

Bismark Creek
Incentive Program
Application #94-060

Geological & Work Report

Placer Lease #9029

Latitude 37°N

Longitude 139°W

NTS Map Sheet 115-0-11
Dawson Mining District
Yukon Territory

(Period May 15, 1994 -January 28, 1995)

For
Reid Haines
Box 154
Dawson City, Yukon
Y0B 1G0

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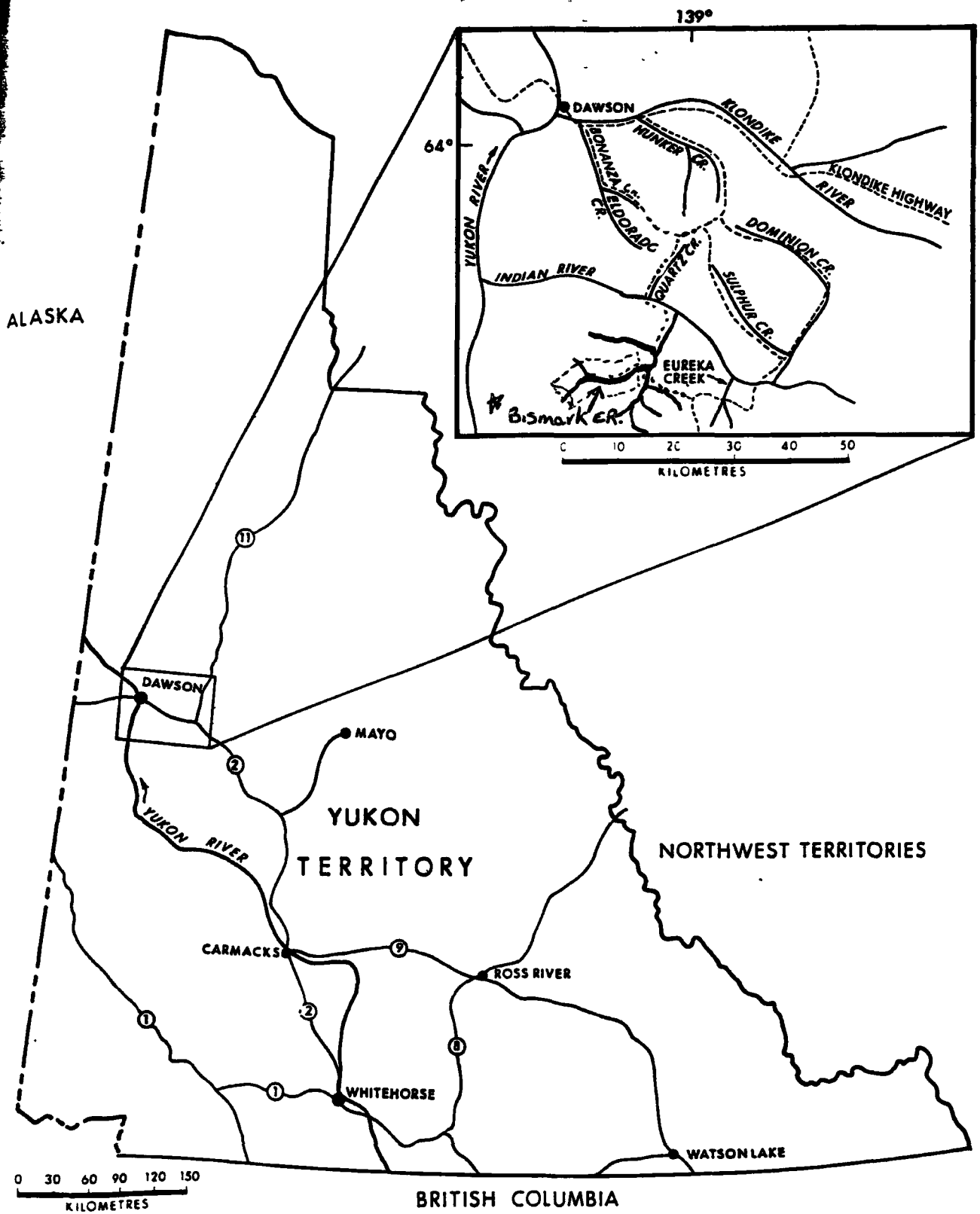
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Go-Old Mining + Expl.
 Location of property
 Bismark Creek
 Map # 115-0-11 P.L. 9029

FIGURE 1

Location and Access

Placer Lease #PL9029 Map #115-0-11 is located 1 1/2 miles up from the confluence of Bismark Creek and Montana Creek. It continues up Bismark Creek for approximately 5 miles to the head waters. It covers 1000ft on both sides of surveyed base line, for placer mining purposes. The lease is approximately 78 miles from Dawson City (due south). 75 miles by an all weather road (4 wheel drive when wet) and then 3 miles by trail.

