

YUKON MINING INCENTIVES PROGRAM

YMIP PROJECT 99-054

**FORTY MILE RIVER AREA
HARDROCK PROSPECTING**

JULY 3, 1999 - JANUARY 30, 2000

TRANSVERSE MERCATOR PROJECTION CO-ORDINATES

latitude 64° 20' - longitude 140° 40'

PLACER CLAIM SHEET 116C-7

**Leslie Chapman
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**YUKON ENERGY, MINES
& RESOURCES LIBRARY
P.O. Box 2703
Whitehorse, Yukon Y1A 2C6**

1. Introduction: The purpose of this prospecting project was to examine the Canadian portion Fortymile River and some of its tributary creeks, for lode gold occurrence.

The Fortymile River mining district is located approximately 40 air miles northwest of Dawson. The area is covered by NTS map and claim sheet 116C-7 and is shown on **Map 1**. The latitude of the area in which I worked is approximately 64° 20' and the longitude is approximately 140° 40'. The specific areas which I prospected are located on **Maps 2, 3, and 4**.

I performed most of my prospecting work in the late fall and early winter period. This allowed me to take advantage of the ice on the Fortymile River for travel by snowmobile, and to walk up the frozen creek beds. I worked with an assistant for most of the program, for efficiency and safety. We travelled by snowmobiles to the various prospecting areas from our camp at Marten Creek, travelling both by road and over the frozen river..

2. Deposit Type and Geology: The Fortymile mining district encompasses the drainage of the Fortymile River, including its numerous forks and feeder creeks. This geographical area straddles the Alaska-Yukon border, with approximately 85% of the drainage located in Alaska. The Fortymile has gained notoriety as a prolific placer producing area, yielding approximately ½ million ounces of free gold since its discovery in 1886. Despite the extensive placer production, there has been very little hardrock mining in the district.

The Fortymile region is part of a larger area referred to as the Yukon-Tanana upland in Alaska. In Canada the area is called the Yukon Crystalline Terrane (Templeman-Kluit 1976) "It is primarily a terrane of quartzitic, pelitic, calcic, and mafic-metasedimentary rocks that have been extensively intruded by Mesozoic and Cenozoic granitic rocks and minor amounts of intermediate and mafic rocks." (USGS Open File Report 92-213.) "The subterranean that includes most of the rocks in the Fortymile region consists primarily of quartz biotite gneiss, marble, schist, quartzite, and amphibolite metamorphosed to amphibolite and epidote-amphibolite facies, and intruded by dikes and plutonic rocks.... Tertiary (?) to Palaeozoic (?) igneous rocks intrude older metamorphic rocks. Small areas of Tertiary sedimentary and volcanic rocks overlie older igneous and metamorphic rocks." (USGS Bulletin 2125, 1996, synthesising material from various USGS publications)

"Geological maps of the Eagle quadrangle (Foster, 1976) and of the eastern Yukon-Tanana region (Foster, 1992) clearly show the prevalence and almost unique occurrence of one geologic unit mapped in this area....It is readily identified on the geologic map of east-central Alaska by being almost completely encircled by thrust faults. Herein, it is called the gneiss, schist, amphibolite, and marble unit. The spatial association of this mapped unit with the occurrence of placer gold-rich creeks and rivers seems too precise to be attributed to chance. Therefore, I propose that the presence of this unit in the Fortymile River area is somehow linked to the occurrence of lode gold in the area. One theory is that this unit includes rock types containing gold that eventually, through remobilization, became concentrated in quartz veins. Another theory is that this unit provided a structural environment conducive to emplacement of gold-rich plutonic rocks, which gave rise to gold-rich quartz veins." (USGS Bulletin 2125, 1996)

Numerous theories have been advanced as to the source of the gold which produced the rich placer deposits of the Fortymile River. Some the theories are as follows:

- Spurr (1898) concluded that the quartz veins and quartz schists were the source of the gold.
- Mertie (1938) proposed quartz rich veins associated with concealed granite

- Foster and O'Leary (1982) found that sheared mineralized and quartz diorite, quartz-calcite veins, and calcite veinlets cutting metamorphic rocks and sheered granitic rocks in the Chicken Creek area contain gold.
- Foster (1987) found that gold is present in crushed faulted zones in the Dome and Canyon Creek area (adjacent to the Yukon border)
- Prindle (1909) reported the presence of lode gold at 4 localities 1) brecciated zones of quartz diorite along the Mosquito Fork, 2) thin calcite seams in black phyllite, 3) brecciated vein quartz in quartzite schist within a zone of intrusions in Canyon Creek, 4) quartz veins on Davis Creek.
- Mertie (1930) described gold bearing sulphides associated with calcite and veinlets of quartz; a sample of this rock assayed at 1.87 ounces of gold per ton.

The only lode gold mine in the area was the Purdie Quartz Mine which operated for a short time in the Chicken area, in the early 1900's.

In the course of a placer prospecting project which I carried out in 1998, I took a number of hardrock samples in interesting looking rock (most of which was quartz) which I encountered in the field. While my samples did not reveal significant gold anomalies, they did show elevated levels of some indicator minerals. The quartz samples which I took did not show any significant mineralization. However, the ultramafic rocks which I sampled had elevated levels of nickel, manganese, zinc, copper, strontium, lead, calcium, chromium, arsenic, antimony, and magnesium in varying degrees. A number of these samples were in serpentine. My most interesting hardrock samples came from Cone Hill, located close to the Fortymile Bridge on the right limit of the river. The other samples which exhibited significant anomalies were obtained from a rock outcrop exposed in a riprap borrow pit directly across the river, approximately 1 km from Cone Hill.

I excavated some pits on a bar in the river adjacent to Cone Hill, as part of a previous placer evaluation of the bar gravels in 1989. The soft, black graphitic schist bedrock had large pyrite cubes embedded in it; pyrite is sometimes associated with gold.

3. Approach

I covered a fairly wide geographical area in this project. I was particularly interested in investigating the Cone Hill area, on the lower Fortymile River, where I had taken some samples which returned interesting results last season. In this area I took a large number of closely spaced chip samples from exposed outcrops and large boulders which had fallen from these outcrops. I had heard that there was an old addit on Cone Hill; I devoted some time to looking for it and eventually found it. I sampled the rock face surrounding the addit as well as the interior of the tunnel.

I took chip samples from outcrops on the Fortymile River from 1 kilometre upstream of Browns Creek to the Fortymile River canyon, a distance of approximately 13 km. In these areas I sampled quartz veins, as well as some of the host rock schists and basalts. I prospected parts of Clinton Creek, Marten Creek, and Browns Creek in the same manner.

I obtained samples of the bedrock chunks which had been deposited in the tailings left behind from placer dredging cuts on gravel bars of the Fortymile River primarily on the left limit, for a distance of approximately 3 km upstream of Marten Creek.

I assembled all of my hardrock samples in camp and sorted out the most interesting ones. (I wanted to keep the expenditure on assaying within budget for the project). The samples, which I selected, were split so that I could keep part of each sample, to facilitate reevaluating anomalies. I weighed, bagged and labelled a 400- 500 gram portion of each sample for assay.

I took soil samples in Marten Creek, Sparks Creek and Bar 5 Creek (an unnamed left limit Fortymile tributary approximately 1 km. upstream of Marten Creek). I collected soil samples from cutbanks, from road cuts and from streambanks. I took samples in the lowest soil horizon which I could access, generally about 0.5 m below the surface, although this depth was not consistent for all of the samples.

I prepared the soil samples for assay by first screening them to -10 mesh, to eliminate the pebbles and coarser material. I weighed out approximately 300 grams of each sample, and bagged and labelled them to be assayed. I was careful to use clean screening equipment so as not to contaminate the soil samples with placer gold, which may have been present from previous use. I retained the remaining material, as well as the + 10 mesh for possible future confirmation of anomalies.

I had the selected hardrock and soil samples assayed by Acme Analytical Laboratories in Vancouver. Samples were assayed for 30 elements by ICP-ES analysis, with results expressed in either parts per million (ppm) or as a percentage. As well, the samples were fire assayed for gold, platinum, and palladium, with results expressed in parts per billion (ppb).

