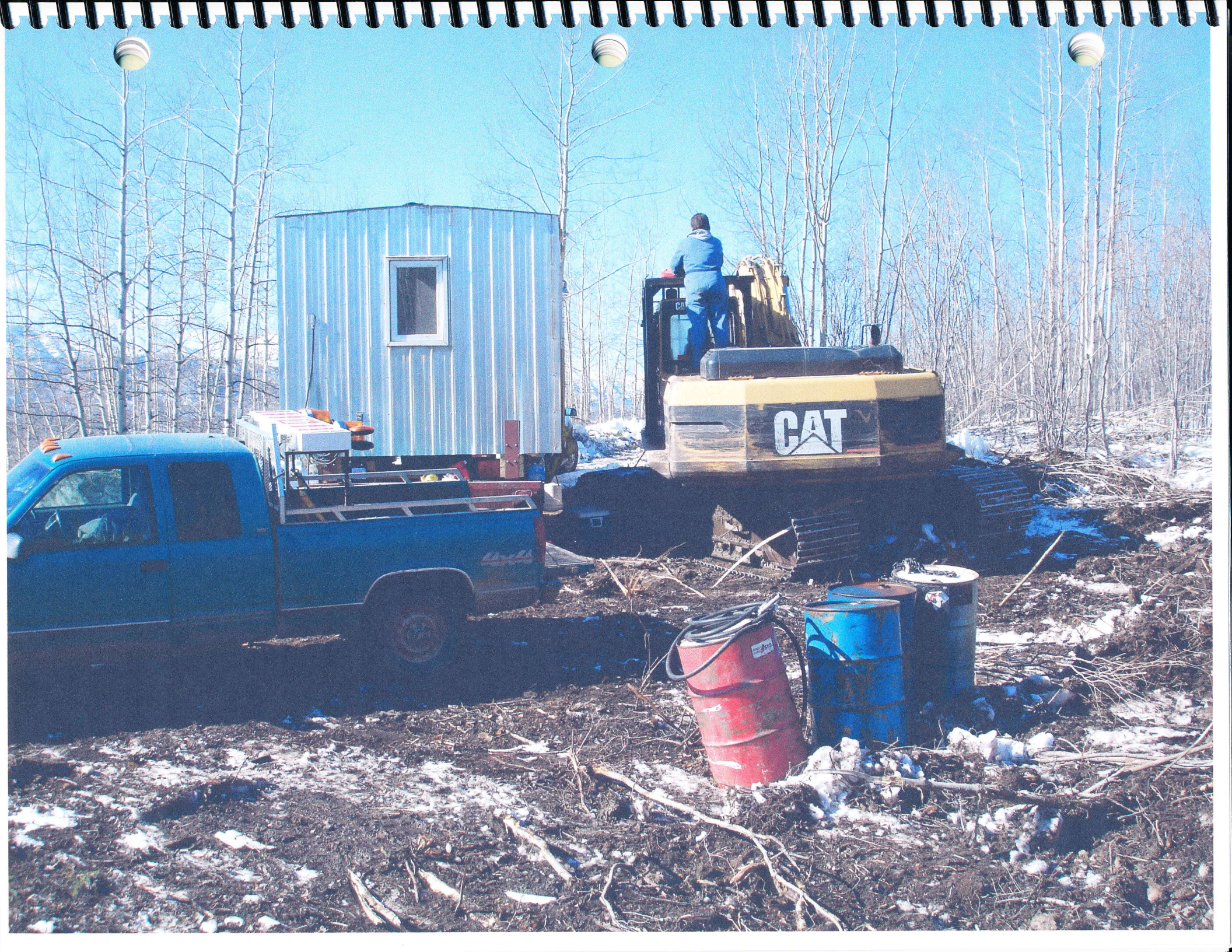
North 62 degrees 35 feet 48.3 inches
West 136 degrees 56 feet 06.3 inches