Access into the area is via road out of Dawson City. Take Hunker Creek road to the summit, from there you can go down either Dominion Creek road or Sulphur Creek road until Granville (where the two roads meet). Take the road past the Indian River over the summit to Eureka Creek, turn left past Eureka Creek towards Black Hills, Henderson Creek. Go to the top of the hill until you come to the confluence of Steele Creek and Montana Creek. From here you have to take either a Nodwell, 4x4 ATV or walk down Montana Creek (trail) to confluence of Bismark Creek approximately 1 1/2 miles. Then up Bismark Creek (trail).

Topography comprises rounded ridges of moderate relief. There has been no glaciation, but has seen lots of volcanic action. Vegetation consists of thick growth of spruce, poplar and shrubs. Outcrops on lower end seem to be a granite. Most geological information was obtained through study of float obtained from creek channel.

Geography

Geography consists of schists and gneisses overlaying a granite/granodiorite believed to be of tertiary age. They are believed to represent regionally metamorphosed volcanic and sedimentary assemblages.

Closer examination reveals older devonian age, lime stones mixed with newer Palaeozoic age gneiss. Some chert and rhyolite which should not rule out possible fossil and recent sheer related silicified zones.

Further assay's of float from further up stream is needed to determine lode potential and/or placer potential.

RESULTS AND RECOMMENDATIONS

Drill hole results are fair, as indicated on drill report. Due to the small amount of drilling done, it is recommended that further drilling is needed to determine if pay channel is continuous or intermittent. If it is continuous then the possibility exists for a profitable placer operation.

Shaft #1

-Due to the shallowness of shaft, the results are not as good as being right in the middle of the pay streak. But by all indications the paystreak is there. The results of shaft#1 was approx. \$3.00/yd. My recommendation is to sink more shafts in paystreak to determine actual yardage values.

SHAFT #2

-Shaft #2 was sunk down beside Drill hole #1 because of the results of the drill program. It was sunk to determine the riffle effect of the bedrock, and to also try to reach the middle of the actual placer channel. The results would indicate that a channel does in fact exist. And that it is

payable if it is continuous. Black sands were so thick it seemed like a concentrate from a much bigger channel. Some of the rock types also indicate a possible lode occurrence further up on Bismark crk. Further assays are needed to determine rock type and possible ore potential.

Results from shaft#2 were determined by hand sluicing gravels through a small test box. Gold recovered was \$4.00/ yd.

Drilling further up Bismark crk. is recommended to further test feasibility of a placer operation, and to determine rock type and float for possible lode occurrence.

SHAFT #3

Shaft #3 was sunk down to determine actual value of gold in placer gravels. The depth of 22ft. would indicate that the channel does exist. The results of the hand sluicing tests would indicate a payable placer also exists. Gold recovered was fine and fairly crystalline. Payable amounts of .016 oz./yd. or \$6.00/ yd.

Recommend further drilling/and/or/ shafting is needed to determine the actual extent of channel.

SHAFT #4

SHAFT #4

-Results were similar to shaft #3, but due to weather testing was only able to be done by hand panning. Again rock type would indicate possible lode potential.

Gravels yielded 8-10 colors/pan, small pieces of rhyolite some limestones, a garnet shist, lots of loose garnets and vast amounts of black sands.

RECOMMENDATIONS:

The author recommends that further drilling and/or shafting be done to determine the continuity of the placer gravels. If a continuous channel exists then the potential for a feasible placer operation is very good.

Also further assays of the actual rock and rock types are needed to determine the possible lode potential.

Work Performed

Phase I

Rotary Drill (6")

The objective to drilling was to determine depths to bedrock and possibilities of a placer channel with gold.

The results were an indication that a paying placer channel was there. Also that the depths were varied to indicate a possible riffle effect (for catching gold).

