Carmack Fork Incentive Program Application #95-065

Geological & Work Report

Placer Lease #9549

Latitude 63°55' Longitude 137°08'

NTS Map Sheet 115-0-14f/g Dawson Mining District Yukon Territory

(Period May 1, 1995 - January 28, 1996)

For
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Go-Old Mining - Expl.

Location of property

Cor Mack Fork

Map 115-0-14+/9

FIGURE 1

Location and Access

Placer Lease #9549 Map #115-0-14f/g is located on Upper Bonanza Creek. Take Bonanza Creek road approximately 18 miles upstream until you come to a 2 mile park lease at the end of the 2 mile park is a road that turns left off Upper Bonanza road. Turn left and proceed for 3/4 of a mile. Here the road terminates and you have to walk. The lease covers 2 miles.

Geography

The whole area is underlain with Klondike schists. There has been a reconcentration of the area over time. Vast amounts of sulphides can be found in just about every spot along with magnetite and small amounts of garnet. Some traces of azurite and malachite can be found in the upper levels of Carmack Fork.

Results and Recommendations

<u>Drilling</u> - Small trace of amounts of gold were found in drill holes #1, #3, #4, & #6. Holes #2 & #5 had nil traces. All holes had vast amounts of sulphides (pyrite) and magnetite intermixed with ground Klondike schist. Small amounts of garnets and lots of quartz chunks. (Broken quartz from drill bit is an indication of lots of quartz boulders).

<u>Cat D7</u> - Stripping of vegetation and thawed ground down to frozen ground was done in areas where possible ripple effect of bedrock occurred. Ground was left to thaw as much as possible.

Shaft #1 - Shaft sunk across the creek from drill hole #2. Shaft was sunk to determine gold values from drill results from earlier drilling done by Queenstake. Gold values were not there to the extent of drill holes proved. Approximately \$2.00/yd³ was recovered from the shaft.

Shaft #2 - Shaft sunk down on drill hole #4. Explosives were used by steaming pattern around drill holes and blasting dirt. By repeating the process bedrock was realized in this way. Gold values were much the same as shaft #1 \$2.00 /yd³.

It is the author's recommendation that a 225 backhoe be brought in to dig up the spots that were stripped by the Cat. If no further results exceed values found then ground should be dropped.

Work Performed

Auger drill 6" - The objective to drilling was to prove up old drill reports and results from Queenstake's drilling program done in 1983. The results found did not even come close to the ones found by Queenstake's geologist.

<u>Drilling</u> was performed by Adrianne Holis and Reid Haines. The drilling started on May 22, 1995 and ended on May 23, 1995.

Cat D7 - A cat was used to strip vegetation from areas where bedrock reefs come out into the creek. Some areas were thawed enough to get down 6' to 7'. Gravel was reached in two different spots. Some very big quartz boulders were uncovered 3' in diameter. Stripping was done to thaw the ground enough to bring in a backhoe to do yardage tests.

Shafting (2 shafts were sunk) - Shaft #1 was sunk across the creek from drill hole #2 in a spot that would check both Flannery Pup and main Carmack Fork gold bearing gravels. 8ft of mud was removed down to gravel. As gravel was removed, panning was done all the way down so that top layers of gravel were checked for gold values along with bottom gravels and bedrock. Lots of quartz boulders and schist boulders were taken out of the shaft. Vast amounts of pyrites and magnetite were found along with small amounts of garnets and there was little gold. Depths reached were 8 ft of mud then layers of gravel down another 14 ft to bedrock contact then into bedrock another 2 ft. The total depth of the shaft was 24 ft. A steamer was used to thaw the ground.

Shaft #2 was sunk down on drill hole #4 as it was a very good reef location to determine upper level Gold values. A steamer was used to thaw pattern holes around main drill hole then loaded holes with amax and dynamite. Dirt was much easier to remove. Mud was 6ft deep, gravels were bedded layers again with lots of quartz boulders, one as big as 1½ ft in diameter. Once again there were lots of pyrites. Gravels were thawed over a fire to be able to pan for gold values. Found traces of azurite and malachite, some small specimens of quartz with galena and low gold values. Shaft was 6ft mud then down through 14 ft of layered gravels and 2 ft of bedrock. Total depth of the shaft was 22ft.