4. Areas investigated and results obtained

For purposes of this report, I have grouped the various areas which I investigated according to their geographical proximity as follows:

a) Cone Hill: Cone Hill is a distinct geographic feature located approximately 5 km from the confluence of the Fortymile and Yukon Rivers. It is located on the right limit of the Fortymile River, rising 200- 250 meters above the river. The shape of the hill is conical as the name suggests, indicating that it is likely of volcanic origin. The north face consists of massive steep



Photo 1 - Collecting a soil sample in an exposed overburden bank in Marten Creek

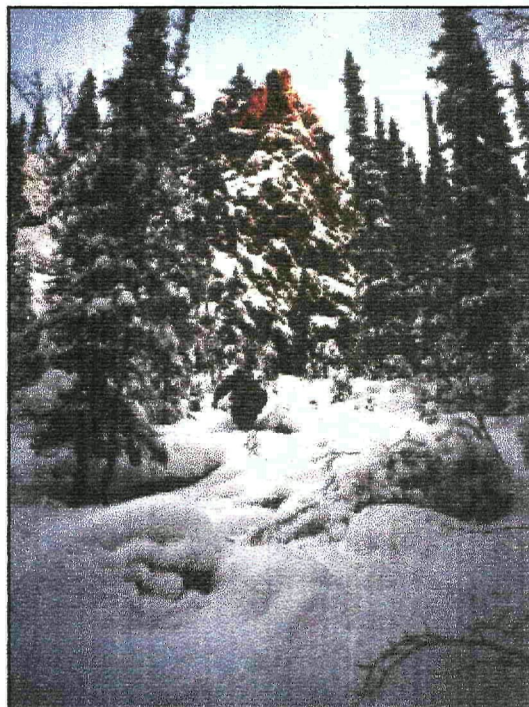


Photo 2 - The pinnacle of the Cone Hill rock outcrop can be seen framed by the spruce trees

outcrops of orange stained, mafic rock. Much of the rock is bright green in colour; serpentine and asbestos are evident. Large boulders have broken off this outcrop and litter the steep hillside and base of the hill. The east face is heavily treed, while the west side is nearly bare (Cone Hill is locally referred to as 50/50 because it is half treed and half bare).

One of my goals for this project was to find an old addit which was rumoured to have been driven somewhere on Cone Hill. I had heard both that it was a vein silver mine from early in the 1900's, and that it had been part of chromium discovery made by the Canadian government searching for strategic minerals in the 1950's cold war period. I made a thorough search of Cone Hill, and eventually located the addit near the base of the large outcrop approximately half way up the north face of the hill. The addit is in perfect condition; its dimensions are approximately 12 m. long by 2 m high by 1.5 m wide. There is a side drift, approximately 3.5 m. long, at right angles off the end of the main tunnel. I found an asbestos seam, approximately 20 cm. wide, near the mouth of the tunnel. There is also a narrow quartz vein in this area. The tunnel is driven into the ultramafic rock face, which is dark green in colour with bright green mineralization, perhaps related to chromium. My investigations of Cone Hill are noted on **pages 8, 9, 10, 37, 51, and 52 of my diary**, and **Map 2** shows the sample locations. I concluded that the addit must have been driven some time ago as I did not see any evidence of heavy equipment having been used to bring drilling equipment to the site.

My assay results from the Cone Hill samples are identified with an "A" on the **attached assay certificates**. The assays confirm the mafic nature of the rock, with elevated levels of nickel, manganese, and magnesium. Arsenic is present in some of the samples in quantities which may be significant, with ppm up to 321. Antimony is also elevated with up to 537 ppm. Chromium is present in levels up to 1623 ppm. None of the samples returned gold showings of greater than 3 ppb, although there are low level indications of platinum in many of these samples.

b) Rip-rap borrow pit: When the Clinton Creek asbestos mine access road and Fortymile River bridge were under construction in the early 1960's, a rip-rap borrow pit was opened up approximately 1 km north of the Fortymile River. This pit exposed the rock of the hillside over a distance of approximately 200 m. The pit has two floors, one approximately 12 m above the other. The rock in this pit is similar to that found on Cone Hill, approximately 1 km away. Again, the rock is primarily mafic, though not as dark or as green as at Cone Hill. A lustrous foliated mica schist is present. A distinctive oxidized rusty orange-red colour is present on the surface of most of the rock. Numerous small quartz veins are found throughout the structure. **Pages 19, 20, 21, 55, and 56 in my diary** refer to my sampling work in the rip-rap pit. **Map 3** shows the sample locations.



Photo 3 - This is a view of the addit taken from inside, looking towards the entrance. The flash from the camera has illuminated the walls.

Samples assayed from this area are marked with a **"B" on the attached assay certificates**. Composition of these samples is similar to the Cone Hill samples. Arsenic is present at interesting levels of up to 3740 ppm, and zinc up to 175 ppm, indicating a possible mesothermal quartz type deposit. Although gold presence is minimal in most of these samples, one quartz sample did return 163 ppb of gold in the fire assay - this was the same sample which had the highest arsenic showing. Strontium is also quite high, with levels up to 1267 ppm.

c) Clinton Creek, Marten Creek, Bar 5 Creek, Sparks Creek, Brown's Creek: Clinton Creek is a large left limit tributary of the Fortymile River, approximately 4 km above the confluence of the Fortymile and Yukon Rivers. The abandoned Clinton Creek asbestos mine is located approximately 9 km upstream on Clinton Creek. I prospected the lower reaches of Clinton Creek, hoping to extend the boundaries of the Cone Hill/riprap pit hardrock anomaly. I took samples for an exposed outcrop along the mine road which looked similar to the riprap pit rock. Two of the samples had quartz crystals approximately 1.5 cm in length embedded in the host rock. Samples showed high anomalies of barium, with elevated levels of copper, zinc, manganese, and arsenic. One sample showed 12 ppb of gold, and there were minor showings (up to 5 ppb) of palladium. **Pages 1,2, 3, 14 and 15 of my diary** refer to work in Clinton Creek, and sample locations are shown on **Map 2**. Assay results from Clinton Creek are marked with a **"K" on the attached assay certificates**.

Marten Creek is a left limit tributary of the Fortymile River located approximately 20 km upstream of its confluence with the Yukon River. Marten Creek has a steep walled valley with many sheer rock cliffs. Most of the outcrops are of a foliated schist. Small quartz veins and stringers are common throughout the valley. I prospected this area taking both hardrock and soil samples. Work in Marten Creek is referred to on **pages 11, 12, 13, 18, 29, 30, 31, 39, and 40, of my diary**. Sample locations are shown on **Map 3**. Assays from Marten Creek are marked with **"C" on the assay certificates**.

Assays from the hardrock samples showed traces of gold, platinum and palladium (up to 4, 3, and 8 ppb respectively). The soil samples from Marten Creek had strong indications of precious metals with values of up to 43,572 ppb of gold, up to 367 ppb of platinum, and up to 31 ppb of palladium.

I took some soil samples from Bar 5 Creek, the unnamed tributary located approximately 1 km upstream of Marten Creek. Unfortunately all of these samples were too small after sieving to be sent in for assay, so I did not get any results from my work in this area. Work in this area is referred to on **diary pages 23, 24, 25, and 26**, and samples from this are shown on **Map 3**.



Photo 4 - Sampling a foliated schist outcrop laced with quartz stringers in Marten Creek

Sparks Creek is a small left limit Fortymile River tributary, approximately 4 km in length, located 5 km upstream of Marten Creek. Because this valley does not have the numerous rock outcrops and cliffs that Marten Creek has, I took a series of soil samples.

Unfortunately, most of these soil samples were too small for assay after they were screened; the one which I did send out returned a value for gold of 3,212 ppb. My diary refers to my sampling in Sparks Creek on **page 22, and 23**. The locations which I sampled are shown on **Map 4**. Assays from Sparks Creek are coded with an **"E" on the assay certificates**.