Photos

Area 2

Pelly River Camp



Photos

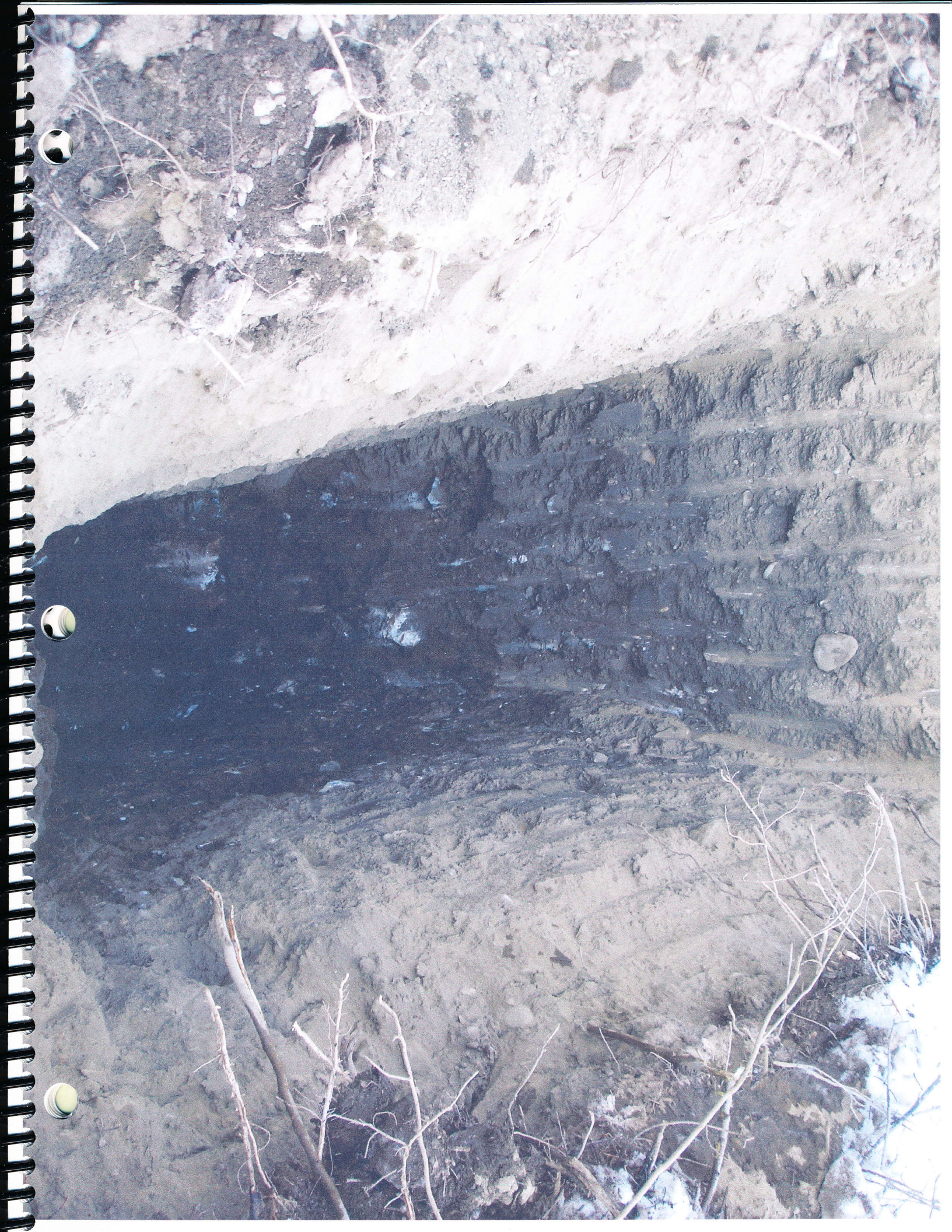
Area 2

Lease # 1L00011

Hole by Camp
All clay with gravel
Full reach of excavator

Test site location

North 61 degrees 49 feet 08.1 inches