Recommendation to further drill to indicate if it is a continuous channel or an intermittent channel. (must be fairly continuous to make a payable operation).

Drilling was performed by Adrian Hollis of Dawson City. Started drilling on the 16th July/94 ended 17th July /94.

Samples were obtained by sluicing gravels through a small hand test box.

A short shaft was sunk on one drill hole to determine if possible deep shafts were needed.

They were needed due to amounts of gold found.

Phase II

Hired two people.

Mike Rathford of Dawson City.

- John Stacey of Dawson City.

Two shafts were sunk.

Shaft #2 located approximately 60ft from drill hole #1 (downstream). To determine what kind of riffle effect took place on the granite bedrock.

Shaft #3 located in line with drill hole #1 towards existing creek to determine payable amounts of gold in main channel.

Work was performed from Oct. 2/94 through to Oct. 26/94.

Shaft #2 was 18 ft deep with a 4 1/2 ft drift down along bedrock contact . Testing was done with a hand sluice box and a 2' pump. Gold recovery was \$4.00/yd³.

Shaft #3 was 22ft deep with a 4ft drift down along bedrock contact. Testing was done with a hand sluice box and a 2" pump. Gold Recovered was \$6.40/yd³ or .016oz / yd³.

6

Phase III

Hired Antoine of Dawson City from Dec. 9/94 to Dec. 16/94

Hired Joclyn Mortel of Dawson City from Dec. 13/94 to Dec. 16/94.

Wages were paid to sink another shaft, to further ensure a paying placer gravel.

Shaft #4 is located approximately 4 miles up Bismark Creek.

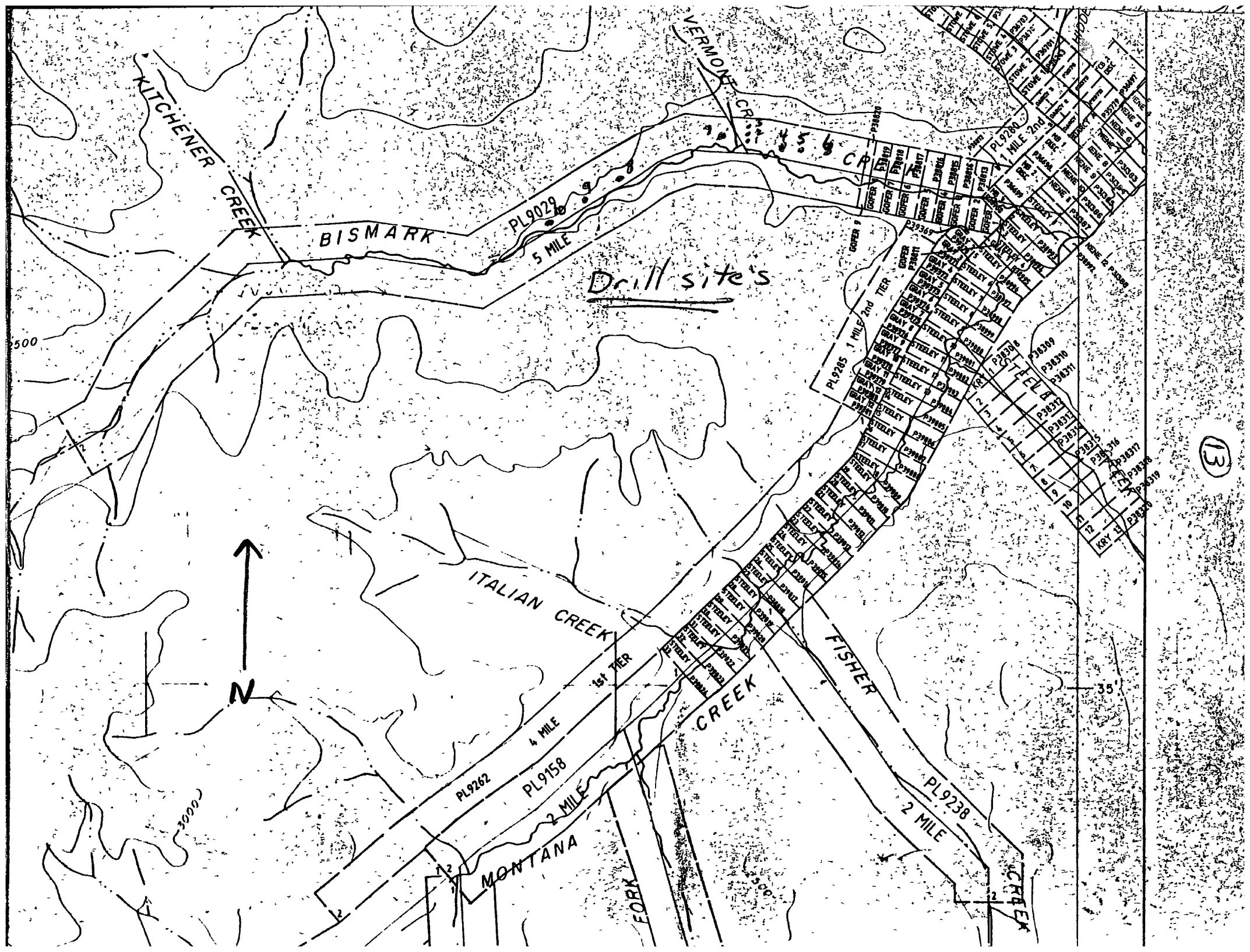
Testing was done with a pan (due to cold temperatures) with excess gravels put aside for further testing.

