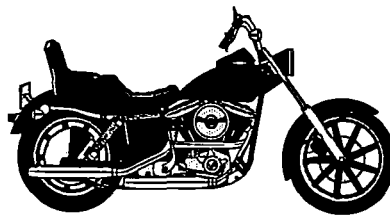


**PHIL VEENHOF
YUKON MINING INCENTIVE PROGRAM
1990 FINAL REPORT**

**TRENCHING PROGRAM
SLATE CREEK
NTS 115I03
WHITEHORSE MINING DISTRICT
28 SEPTEMBER 1990**



HAWG MINING

EXECUTIVE SUMMARY

A trenching program on Slate Creek was successful at proving the presence of gold bearing gravels over the complete length tested. Typically, there is 6' - 10' of pay gravel under 1' -- 4' of black muck. The pay gravel overlies a yellow/grey boulder clay layer that is at least 8' thick. The pay gravel runs from \$6 - \$9 per cubic yard as sampled. The sampling is believed to have underestimated the actual value of gold by 25% - 50% due to spillage while loading the sluice, loss of fine gold and poor recovery due to the processing of frozen material. Mining of the creek is recommended.

"This creek has gold all the way up it and is easy to mine as it's shallow. "

INTRODUCTION

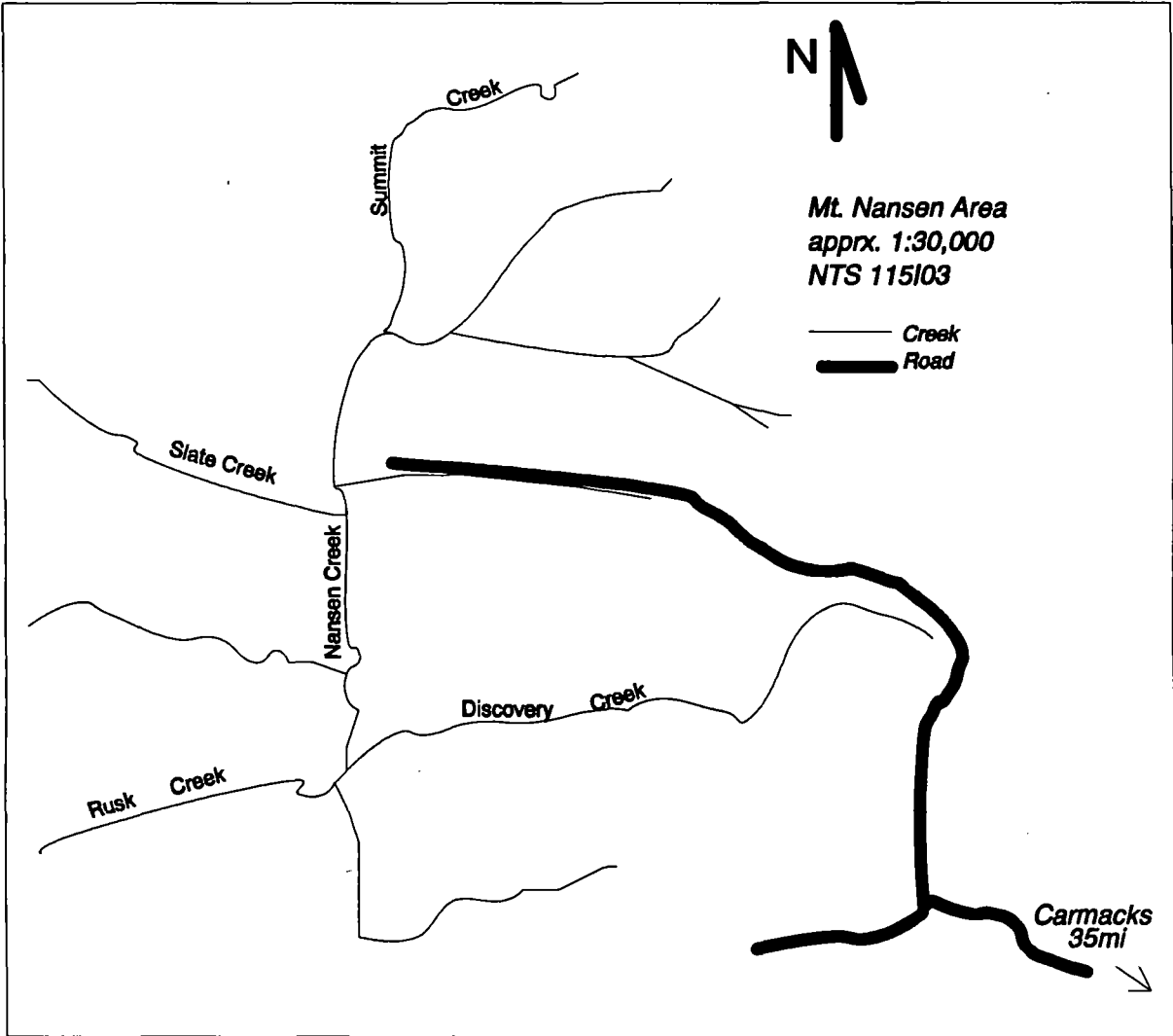
This project was proposed for 50% funding under the Yukon Mining Incentives Program up to a maximum of \$20,000. The work was undertaken due to personal knowledge I had, from past experience, of the presence of gold on the creek.