West 132 degrees 05 feet 58.6 inches



Photos

Area 2

Pelly

Lease # 1L00011

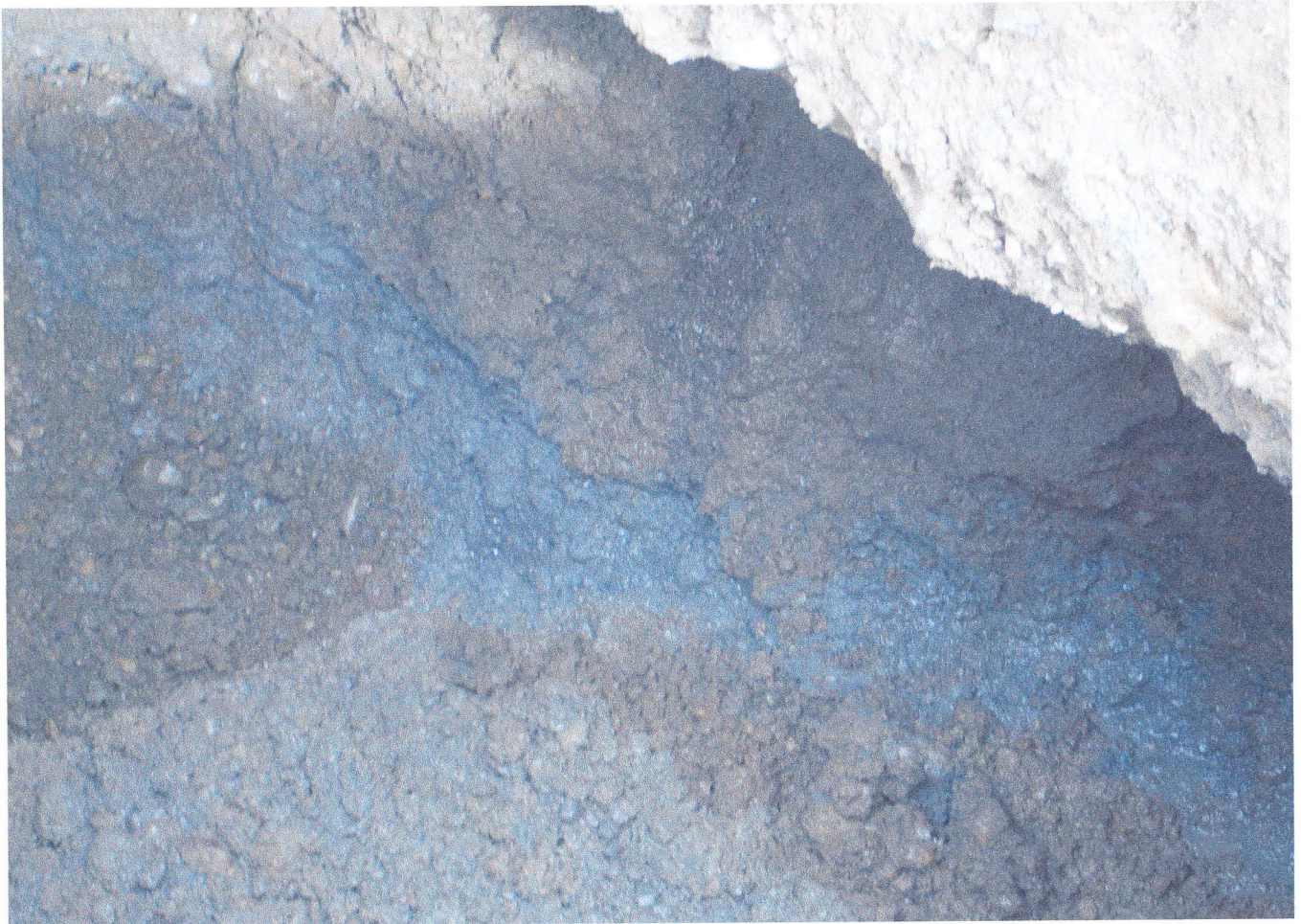
Pyrite Hole

Test Site Location

North 61 degrees 50 feet 41.9 inches