Brown's Creek is a large right limit tributary of the Fortymile River, located approximately 10 km upstream of Marten Creek. Brown's Creek has a broad valley, containing numerous rock cliffs and outcrops. I took both hardrock and soil samples from the first km upstream of the confluence of Brown's Creek and the Fortymile River. The only hard rock sample from this area which I had assayed had only 2 ppb of gold; however, the soil samples showed gold values of up to 843 ppb of gold, and 7 ppb of platinum. **Diary pages 48, 49, and 50** describe my work in Brown's Creek. Sample locations are shown on **Map 4**. Results from samples from Brown's Creek are marked with **"F" on the assay certificates**.

d) Fortymile River valley 1 km upstream of Brown's Creek to Canyon: I prospected the middle reach of the Fortymile River commencing approximately 1 km upstream of Brown's Creek and then downstream to the Fortymile Canyon - a distance of approximately 20 km. The river in this area alternates its channel from side to side of the valley with steep rocky cliffs on one side and gravel bars on the other. Prospecting when the river was frozen allowed me to access the rocky cliffs, which would have been very difficult to sample in the summer because the river channel flows right against them. These cliffs are composed primarily of schist and basalts, with some quartz intrusions. I sampled both the quartz seams and the mafic host rock. Results of these samples did not turn up anything of interest. Samples from the area between Sparks Creek and Brown's Creek are coded on the **assay certificate with a "G"**. Samples from upstream of Brown's Creek are marked with



Photo 5 - Large quartz seam sandwiched between layers of schist in Brown's Creek.

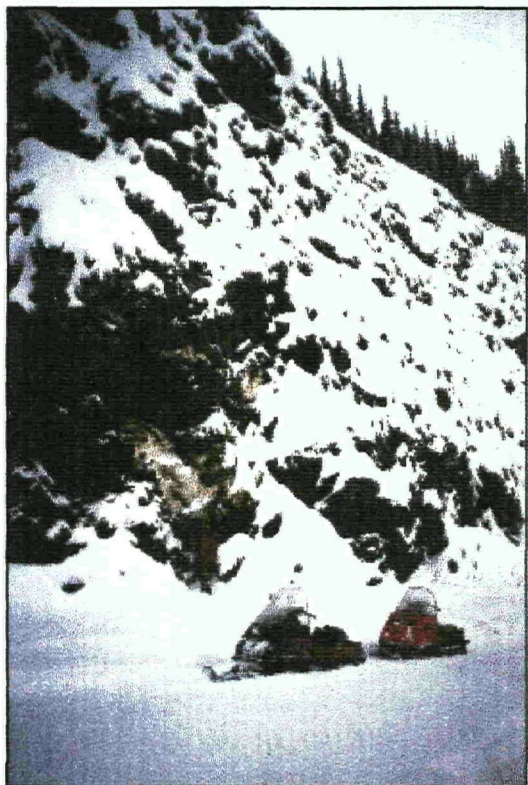


Photo 6 - Sampling an outcrop on the Fortymile River upstream of Spark's Creek

an "H", samples obtained from the portion of the Fortymile River located between Marten Creek and the canyon are marked with an "I". **Diary pages 16, 17, 32, 35, 36, 42, 43, 44, 45, 46, and 47** refer to the prospecting work in this area, and sample locations are noted on **Maps 2, 3 and 4**.

e) River bar bedrock from dredge cuts: I took the opportunity to examine bedrock excavated during placer dredge mining of river gravel bars upstream of Marten Creek on the Fortymile River. Some of these dredge cuts produced coarse gold nuggets with quartz embedded in them. The fragile nature of these nuggets suggests that they have not travelled far, and therefore may have originated in local quartz seams. Because I know which areas along the river were good producers of coarse gold, I thought it may be productive to examine the underlying hardrock in these vicinities. I traversed the tailings from dredge cuts on foot looking for bedrock chunks left on the surface of the tailings. This river bedrock is comprised of a heavy, black schist. In places this schist is decomposed to a greasy, sticky graphitic schist. This black schist is interlaced with white quartz veinlets (which may be the source of the placer gold). I was disappointed to find that bedrock showed only minor traces of mineralization, 2 and 3 ppb - of gold. Samples from the dredge cut tailings are marked "J" on the assay certificates, sample locations are shown on **Map 3**, and the work is discussed on **diary pages 4, 5 and 6**.

5. Conclusions and recommendations

My soil samples from Marten and Sparks Creeks showed good potential. Gold values are significant and platinum and palladium results are also elevated. Because these two creeks drain the same ridge, I believe that the high precious metals showings may indicate the presence of a hardrock deposit. It is unlikely that the gold found in these assays is placer gold because the percentage of silver in the samples is approximately 7%, whereas placer gold from the area assays at approximately 18% silver.

I recommend a structured and detailed soil sampling program in both the Marten Creek and Sparks Creek drainages. I believe that the platinum and palladium anomalies in this area showed particular promise, given the current price of these metals.

Elevated levels of arsenic, bismuth, and antimony are associated with major gold plays in Alaska; the Donlin (?) Creek and True North mines are associated with high levels of antimony, the Fort Knox mine has high bismuth associations, and Pogo find is associated with arsenic and bismuth. Mesothermal quartz or mother lode (listwanite) type deposit model may be applicable to the Cone Hill for the following reasons:

- there is an elevated level of indicator minerals including arsenic, iron, and chromium,
- the area is located in a known placer producing area
- there is serpentine present in the sample area
- there are numerous quartz veins and veinlets (which are barren)

Although the samples from the Cone Hill and riprap pit areas did not return the gold values which I had hoped for (except for one sample showing 163 ppb of gold), they did have elevated levels of indicator mineralization of a listwanite type deposit. For example, arsenic levels in some samples were quite high. Given the distance over which these anomalies occur, I recommend further prospecting in these areas.