HISTORY

In spite of the long hardrock and placer mining history on Mount Nansen and Victoria Mountain there is no past work documented on Slate Creek. Generally most of the exploration has been concentrated between Nansen and Victoria Creeks immediately to the east of Slate Creek and to the immediate north of this same area on Victoria Mountain.

LOCATION and ACCESS

Location of the project is approximately 40 miles west of Carmacks on the Mount Nansen road. The old mine site is around 35 miles in, where B.Y.G. is. About one mile past the mine site, the right fork of the road follows the ridge top to the Discovery Creek road, which is on the left. About one half mile up the Discovery Creek road a right turn follows the mountain top and thus down into Courtland Creek. When 90% of the way down it is possible to see over to the west the site of the trenching on Slate Creek.



FIELD PROGRAM

Hole #1 is located on claim HARLEY 13, 140' downstream from Post#2. The trench is 33' x 33' x 16' for a total volume of 645 yds.³. There is 4' of black muck with 2' of moss and grass overlying 7' of reddish brown dirt. Under the gravel there is a yellow/grey boulder clay. The clay is at least 7' thick as determined by digging 4' ahead in the bottom of the trench. The ground paid about \$6.00/yd³ but as in the remainder of this report, I would say you could add 25% to 50% to that value. The bucket on the track machine was a little too big for the sluice box and the box was losing some of the fines. It is 80% fines out in that area.

Hole #2 is located on claim HARLEY 13, 6' downstream from post #2. The trench is 33' x 15' x 12' for a total volume of 220 yd³. There is 2' of moss and grass on top and then 4' of black muck overlying 5' of reddish brown dirt. At 11' we hit the same yellow and gray boulder clay. As with the previous trench a test hole was put ahead to 20', but failed to penetrate the clay. This trench tested about \$6.00/yd³.

Hole #3 is located on claim HARLEY 14, 40' upstream from post #1. The hole is 27' x 20' x 15' for a total volume of 300 yd³. The section had 2' of moss and grass on top with 4' of black muck followed by 6' of reddish brown dirt. At 12' the yellow boulder clay was encountered and not penetrated. Panning of the clay returned no gold. The pay gravel paid a little more and it was about \$7.00/yd³.

Hole #4 is located on claim HARLEY 16, 70' to the left of post #1 and the centerline. The trench is 21' x 12' x 16' for a total volume of 150 yd³. The section had 1' of moss and grass on top with 1' of black muck followed by 8' of reddish brown dirt. Yellow/grey clay occurs at 10'. The trench paid \$4.00/yd³, but some of the gravel was frozen and going through the box in chunks like they were rocks.

Hole #6 is located on claim HARLEY 20, 160' to the left of the centerline. Everything in this trench is the same as in hole #5.

On HARLEY 13, I dug one trench in the ground where I had future stripping done and it was frozen at 6', where the gravel starts. That trench was 100' x 4' x 6' with a volume of 90 yd³.

Also on the HARLEY 13,, I dug a trench across the valley where I had striped last year and this hole is 100' x 12' x 13' with a volume of 578 yd³. There is clay at that level all the way across.

CONCLUSIONS and RECOMMENDATIONS

This creek has gold all the way up it and is easy to mine as it's shallow. However, it would need to be stripped as it is frozen where it wasn't striped early. There is all kinds of clean water year round and it also has two small feeder creeks going into it.

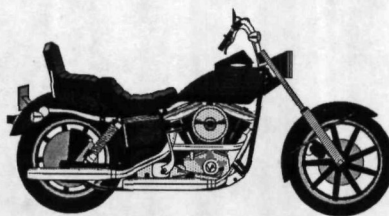
STATEMENT of COSTS

Restaraunt & Rooms	\$ 1,367.35
Groceries	1,283.24
Fuel	2,255.59
Repairs	252.78
Rental Vehicle (4x4)	2,017.90
Semi's	4,000.00
Three ton truck	3,000.00
D-7 tractor	5,500.00
Camp Rental	1,000.00
Hitchi Backhoe	17,500.00
Track Loader (1 yd.)	7,200.00
Pump & Sluice Box	2,800.00
Report writing & drafting	150.00
TOTAL	\$48,326.86

Phil Veenhof
September 1990

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