West 132 degrees 05 feet 49.1 inches







Photos

Area 2

Pelly River 5 Mile

Test hole on River

Test Site Location

North 61 degrees 51 feet 09.2 inches

West 132 degrees 06 feet 37.5 inches







Photos

Area 2

Pelly River 5 Mile Pit # 2

Frozen layer 12 feet

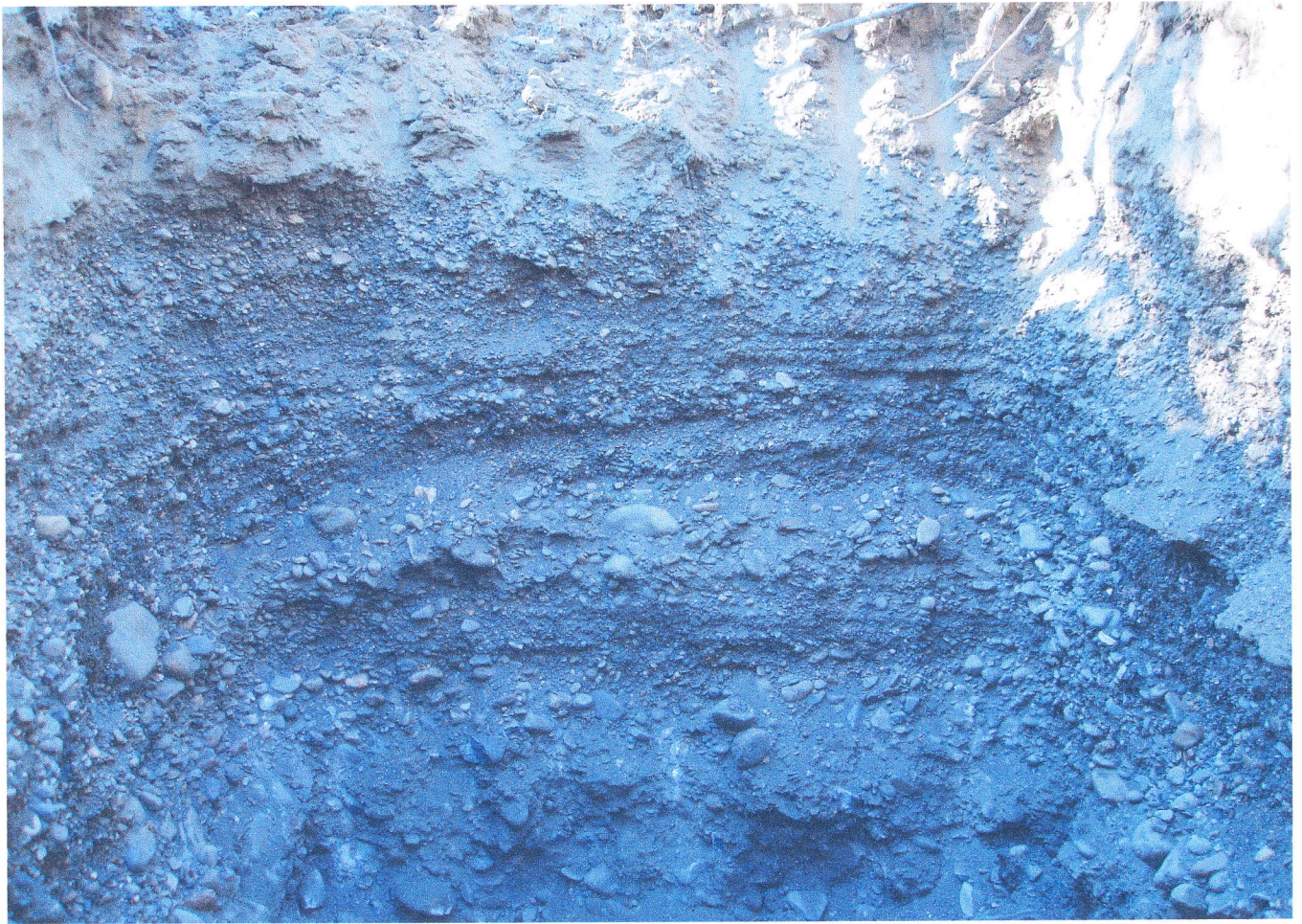
Two gravel deposits above frozen layer

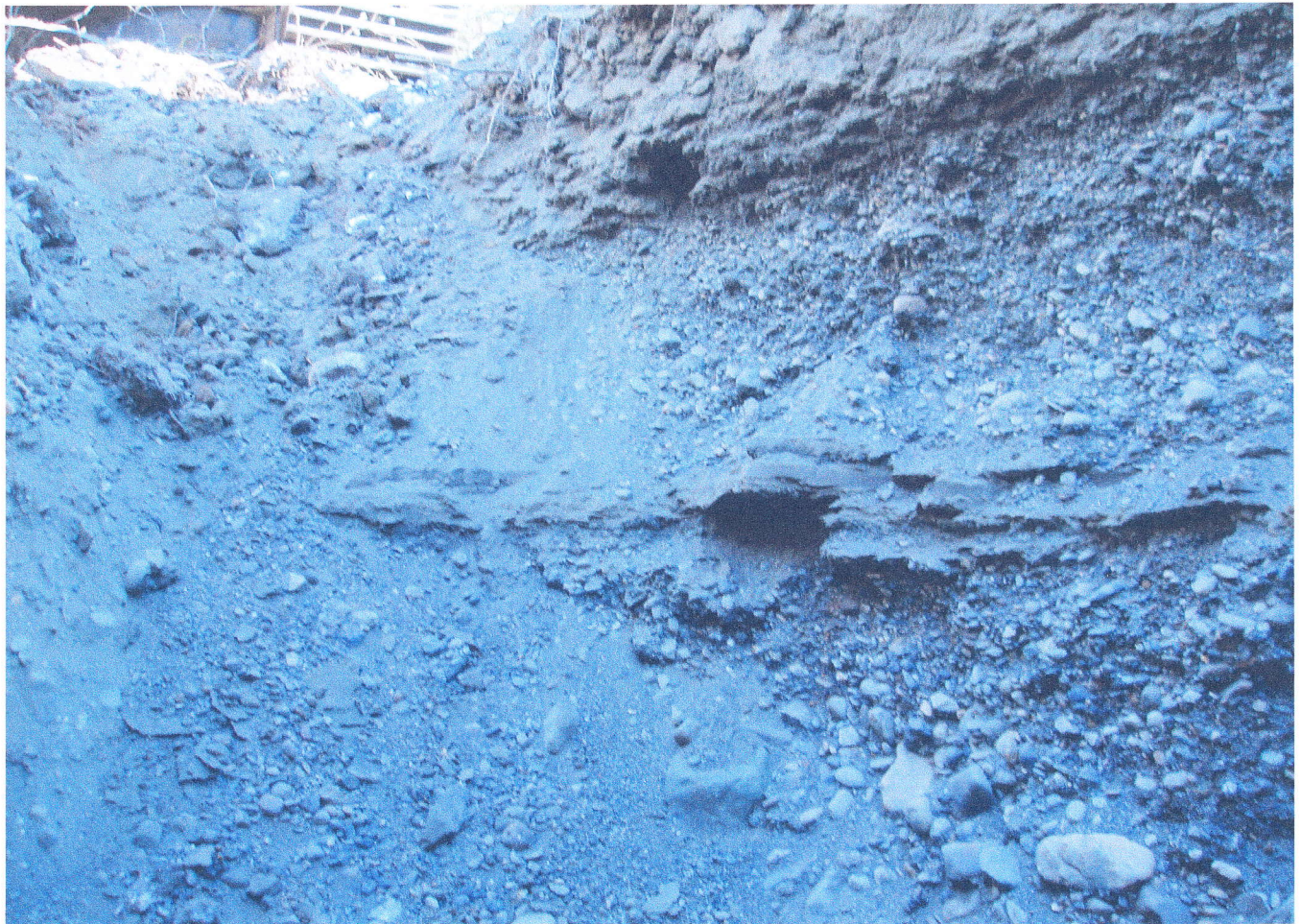
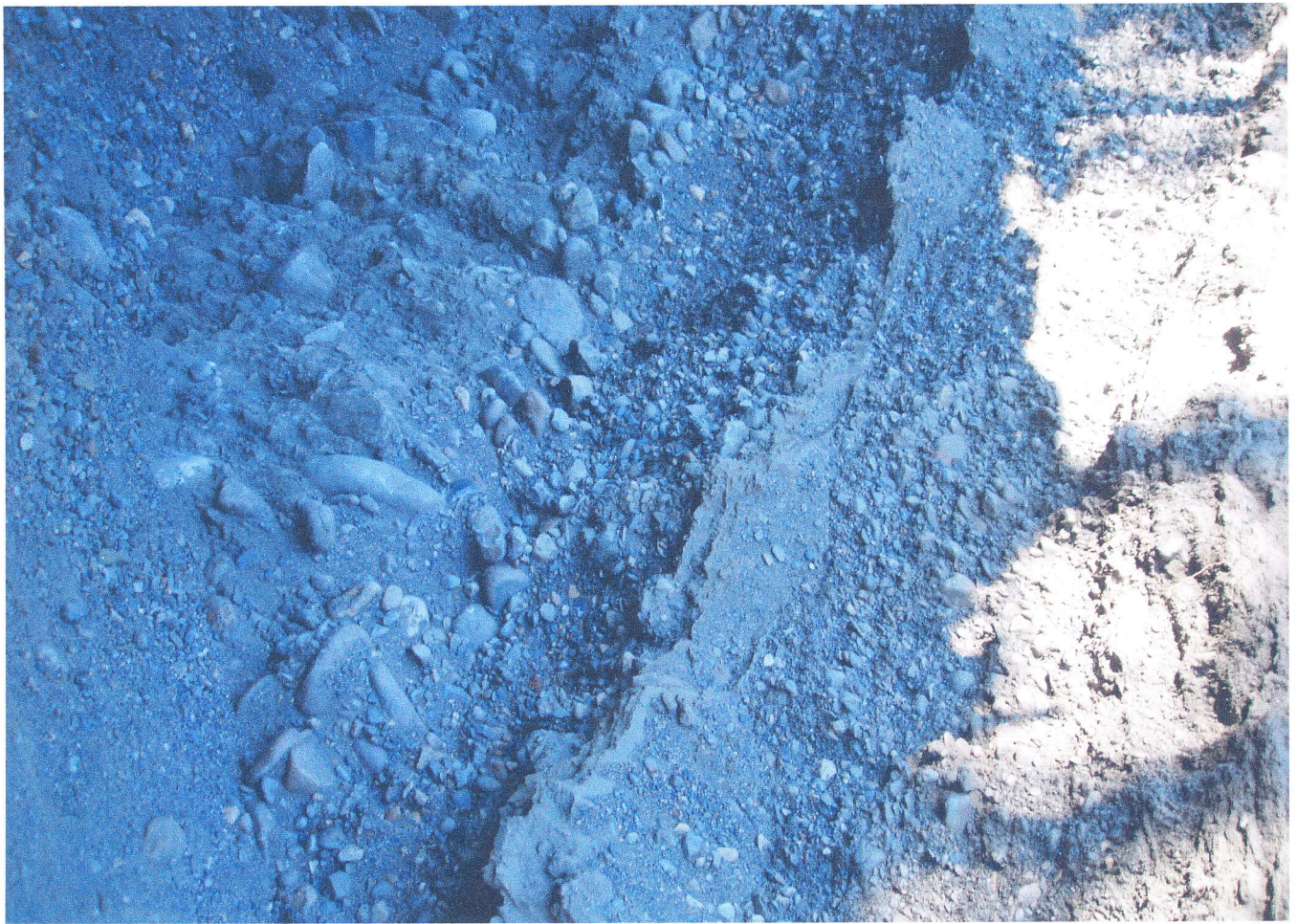
Test Site Location