Results were 8-10 colours /pan which would indicate that further drilling is warranted to further define the pay channel.

Reid Haines finished off shaft down to bedrock.

TOTAL EXPENSES

Wages	\$10 825.00
Living expenses	\$5 128.95
Equipment Rental	\$13 365.00
Truck	\$1 728.00
Fuel	\$473.32
Typing	<u>\$171.20</u>
Total expenses	<u>\$31 691.47</u>



KITCHENER CREEK

BISMARK

PL9029
5 MILE

Drill site's

VERMONT CREEK

FISHER CREEK

ITALIAN CREEK

PL9262

PL9158

MONTANA

2 MILE

1st TER

PL9238

2 MILE

PL9285
1 MILE 2nd TER

Grid of parcels with labels: COOPER 1-15, GRAY 1-15, STEELEY 1-15, P39369, P39370, P39371, P39372, P39373, P39374, P39375, P39376, P39377, P39378, P39379, P39380, P39381, P39382, P39383, P39384, P39385, P39386, P39387, P39388, P39389, P39390, P39391, P39392, P39393, P39394, P39395, P39396, P39397, P39398, P39399, P39400, P39401, P39402, P39403, P39404, P39405, P39406, P39407, P39408, P39409, P39410, P39411, P39412, P39413, P39414, P39415, P39416, P39417, P39418, P39419, P39420, P39421, P39422, P39423, P39424, P39425, P39426, P39427, P39428, P39429, P39430, P39431, P39432, P39433, P39434, P39435, P39436, P39437, P39438, P39439, P39440, P39441, P39442, P39443, P39444, P39445, P39446, P39447, P39448, P39449, P39450, P39451, P39452, P39453, P39454, P39455, P39456, P39457, P39458, P