Cost Sheet

Drilling:			
~g.	168 ft drilled at \$20.00 per foot		\$3360.00
Cat D7:			
	19 hrs at \$70.00 per hour Hauling 2½ hrs at \$85.00 per hour GST	\$1330.00 212.50 107.98	*****
	Cat D7 Total		\$1650.48
Wages:	24.1 40150.00 1		# 510000
	34 days at \$150.00 per day		\$5100.00
ATV 4x4:			
	2 days on drill 2 days on Cat		
	14 days Shaft #1		
	18 days ÷ 7 days = 3 weeks at \$500.0	00 per week	\$1500.00
Ski-doo:			
	14 days Shaft $#2 = 2$ weeks at \$650.0	0 per week	\$1300.00
Steamer:			
Steamer.	28 days at \$60.00 per day		\$1680.00
Chainsaw:			
Chamsaw.	\$300.00 per month		\$ 300.00
7.1 .44			
Living Allov	wance: 34 days at \$55.15 per day		\$1874.10
	34 days at \$33.13 per day		φ10/4.1U
Truck and I	Milage:		
	57.6 km return - 25 trips = 1440 km a	at 40¢ per km	\$ 576.00

Total Expenditures

Wages	\$ 5100.00
Living Expenses	1874.10
Equipment Rental	9790.48
Truck	576.00
Typing	<u>85.60</u>
Total Expenses	\$17426.18

King .				CER DRILL LOG	
Date:		Time:	Driller	: Adrianne	Holis Helper: Reil Hamas
					rill: 6" Reger
Location: _	Camac	k Fork	Lease or Gr	ant Numbers:	
DRILL HOLE NUMBER	TOTAL FOOTAGE	BREAKDOWN IN FEET	(of materials end	ountered)	REMARKS: samples/results
#/	27'	7' Mud 16	'Gravel 4'	bedrock	trace
#2	29'	10' Mud 13	5' Gruel 4'	hedrock	nil
# 3	19'	15 Gravel	+ Sand 4'	bedrock.	trace
HY	23'	6' Mud	'4' Gravel 3'	bedrock	trace
# 5	33′	12' Mud.	15' Gravel 6	bedrock .	nil .
#6	37'	14' Mod .	6' Gravel 7	'bedock	trace
		Da	ate:	Signed (Dri	iller or Representative) Bu



CARMACK FORKS

UPPER BONANZA CREEK

		•	Col	Color Classification			
Hole #		Depth	VF	F	M	С	Total
UBC #1	,	Ũ−2 2−1, 4−6	-	_	_	_	
	Gravel	6-8 8-10 10-12	1 5 26+	$\begin{array}{c}1\\2\\13\end{array}$	- 8	1 2	4 7 49
	Bedrock	12-14 14-16 16-18	3 1	2	-	1 -	4 3
UBC #2		0-2 2-4 4-6					
	Gravel	6-8 8-10 10-12 12-14	4+ 2 - -	1 - 2 1	1 1 -	- - -	6+ 3 2 1 1
	Bedrock	14-16 16-18 18-20	1 - 5+	- - -	- - -	- -	1 - 5+
UBC #2a	Muck	0-2 2-4 4-6					
	Gravel	6-8 8-10 10-12	_	1	-	_	1
	Bedrock	12-14 14-16	-	_	-	-	
UBC #3	Muck	0-2 2-4					
	Gravel	4-6 6-8	- 4+	- -	- -	-	4+
	Bedrock	8-10 10-12	3 t r ace +	- -	- 2	-	3 2+



CARMACK FORKS

UPPER BONANZA CREEK

			Color Classification				
Hole #		Depth	VF	F	M	С	Total
UBC #4		0-2 2-4 4-6 6-8					,
	Muck	8-10 10-12 12-14					
	Gravel	14-16 16-18	-	-	-	-	
-	Bedrock	16-22					
UBC #5	Muck	0-2 2-4 4-6				•	
	Gravel	6-8 8-10	- -	1.	1	-	2
	Bedrock	10-14	-	-	-	-	
UBC #6	Muck ·	0-2 2-4 4-6	_	_	_	_	
•	Gravel	6-8	3	1	3	1 c 1 vc	9 2
	Bedrock	8-10 10-12 12-16	-	1 -	1 -	-	2
UBC #7	Dear seri	0-30	1				•
ODO #1	Gravel	30-32 32-34	-	-	-	- -	
	Bedrock	34-36 36-38	-	1	-	-	1



CARMACK FORKS

UPPER BONANZA CREEK

			Cc	lor Clas	sification	on	
Hole #		Depth	VF	F	M	C	Total
UBC #8	Gravel	0-16 16-18 18-20	-	-	-	-	
	Bedrock	20-22 22-24 24-26	-	-	1	-	1
UBC #9		0-14 14-16 16-18	-	-	-	-	
	Gravel	18-20 20-22	- -	-	-	-	
	Bedrock	22-24 24-26	- -	-	- -	1 -	1

- 200 Marie 2 (200 Marie 2 (200

1983 Placer Evaluation Project

Between the ninth and thirteenth day of August, 1983 an exploration road was e.: cavated to claim post CF 15/16. A total of ten (10) rotary holes, 208 feet, were drilled to bedrock. Samples, excluding muck, were collected in two foot intervals in large sample bags. Each sample was processed in a long-tom. The concentrate from each sample was panned, visually color classified and if warranted, amalgamated. The results of the drill program are summarized on Table 1. The only sample warranting amalgamation was hole USC-1, interval 10-12 which has a grade of .034 ounce gold per cubic yard. Two years of assessment credit was applied for with the Dawson Mining Recorder on the seventh day of September. Due to the lack of time and cold weather approaching a follow-up bulk sampling program was not initiated.