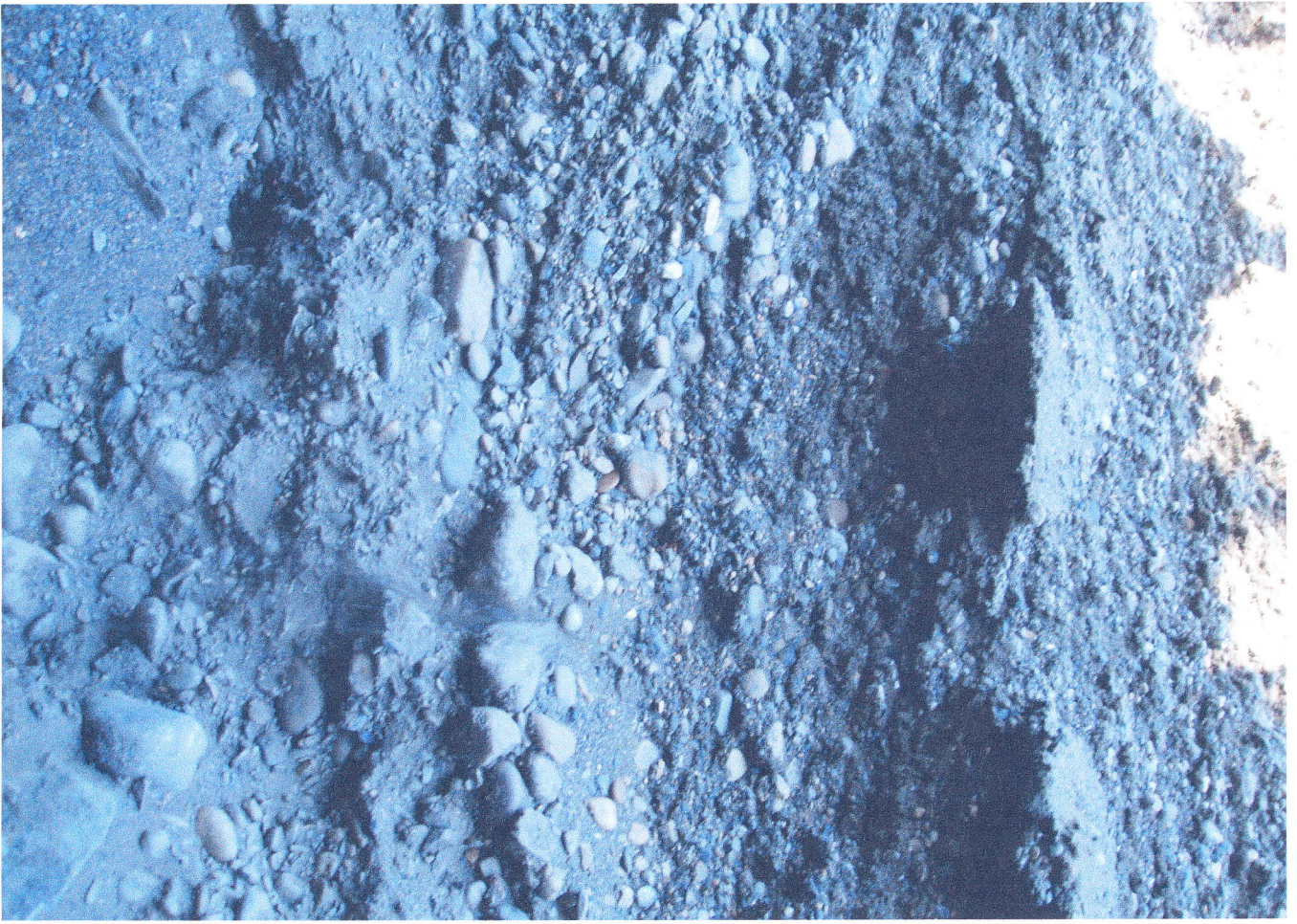
North 61 degrees 51 feet 25.3 inches

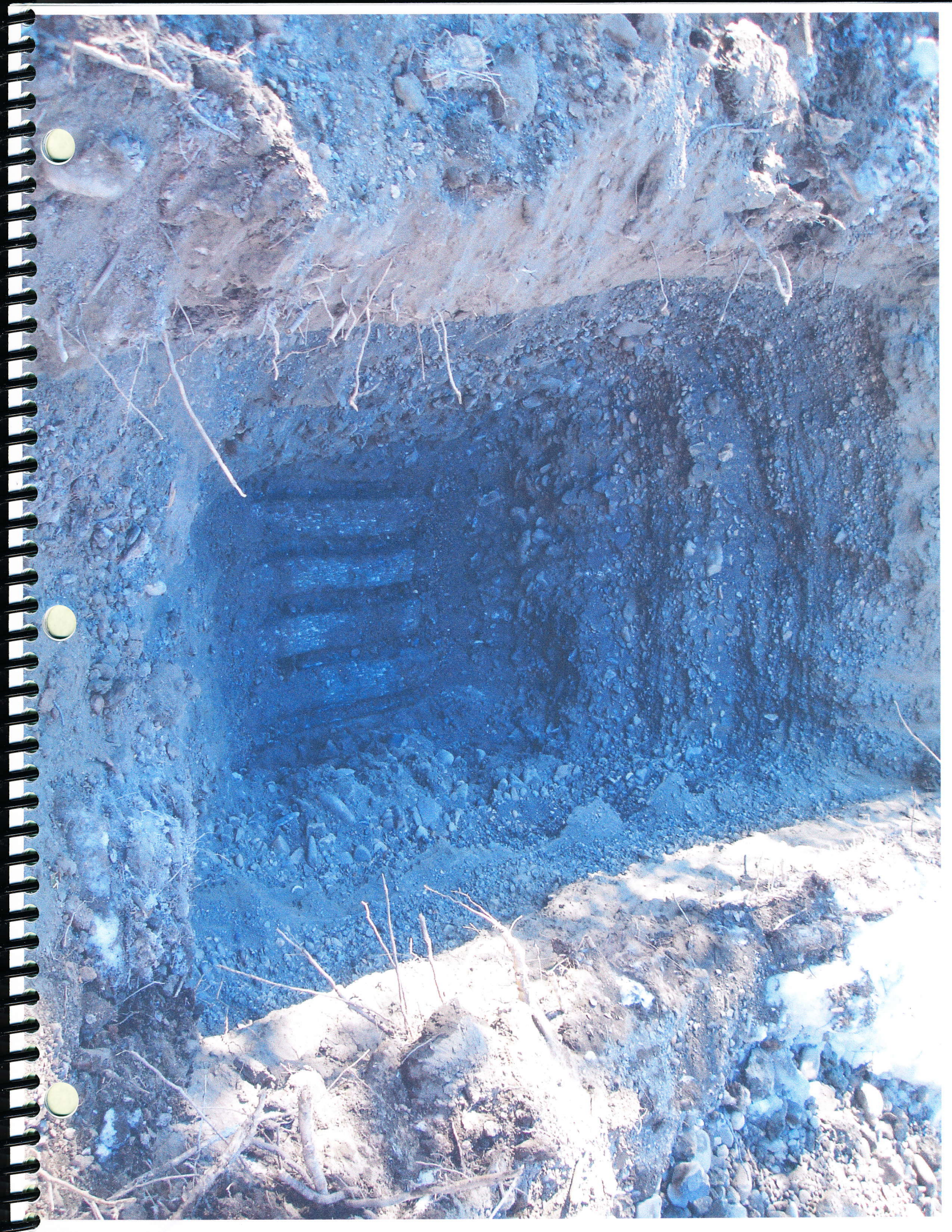
West 132 degrees 05 feet 58.4 inches











Photos

Area 2