Additional Information

People who worked on the project

Leslie Chapman
Thomas Claxton
William Claxton

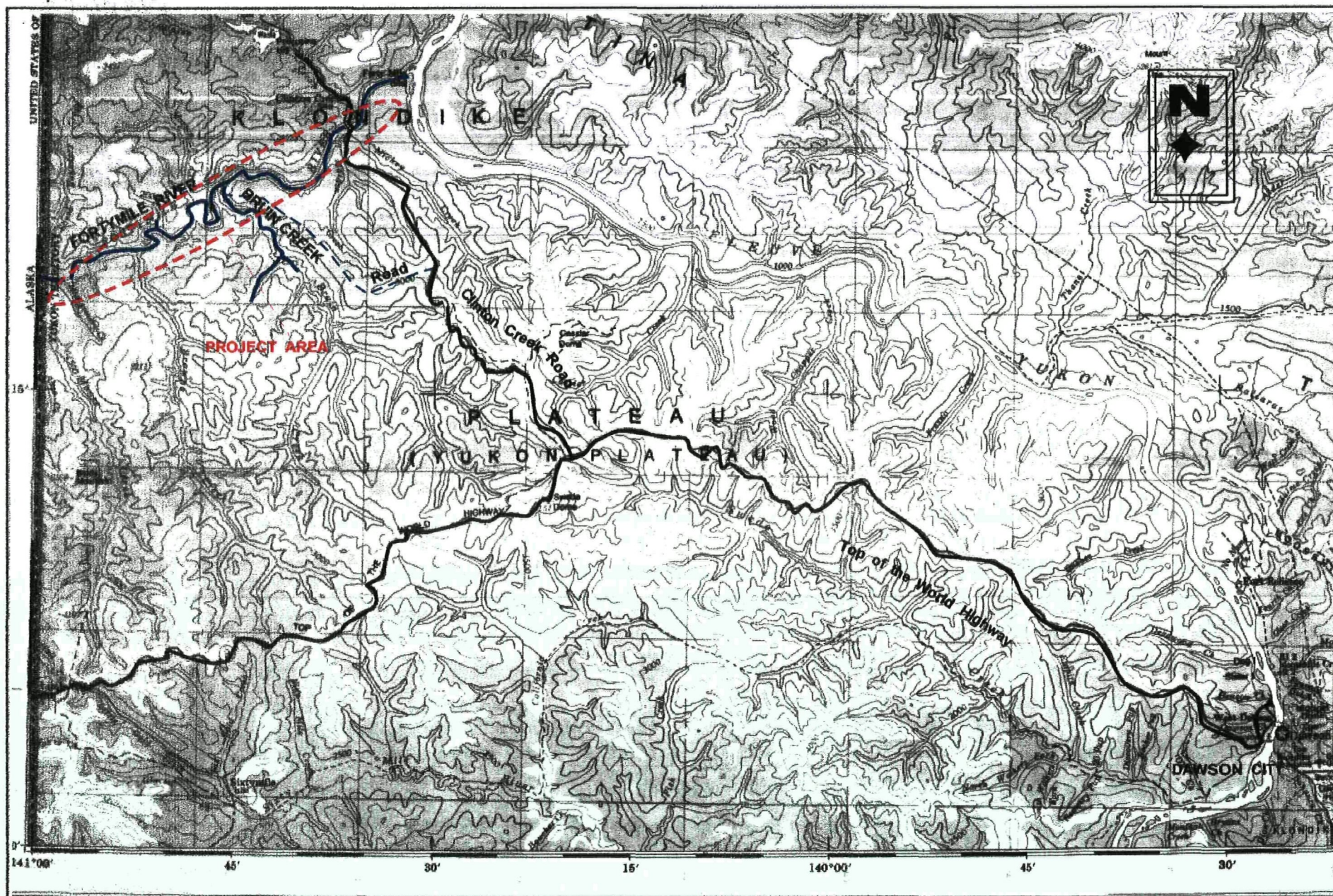
Dawson City
Dawson City
Dawson City

Area Investigated

Fortymile River drainage, located on claim sheet 116C-7

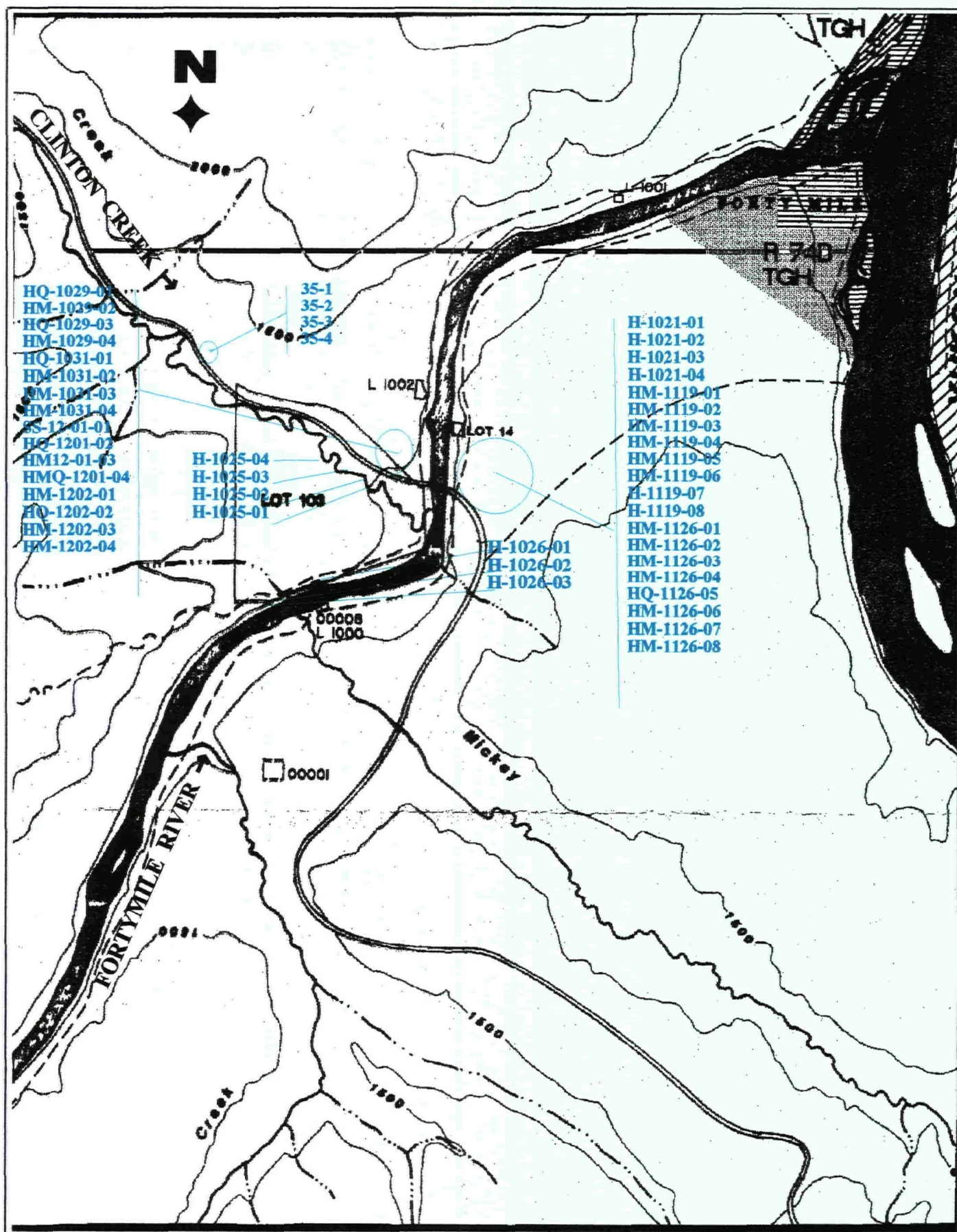
Report Preparation

Leslie Chapman prepared the report in 30 manhours.



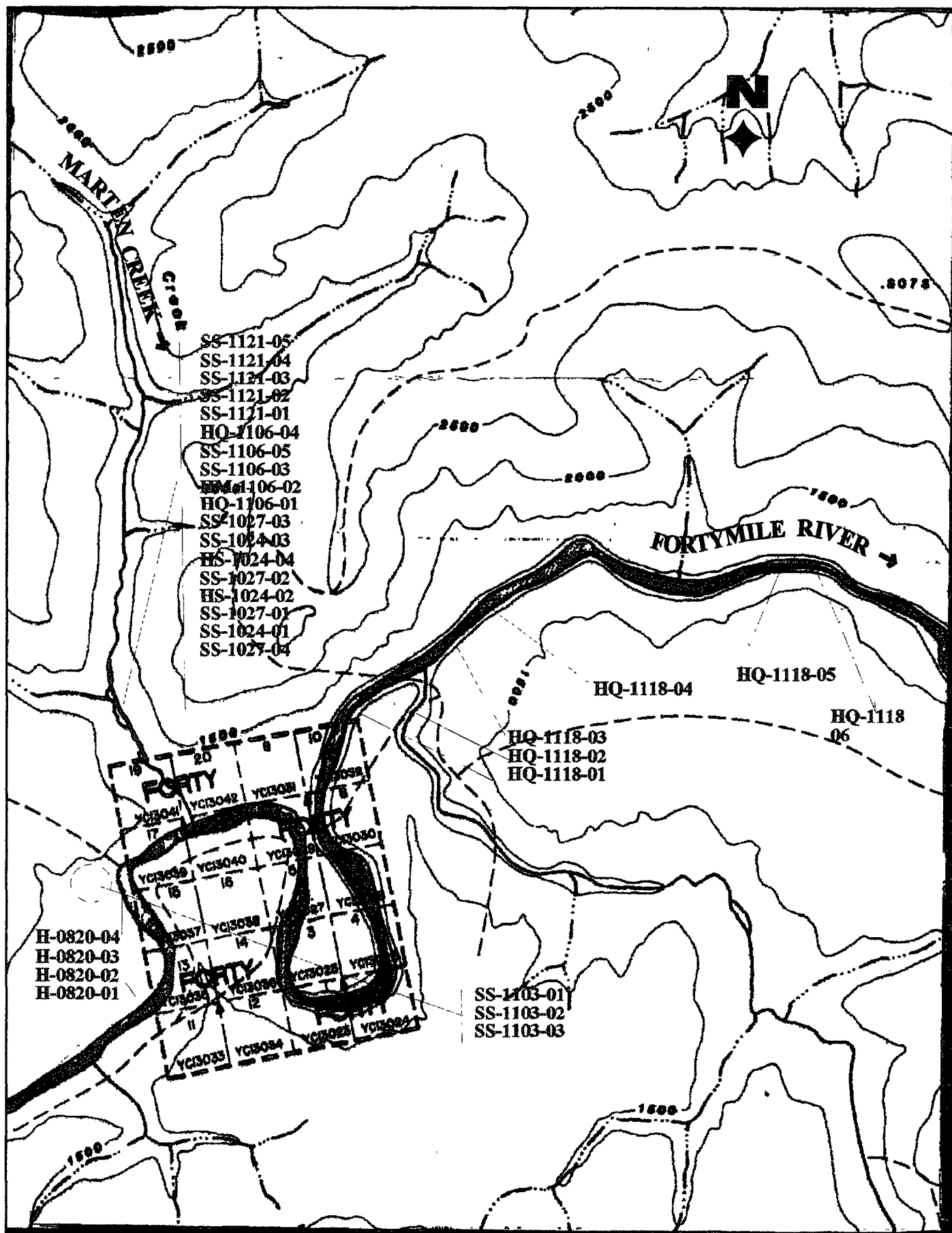
MAP 1 - PROPERTY LOCATION (from "DAWSON" Map Sheet 116B & C)