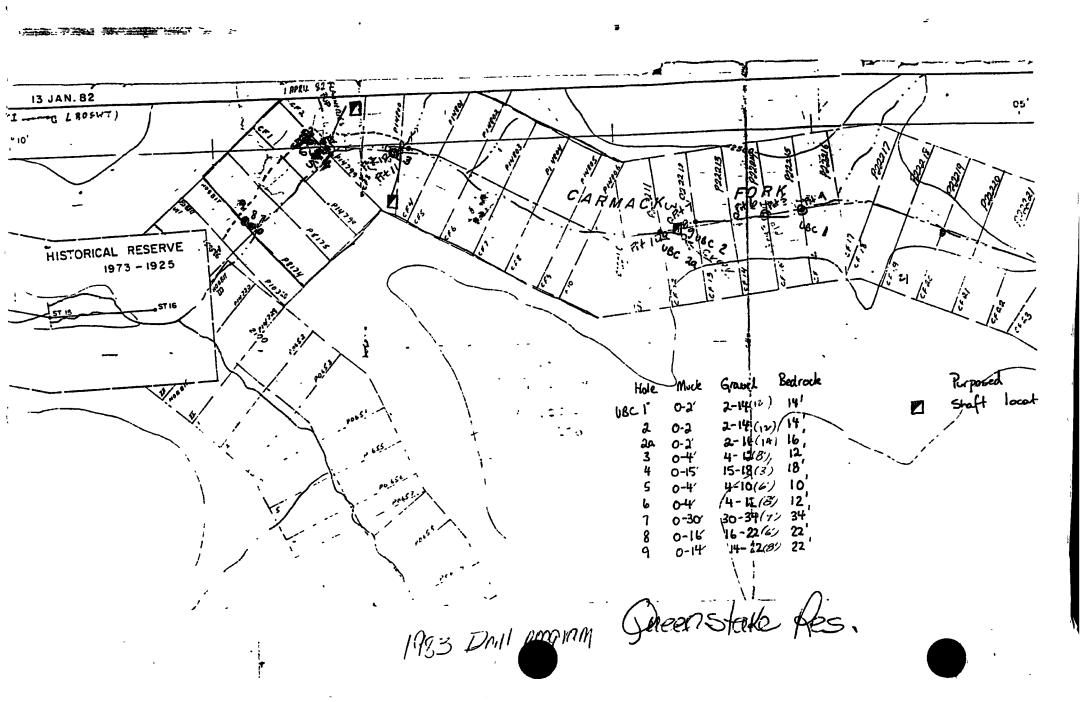
Interpretation of Results

Carmack Forks is definitely gold bearing. Drill results indicate that gold occurs either in a discontinuous channel or in a coarse size fraction (ie nugget effect). All gravel samples contained a large percentage of black sand associated with minor pyrite and garnets indicating that the creek has gone through a process of concentration.

Recommendations

- Renegotiate the joint venture agreement with Al Lueck to allow Queenstake until 1. July 30, 1984 to make a decision as to whether the property contains economical values of gold to sustain a mining operation.
- Should the agreement be successfully renegotiated Queenstake shall commit to a 2. second phase evaluation program by either digging test pits with an excavator and processing bulk samples or contracting an individual to sink two or more shafts down to bedrock this winter.
- 3. Should the second phase evaluation program not determine that the property contains economic concentration of gold then Queenstake should terminate the agreement with Lueck.





YUKON MINING INCENTIVES PROGRAM

FINAL SUBMISSION FORM

INSTRUCTIONS: Please read the guidebook before completing form. Please type or print.

Submit completed form and Summary or Technical Report by December 31 for the Grassroots Prospecting and Grassroots Grubstake programs and by February 28 for the Target Evaluation programs to:

Yukon Mining Incentives Program Economic Development Government of the Yukon Box 2703, Whitehorse, Yukon, Y1A 2C6

TECHNICAL REPORT	OJECT COMPLETION AND ACCOMPANIED			
Applicant Keid	Hausen File Number 9.	5-06	5	
Proposed project area(s) Attach list if space is	(NTS map no. and project name) insufficient.	complet	ed?	
1. Cormack took	115-C-14 f/g	Yes	No	
2		Yes	No	
3		Yes	No	
4.		Yes	No	
Changes to proposed proj	ects(s) (if any)			
List other partners or p	ersonnel that worked on the proj	ect		
I. WORK PERFORMED BY A	PPLICANT			
 Project #1 area/name 	Comack Fork	No. of by App	days worked	1
Traditional prospecting	No. of Samples 100 pon 3	1/	14	
Geological surveys	Scale			
Geophysical surveys	Type km			
Geochemical surveys	Type No. of Samples	., 		
Drilling	Type 14-2- Ft./m. 168	_2		
Trenching	Method D-7 Car	2	.	
Other	Type Shaffing			
	TOTAL	36	<u>+</u>	