Pelly River

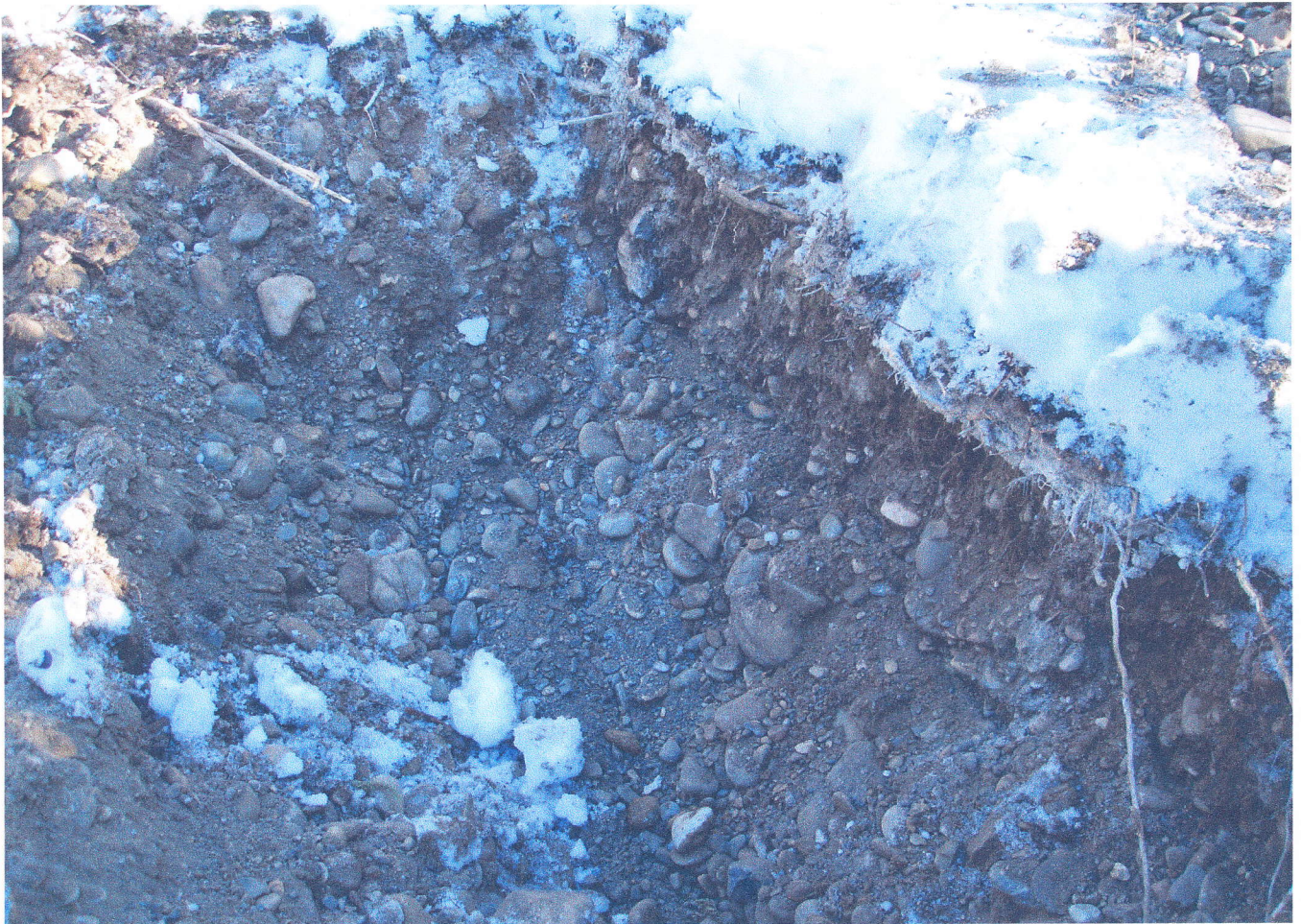
Bedrock test pit

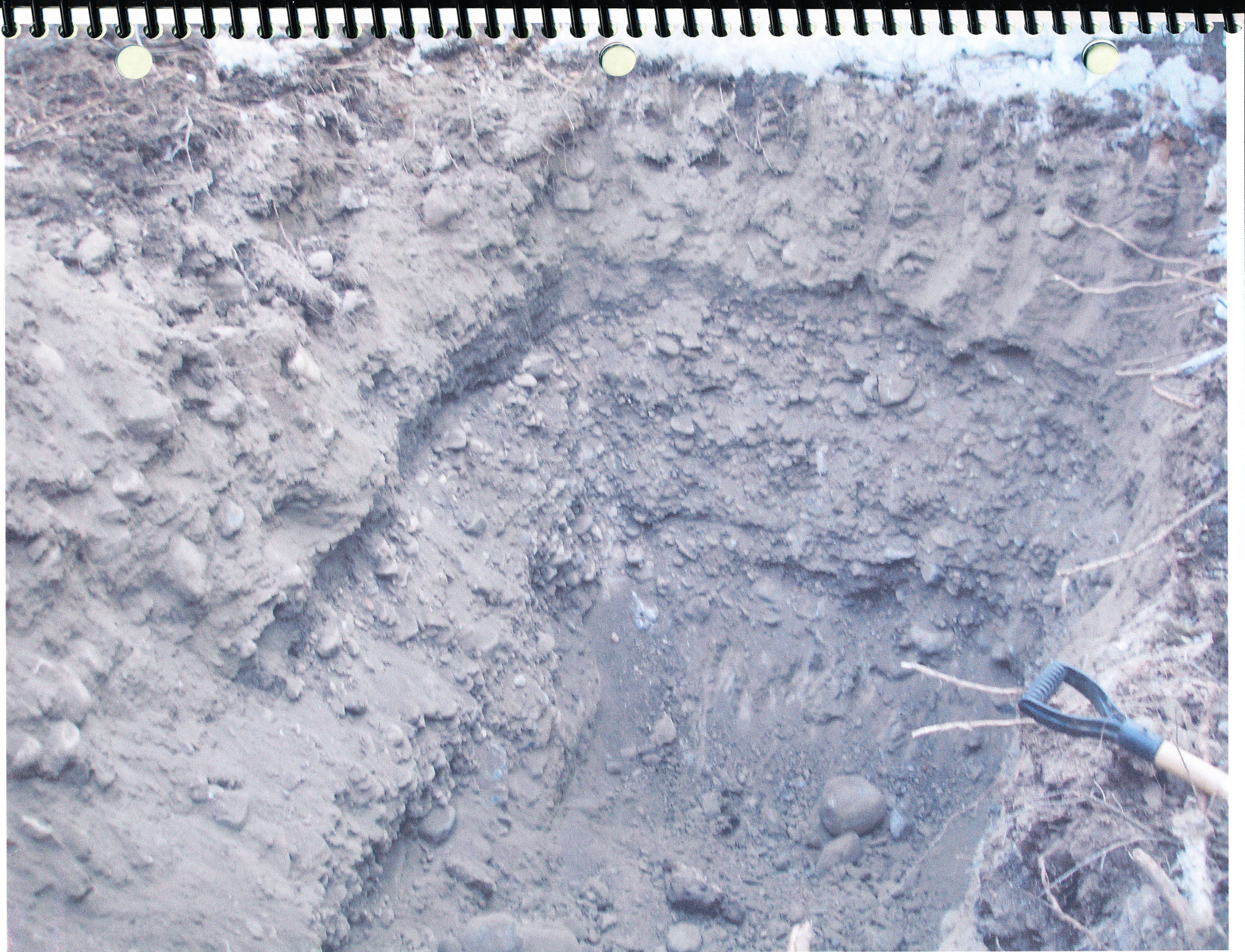
Test Site Location

North 61 degrees 51 feet 24.0 inches

West 132 degrees 05 feet 58.0 inches









Photos

Area 2

5 Mile back from river

Test hole on river flat

Test site location

North 61degrees 51 feet 04.8 inches

West 132 degrees 06 feet 05.7 inches