scale: 1" = 6 miles (approx) 9

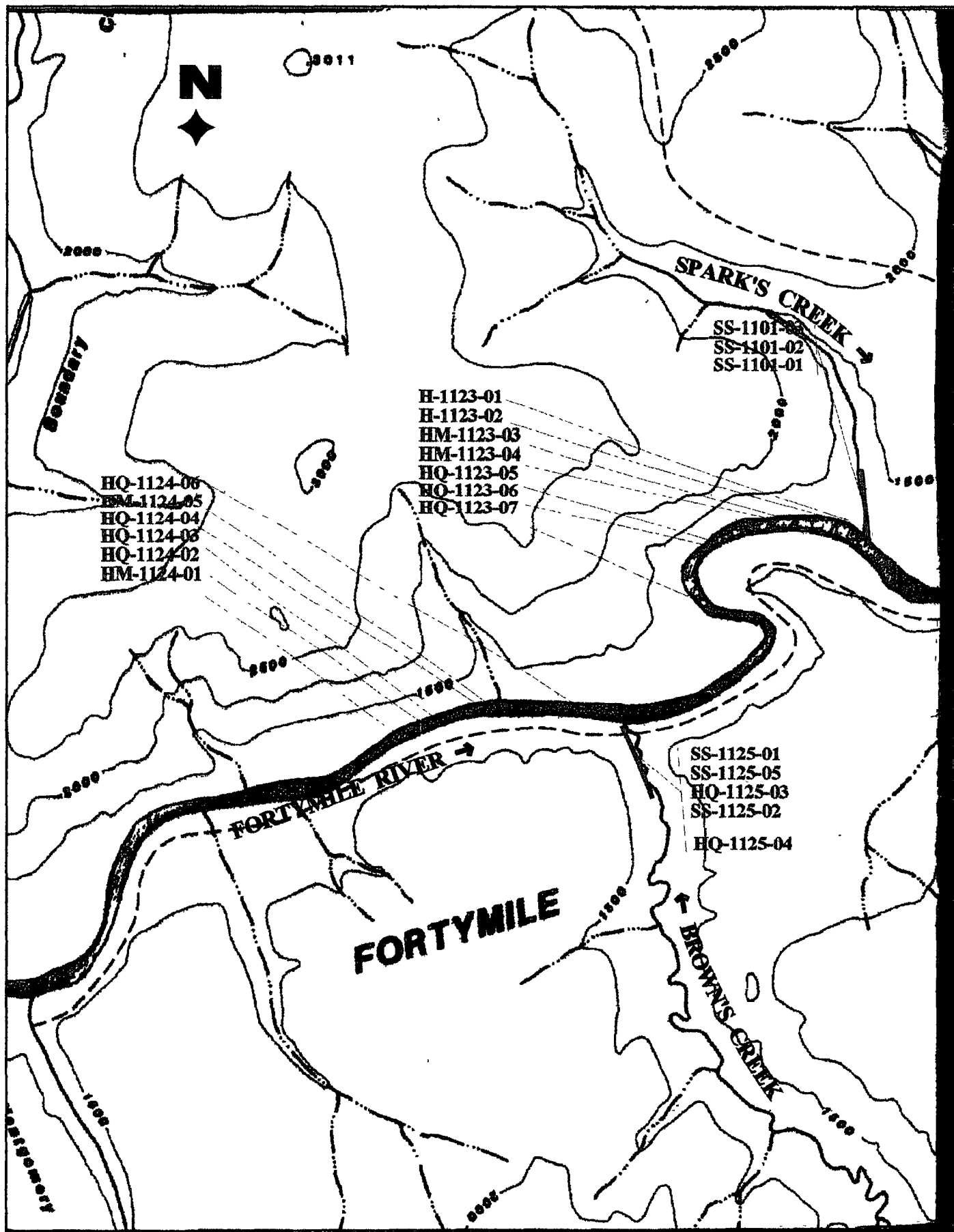


MAP 2 - Sample Locations, Lower Fortymile Area

scale: 1cm= 1.25 km approx.



MAP 3 - Sample Locations Mid-Reach Fortymile Area scale: 1cm = 1.25 km approx



MAP 4 - Sample Locations Fortymile Area Upriver

scale: 1 cm = 1.25 km approx

[illegible]

Sample type: ROCK Samples beginning 'RR' are Rock and 'RRB' are Reject Return.

ANALYTICAL LABORATORIES LTD.
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GEOCHEMICAL ANALYSIS CERTIFICATE

Fortville, Indiana File # 9904793

For 440, Groundwater at the site submitted by: Leslie Thompson

SAMPLE#	Mo	Cu	Pb	Sn	Ag	Bi	Co	Mn	Fe	Al	S	Na	Cl	Br	I	B	V	Cr	La	Sc	Y	Ti	Zr	Hf	Nb	Ta	Mo	W	Re	Pt	Ir	Rh	Pd	
ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	
SS 102401C	3	172	10	128	<.3	115	44	644	7.38	8	77	<.3	<.3	77	.8	<.3	4	244	1.57	282	12	79	1.58	906	.81	<.3	3.73	.02	12	<.3	125	<.3	<.3	
SS 102403C	2	42	18	128	<.3	57	14	436	2.73	17	40	<.3	<.3	4	42	8	4	52	.84	109	16	62	2.30	257	.87	3	1.21	.01	13	<.3	984	<.3	<.3	
SS 102701C	1	114	12	510	<.3	165	40	1205	5.89	8	<.3	<.3	3	34	2.7	<.3	5	116	.61	135	25	153	1.56	1377	.89	<.3	2.86	.01	58	<.3	963	447	21	
SS 102702C	2	47	13	154	<.3	68	15	506	2.77	4	<.3	<.3	4	28	5	<.3	<.3	57	.66	187	16	65	.96	487	.85	<.3	1.21	.01	16	<.3	338	8	<.3	
SS 110102C	1	40	8	43	.5	29	10	639	2.47	8	<.3	4	3	18	<.3	<.3	34	.47	.063	13	87	.56	2839	.88	<.3	1.06	.02	14	<.3	1212	43	<.3		
SS 112501F	<.1	22	8	57	<.3	34	9	413	7.87	16	<.3	<.3	4	23	2	<.3	<.3	39	.43	.073	12	36	.59	183	.95	3	.83	.01	11	<.3	427	<.3	<.3	
SS 112502F	2	60	12	59	<.3	44	18	828	6.16	5	<.3	<.3	11	77	<.3	<.3	21	76	.834	215	10	1.3	731	.84	<.3	2.26	.02	.63	<.3	712	<.3	<.3		
RE SS 112502F	1	80	7	58	<.3	44	18	803	6.13	7	<.3	<.3	7	77	<.3	5	<.3	22	.75	.835	213	10	1.1	715	.87	4	2.25	.02	.82	<.3	843	7	8	
SS 112505F	1	28	9	43	<.3	38	11	464	2.25	19	<.3	<.3	5	27	<.3	<.3	48	47	.879	17	43	.67	262	.85	<.3	.99	.02	.13	<.3	193	<.3	<.3		
SS 120101B	1	54	28	172	<.3	105	37	718	4.58	833	<.3	<.3	11	226	.2	3	<.3	18	4	27	.134	16	26	1.40	156	.81	<.3	.43	.06	.11	<.3	39	<.3	<.3
NO NUMBER C	<.1	34	8	49	3.6	18	13	891	2.59	18	<.3	42	7	26	<.3	5	<.3	25	.53	.082	12	40	78	228	.87	<.3	1.73	.03	.10	<.3	43572	8	6	
STANDARD C3/PA100	27	57	42	196	5.6	37	11	751	3.23	57	25	<.3	21	28	33.1	15	28	85	58	.691	19	160	.61	153	.89	20	1.81	.04	.17	18	47	47	44	
STANDARD G-2	2	4	3	39	.3	8	4	519	2.08	3	<.3	<.3	4	68	<.3	<.3	63	61	.897	8	67	.61	223	.17	3	.82	.07	.47	2	<.3	3	<.3	<.3	

GROUP 10 - 0.5L OF SAMPLE LEACHED WITH 3 ML 2-2-2 HCL-HNO3-H2O AT 95 DEG. C FOR ONE HOUR, DILUTED TO 10 ML, ANALYZED BY ICP-MS.
UPPER LIMITS - AG, AD, MG, N = 100 PPM, NO, CO, CD, SE, SI, TH, U & B = 2,000 PPM, CU, PB, SN, NI, MN, RE, V, LA, CR = 10,000 PPM
* SAMPLE TYPE: SOIL AN** PT** & EN** GROUP 10 BY FIRE ASSAY & ANALYSIS BY FA/ICP.
Sample designation 'RE' are Returns and 'RR' are Retest Returns.