2. Project #2 area/name			No. of days worked by Applicant
Traditional prospecting	No. of Samples		
Geological surveys	Scale		
Geophysical surveys	Type	km	
Geochemical surveys	Type No	. of Samples	
Drilling	Type	Ft./m	
Trenching	Method		<u> </u>
Other	Type		
		TOTAL	
 Project #3 area/name _ 			No of days worked
J. Floject #3 alea/name _			by Applicant
Traditional prospecting	No. of Samples		
Geological surveys	Scale		
Geophysical surveys	Туре	km	
Geochemical surveys	Type No	. of Samples	
Drilling	Туре	Ft./m	
Trenching	Method		
Other	Туре	·	
		TOTAL	· · · · · · · · · · · · · · · · · · ·
4. Project #4 area/name			No. of days worked by Applicant
Traditional prospecting	No. of Samples _		
Geological surveys	Scale		. 0
Geophysical surveys	Туре	km	
Geochemical surveys	Type No	. of Samples	
Drilling	Туре	Ft./m	
Trenching	Method		
Other	Туре		
		TOTAL	
	TOTAL DAYS	(ALL PROJECTS)	
(Attach additional sheets	for additional	project areas	as required)

III.	SIGNIFICANT RE	SULTS (please com	plete)	
	Project Area	New Showings and/or Anomalies	Commodity	Best Analyses
	Corruck for		Au	Trace
IV.	CLAIMS STAKED D	URING/AFTER PROSP	BCTING ACTIVITY	(please complete)
	Project Area	Claim Numbers	Number of	Claim Units
	Cormack for	k lease		nile
	CARLT "	" 3 c/	<u> </u>	3
v.	OPTION AGREEMENT	S RESULTING FROM	YMIP PROJECT (p.	lease complete)
	Optionee	Property/	Claim Dolla	ar Value of Work Commitment
VI.	TYPE OF MINERAL	EXPLORATION UNDER	RTAKEN (please o	check one)
	Ini	liminary work on o tial exploration anced exploration		
		elopment		
VII.	VALUE OF GOODS .	AND SERVICES PURC		, please
	Within the	Yukon \$#7	000.00	
	Outside the	Yukon \$		
VIII	. RESULTS OF MIN	ERAL EXPLORATION	(please complete	e)
	The dis	scovery of a new p	prospect.	
	The ide	entification of a rther exploration	prospect warrar	nting
		entification of ar	n economic miner	ral
	The ide	entification of a pport production.	deposit which o	annot

Daily Living Expense Claimed Only by Individuals No. of days x YG rate/person, per day .3.45.55.58 1874.10 2. Travel (state method: road, air, etc.) Truck - total km x YG rate/km 1440656404 ... \$ 576.00 Air \$___ Other \$____ Analyses/Assay Costs \$___ Equipment Rentals/Supplies (specify) Skirdoo 1170 \$ 1500.00 5/ car. 2/ Contractors (state name and type of work) Hanes wages: shelting, operating \$ 510000 Line Cutting I mile + 3 class 5 500ked ... \$ Geochemical Survey (specify sample type) No. of Samples x Price per Assay \$_____ Geophysical Survey (specify type of survey) No. of km x Price per km \$_____ Trenching (specify equipment used) D-7 Corr Total cubic yds/m moved x Price per cubic yds/m .. \$ 1650.48 Drilling (specify diamond or percussion) 68 \$20.00 No. of feet or m x Price per foot or m ./.% 11. 12. Other Expenses (specify, i.e. helpers) <u>eranson</u> \$ 300.00 ___ \$_____ \$ 17426.18 TOTAL EXPENDITURES

II. REMAINING EXPENDITURES (total of all project areas)

Attach list if space is insufficient.

The Department of Economic Development may verify all statements related to and made herein this application.

- I am the person, or the representative of the company or partnership, named in the Application for Contribution under the Yukon Mining Incentives Program.
- 2. I am a person who is nineteen years of age or older, or represent a person, who is ordinarily a resident of Canada.
- 3. I have complied with all the requirements of the said program.
- 4. I hereby apply for the final payment of a contribution under the Yukon Mining Incentives Program (YMIP) and declare the information given above to be true and accurate.

Signature of App	licant One la	Date	25/96
Name (print)	Reid Haines		
Position or Titl	e Prospector	miner	· · · · · · · · · · · · · · · · · · ·