39459, P39460, P39461, P39462, P39463, P39464, P39465, P39466, P39467, P39468, P39469, P39470, P39471, P39472, P39473, P39474, P39475, P39476, P39477, P39478, P39479, P39480, P39481, P39482, P39483, P39484, 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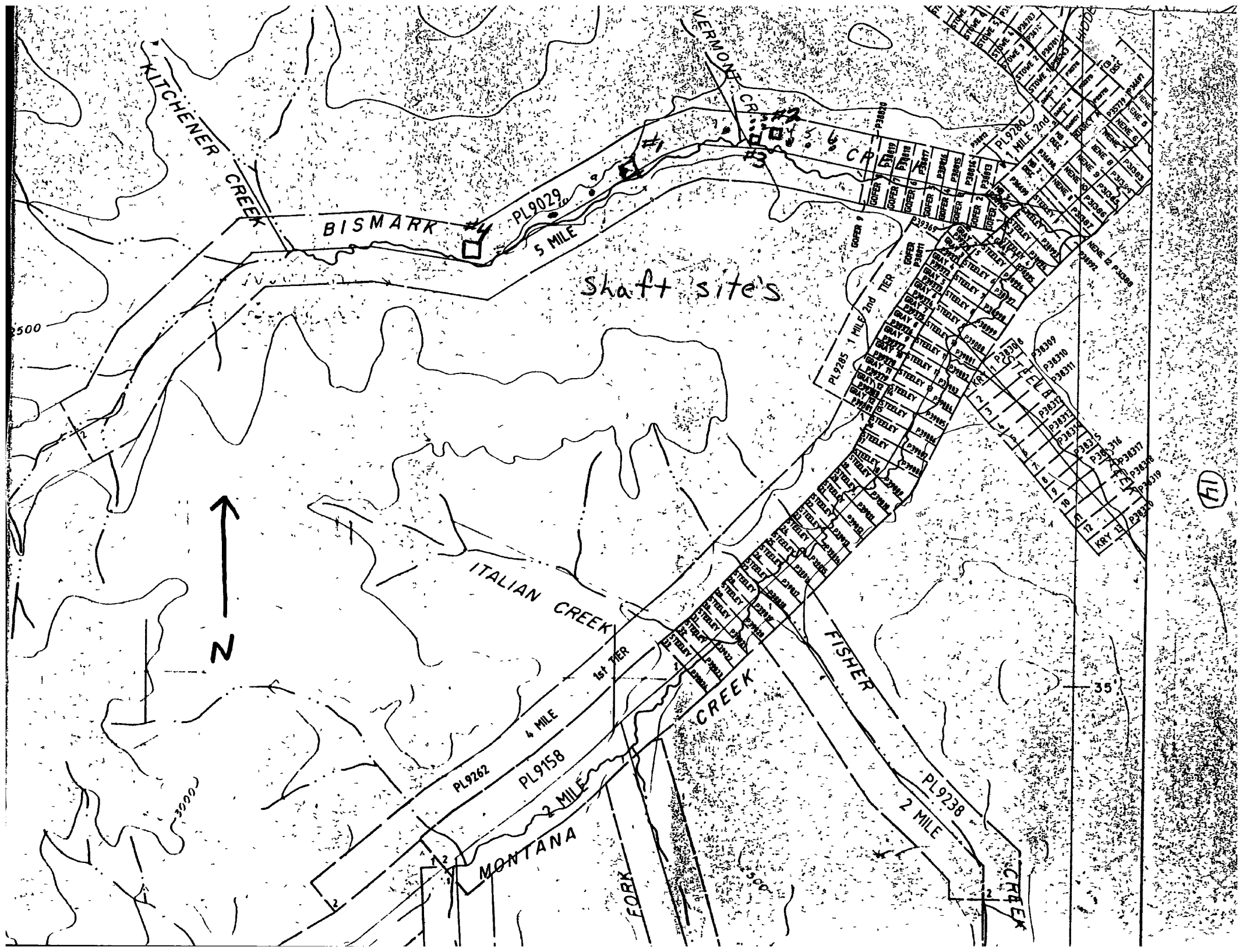
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PLACER DRILL LOG

P.007

0007/010

Date: July 16-17/94 Time: _____ Driller: A Hollis Helper: _____

Type of Drill: 6" Auger Inside Diameter of Drill: _____

Location: Bismarck Ck Lease or Grant Numbers: _____

TEL: 1 403 667 8601

DOWNTOWN HOTEL

YTG ECONOMIC DEV

403 883 5078

14:49

MAR. -13' 95 (MON) 14:59

03/13/95

DRILL HOLE NUMBER	TOTAL FOOTAGE	BREAKDOWN IN FEET (of materials encountered)	REMARKS: samples/results
# 1	13	0-9 Black muck	
		9-11 Gravel	5+
		11-13 bedrock	3
# 2	14	0-13 Black muck	
		13-14 sand	2
		14-Hard granite Bedrock	1+
# 3	12	0-9 Black muck	
		9-12 Gravel	7+
		Granite bedrock	
# 4	31	0-21 Black muck	
		4-27 sand + gravel	4+
		27-31 bed rock	3
# 5	25	0-22 black muck	
		22-23 gravel	1

Date:

Signed (Driller or Representative)

A Hollis

PLACER DRILL LOG

Date: Jan 16 + 17, 84 Time: _____ Driller: A. Hall's Helper: _____
 Type of Drill: 6" Auger Inside Diameter of Drill: _____
 Location: Bismark Crk Lease or Grant Numbers: _____