DATE RECEIVED: DEC 14 1999 DATE REPORT MAILED: Dec 23/99 SIGNED BY: J. Wang TONY C. LEONG, J. WANG; CERTIFIED D.C. ASSAYERS

MI

GEOCHEMICAL ANALYSIS CERTIFICATE

44

BOOK 560, DEPARTMENT CITY OF NEW YORK

[illegible]

GROUP 10 - 0.50 GR SAMPLE LEACHED WITH 1 ML 2-2-2 HCL-3HNO₃-H₂O AT 95 DEG. C FOR ONE HOUR, DILUTED TO 10 ML, ANALYZED BY ICP-ES.
UPPER LIMITS - AG, AU, BA, W = 100 PPM; MO, CO, CD, SE, BI, VN, U & N = 2,000 PPM; CU, PB, ZN, NI, MN, AS, V, LA, CR = 10,000 PPM.
ASSAY RECOMMENDED FOR ROCK AND CLINE SAMPLES IF CU PB ZN AS > 1X, AG > 30 PPM & AU > 1000 PPM
- SAMPLE TYPE: ROCK AU** PPM PB** PPM GROUP 10 BY FINE ASSAY & ANALYSIS BY ULTRA/ICP. (30 gm)
Samples designated "DE" are REELS and "RDE" are REJECT REELS.

DATE RECORDED: OCT 27 1979

DATE REPORT MAILED:

Nov 4/97

SIGNED BY:

TOTE, C. LEON, d. WING; CERTIFIED D.C. ASSAYERS

All results are considered the confidential property of the client. Acme assumes the liabilities for actual cost of the analysis only.

Data FA V_{ref}

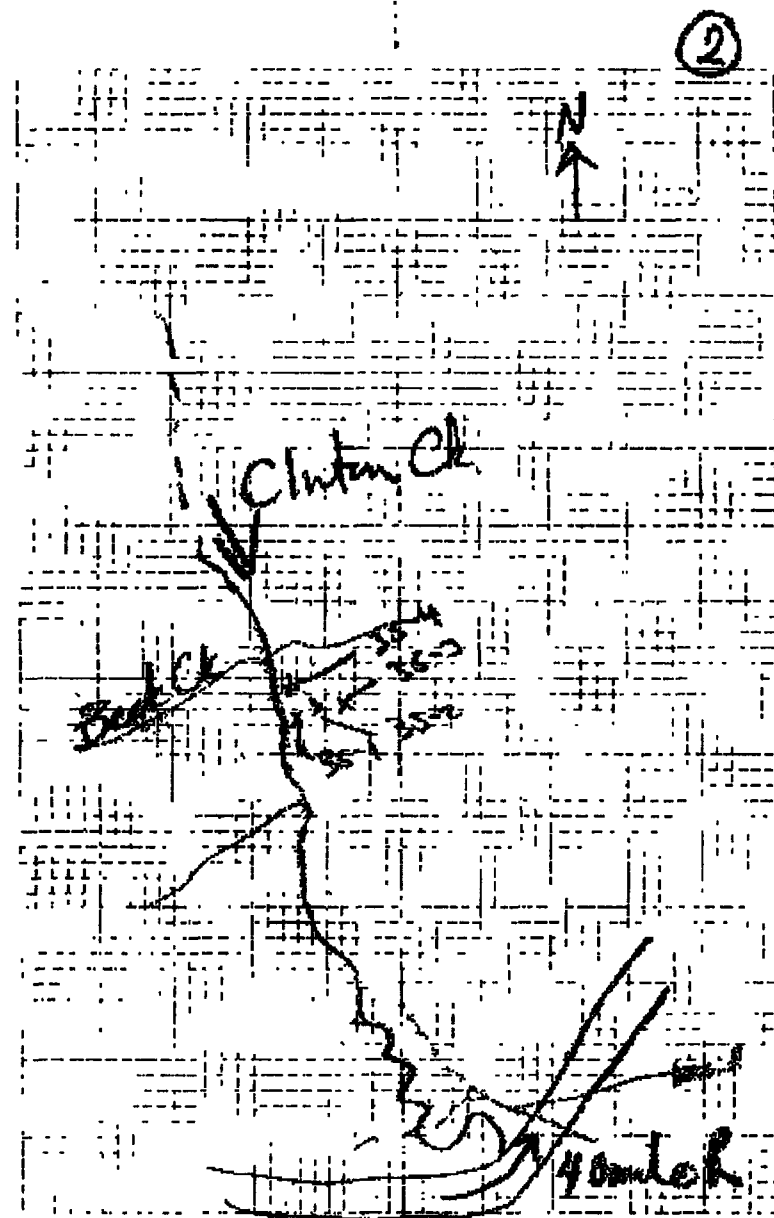
Appendix - Prospecting Diary

July 3/99-

I drove from camp, w/ an assistant, to Clinton Ct to the point where it is covered by hard rock claims. I want to get an idea how many outcrops there are in this area for sampling.

There is some exposed rock along the old mine road where the hill has been blasted for road building.

We also drove the Yukon Access road (high road) to get a look at the north face of 50/50 (Cone Hill) looking for exposed rock. Not too much on N face - S face is more promising. I plan to look for ~~the outcrop~~ - from the road I don't see any sign of it - if it does exist.



(3)

July 4/99

Returned by truck to an interesting looking decomposed quartz outcrop on Clinton Cr. road ~ 4 km from confluence

35-1 from rubble at base of cliff - decomposed quartz

35-2 ~ 1m uphill from 35-1 similar material

35-3 ~ 5m up from 35-2 v. decomposed quartz from centre of vein - rusty

35-4 - from large boulder ~ 10m N. of latter samples

epithermal activity?

• Walked across creek valley to check out cliff there - ordinary looking schist - no signs

(4)

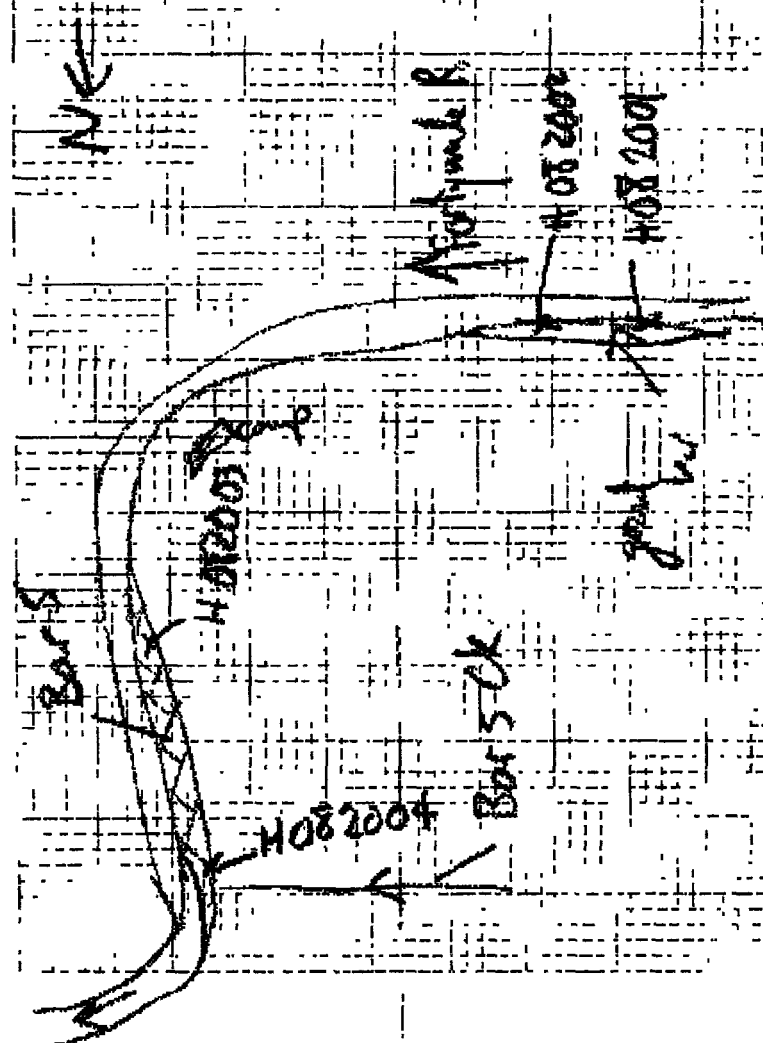
Aug 20, '99

Today I used the ATU to travel over bars upstream of Morden Cr. - left bank - which have been mined by F.M.P. I was looking for samples of bedrock from placer cut.

Examined downstream end of Bar 5 - this is the area where DIAND tech reported visible gold in chunk of excavated bedrock - but I did not see anything too interesting here - possibly he was mistaken?

H082001 - heavy black bedrock material? w/ numerous quartz veins this sample from active dredge but a pyrite schist w/ free gold also composed bedrock in this area

(5)



(6)

Aug 20/99 cont.

H082002 - sample from
quartz vein in
bedrock - pure white

H082003 - similar to 02

H082004 - schist from
N. end Bar 5

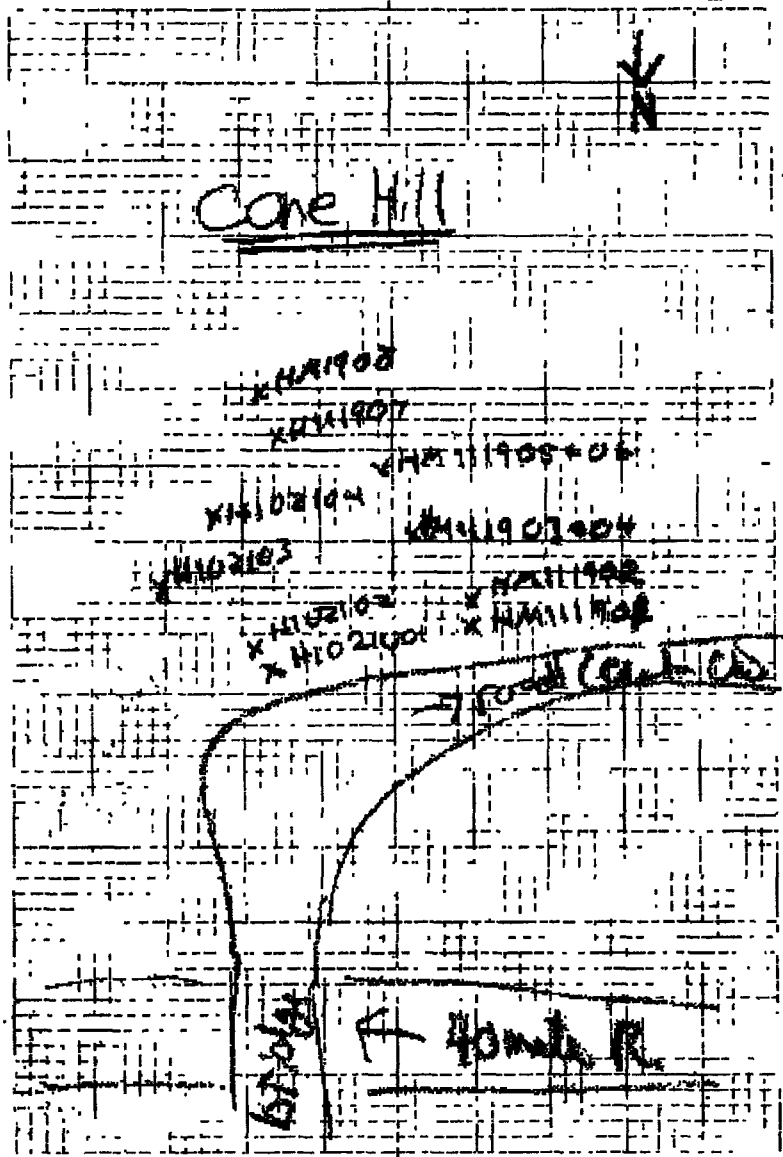
⑦

Oct 16/00 -3°C cloudy, windy

Split the total km for a trip from Dawson to camp on the forty mile up hill. I was bringing in supplies so I can stay on camp over freeze up to carry out the prospecting project. The heavy goes out of service in Dawson tomorrow. Just about too much snow for easy truck travel.

⑧

Cone Hill



Oct 21/99 ~-5°C, partly cloudy

H 102101 base of s/s/s
serpentine

HM 102102 close by 01
mafic rock

H 102103 - mafic w/ lots of oxides
plate

H 102104 - similar to #3

By 2 snowmachines w/ assistant to
Cone Hill (s/s/s) over the road -
snow is slightly skimpy in places
for snowmachines, but a little too
much in other places for truck.
Chlorophyll still partly green - the weather!
We walked around base of s/s/s
South face, examining large
boulders which have tumbled
down from higher outcrops. Mafic
w/ distinct bright green. Samples
are from these boulders. All
sample sites flagged w/ sample #.

Oct 22/99 ~-7°C clear

2 snowmachines to Cone Hill
to look for old adit. I
heard it was on east side of
the hill, so we walked all
through the area. No sign of
activity. Info may be false; there
are no outcrops on this side,
fairly heavy forest cover

Oct 23/99 -6°C mostly clear

2 snowmachines to Cone Hill
again to resume search for
adit. This time we
approached from Fish Road
(south side) - easier going
because not so heavily treed,
but still no sign of previous
workings. - no samples today

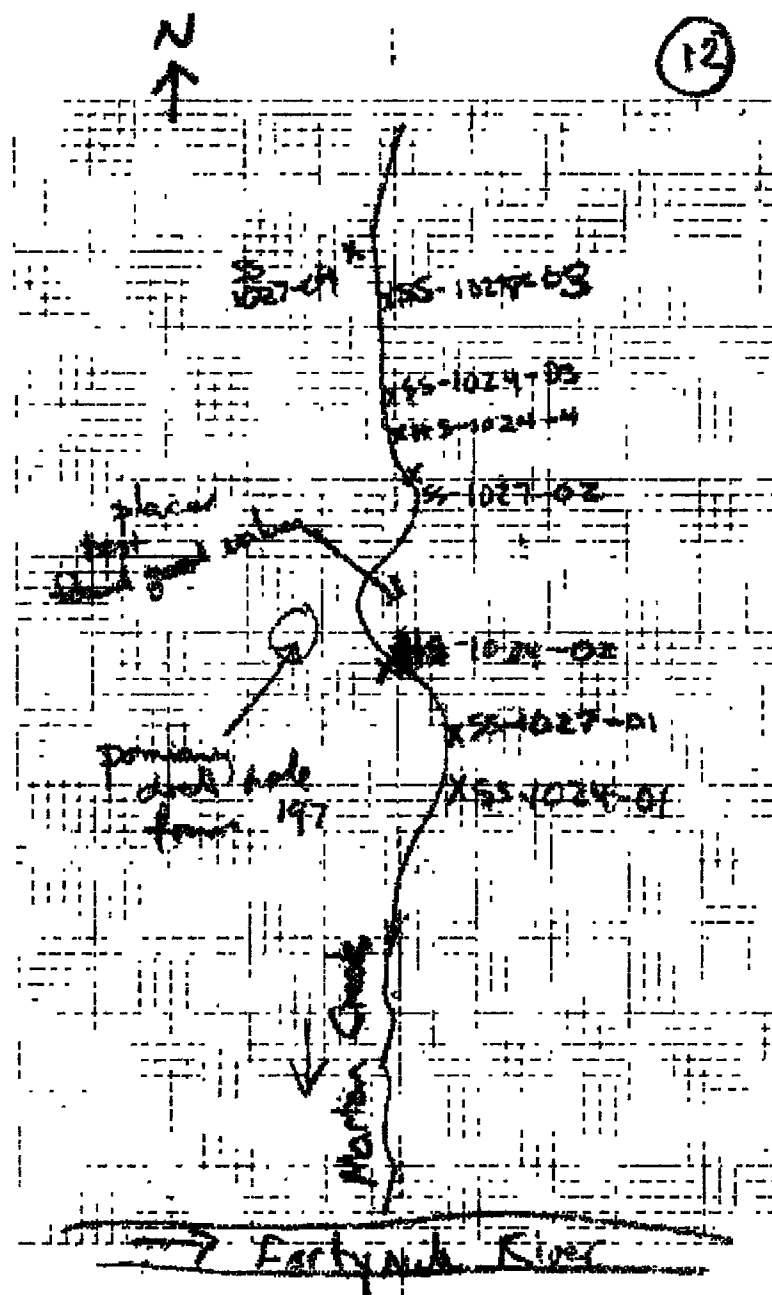
Oct. 24/99

clear & sunny ~ -10°C

walked up Marten Cr to area
above North boundary of Kirk
claim.