DRILL HOLE NUMBER	TOTAL FOOTAGE	BREAKDOWN IN FEET (of materials encountered)	REMARKS: samples/results
#5	—	23-25 bedrock	2+
#6	35	0-29 silt	1+
		29-31 sand + gravel	6+
		31-35 bedrock	2.
#7	17	0-17 Black muck	
		No gravel hard granite bedrock	+
#8	8	0-6 Black muck	
		6-8 Gravel	5+
		8 Granite Bedrock	2
#9	22	0-13 muck	
		13-19 Gravel	4
		19-22 bedrock	2+
#10	23	0-19 muck	
		19-23 bedrock	3+

Date: _____

Signed (Driller or Representative)

A. Hall's

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NOTICE

THIS MAP IS ISSUED AS A PRELIMINARY GUIDE FOR WHICH THE DEPARTMENT OF INDIAN AFFAIRS AND NORTHERN DEVELOPMENT WILL ACCEPT NO RESPONSIBILITY FOR ANY ERRORS, INACCURACIES OR OMISSIONS WHATSOEVER.

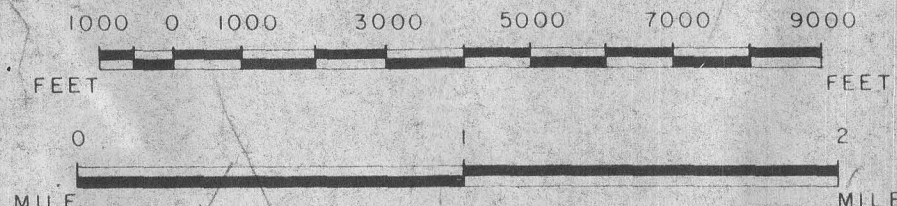
TOPOGRAPHY COMPILED FROM 1:50,000 NATIONAL TOPOGRAPHIC SERIES. CONTOUR INTERVAL 500 FEET. SURVEY INFORMATION COMPILED FROM LEGAL SURVEYS, BY DRAFTING SERVICES 1982.

115-0-11 PLACER

LATITUDE 63°30' TO 63°45'
 LONGITUDE 139°00' TO 139°30'

CANADA
 DEPARTMENT OF NORTHERN AFFAIRS AND NATIONAL RESOURCES
 NORTHERN ADMINISTRATION AND LANDS BRANCH
 MINING AND LANDS DIVISION

SCALE 1:31,680



ISSUED UNDER THE AUTHORITY OF THE MINISTER OF NORTHERN AFFAIRS AND NATIONAL RESOURCES



Note: Entry on certain lands is withdrawn from staking in cross-hatched areas to facilitate the settlement of Native Land Claims without prejudice to Existing Surface and Subsurface Rights.

115-0-13	115-0-14	115-0-15
115-0-12	115-0-11	115-0-10
115-0-5	115-0-6	115-0-7

DAWSON 9 SEPT. 82

NOTE: FOR QUARTZ SEE 115-0-11 FOR PLACER WITHIN DASHED LINE SEE 1:10 000

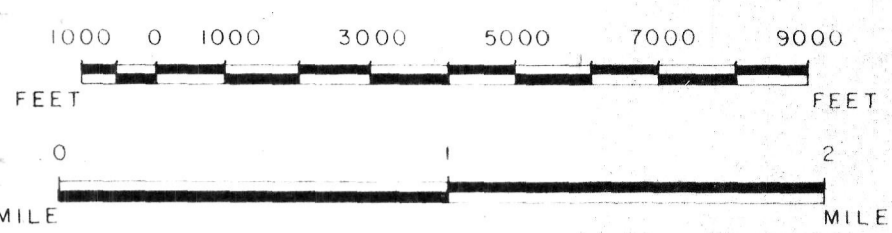


115-0-11 ⁹³⁻¹⁴⁰ PLACER ⁹⁴⁻⁰⁶⁰

LATITUDE 63°30' TO 63°45'
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SERIES.
CONTOUR INTERVAL 500 FEET
SURVEY INFORMATION COMPILED FROM
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1982.

DAWSON 9 SEPT. 82

NOTE: FOR QUARTZ SEE 115-0-11
FOR PLACER WITHIN DASHED LINE SEE 1:10,000



Exploration Incentive Program.
□ shaft
▤ Trench
○ Drill holes