SS-1024-01 - soil sample 'B' zone
red stained material from
cut bank ~~from~~ trail
~ 1/2 in below surface
this sample from an anoxic
red zone - most soil is grey -
photo 2-22
left limit of creek

HS-1024-02 - hard rock
sample from right limit of
creek ~ 2m above creek bed
below bench where good
hole was drilled in placer
exploration project
sample is of quartz vein
approx 40cm thick - vein
disappears into creek bed +



(13)

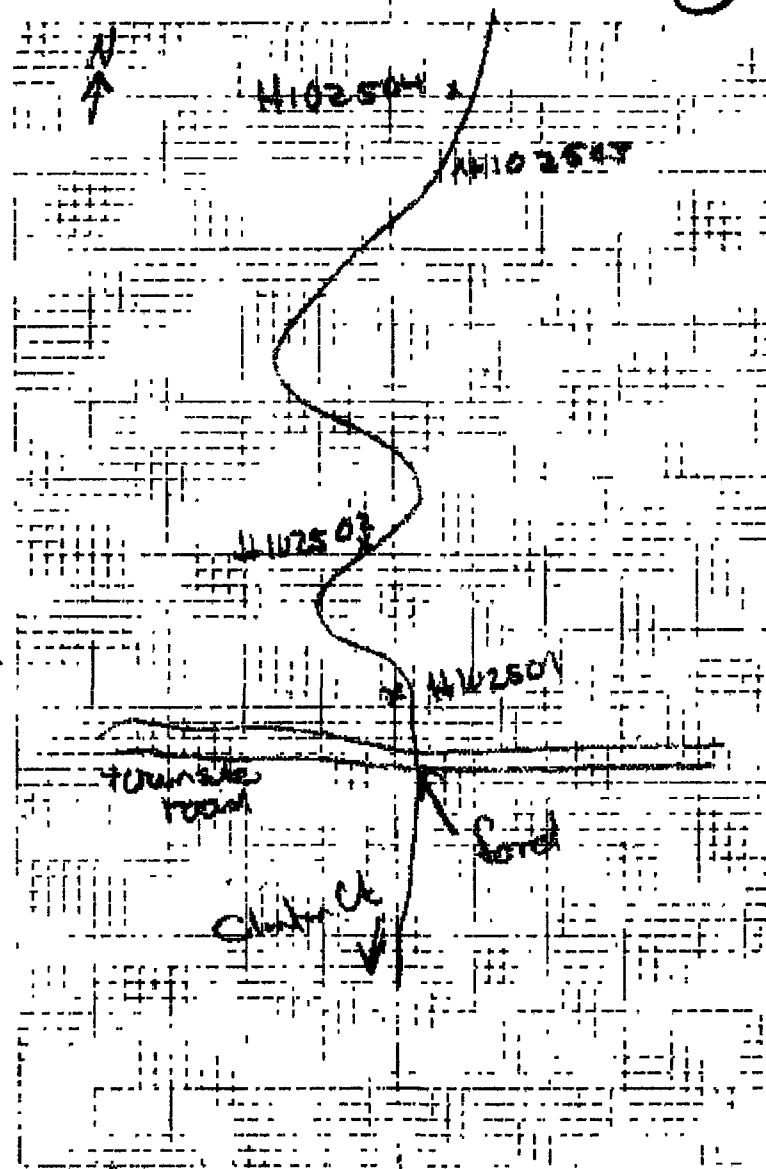
approx 45° - quartz very hard
 - difficult to chip off sample -
 not decomposed - I sliced
 my thumb on a shard of
 quartz

SS-1024-03

Soil sample from left
 bank of creek
 upstream of '02' hard rock
 sample - 'A' zone sample

HS-1024-04 hard rock
 sample from left bank cliff
 at creek bed. Sample is
 of soft mineralized seam
 in very foliated schist
 In centre of seam sampled
 is graphite schist which
 looks very similar to
 graphite schist mined on
 placer river bars in
 Forty mile R. - which are
 associated w/ coarse gold.

(14)



(15)

Oct 25/99 ~ -3°C, cloudy

2 snow machines by road to Clinton Cr. - left snow machine at the creek rather than take them thru the water again. Walked up creek (Clinton) looking at cliffs & outcrops - walked up about 1 1/2 miles.

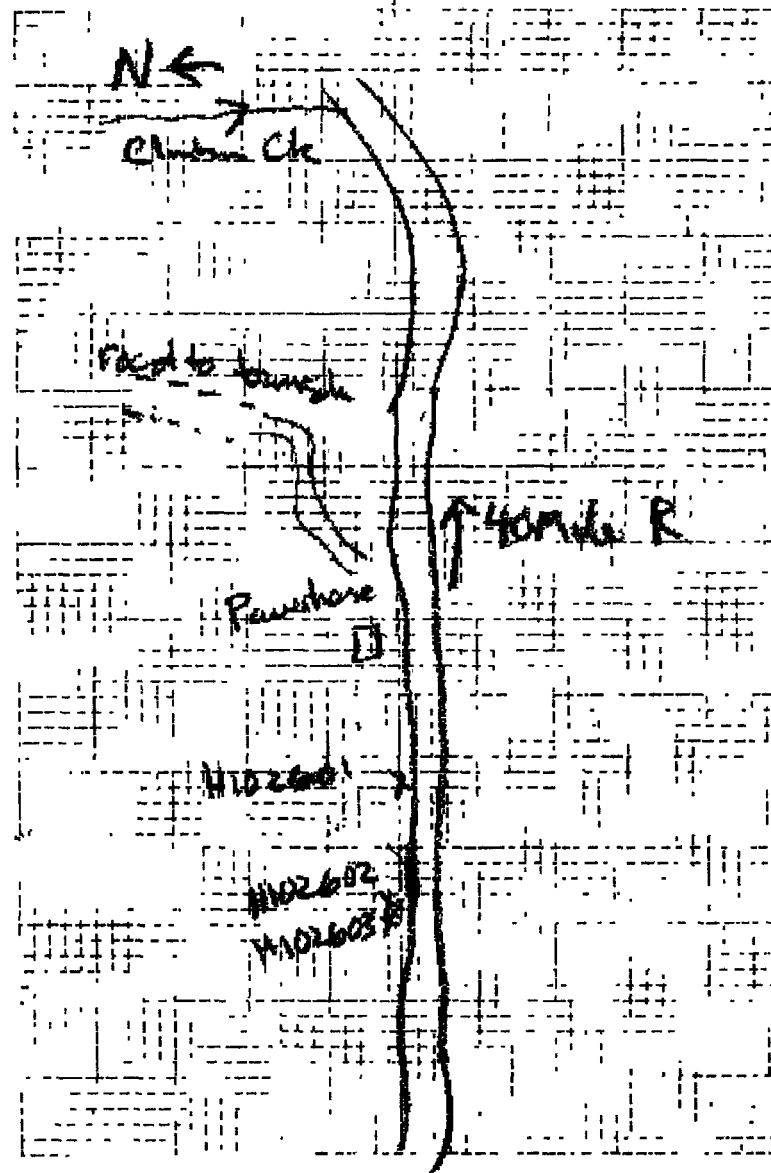
H-1025-01 crumbly mafic schist near ford

H-1025-02 small quartz veins in schist

H-1025-03 - v. foliated schist

didn't see anything too interesting in this portion of creek.

(16)



(17)

Oct 26/99 -5°C cloudy

2 snowmachines over road to
Clinton Co. powerhouse area to
look at rock exposed in
cliffs along river on left
bank just upstream of old
powerhouse.

light coloured schist - crumbly

H-1026-01 from U.
decomposed seam in schist

H-1026-02 climbed up
cliff 90' for as I could
for sample of harder
schist w/ small quantity vein

H-1026-03 - serpentine

(18)

Oct 27/99 -5°C, ~2" new snow
walked up creek to uphill
samples from Oct 24 (Morton Ct)

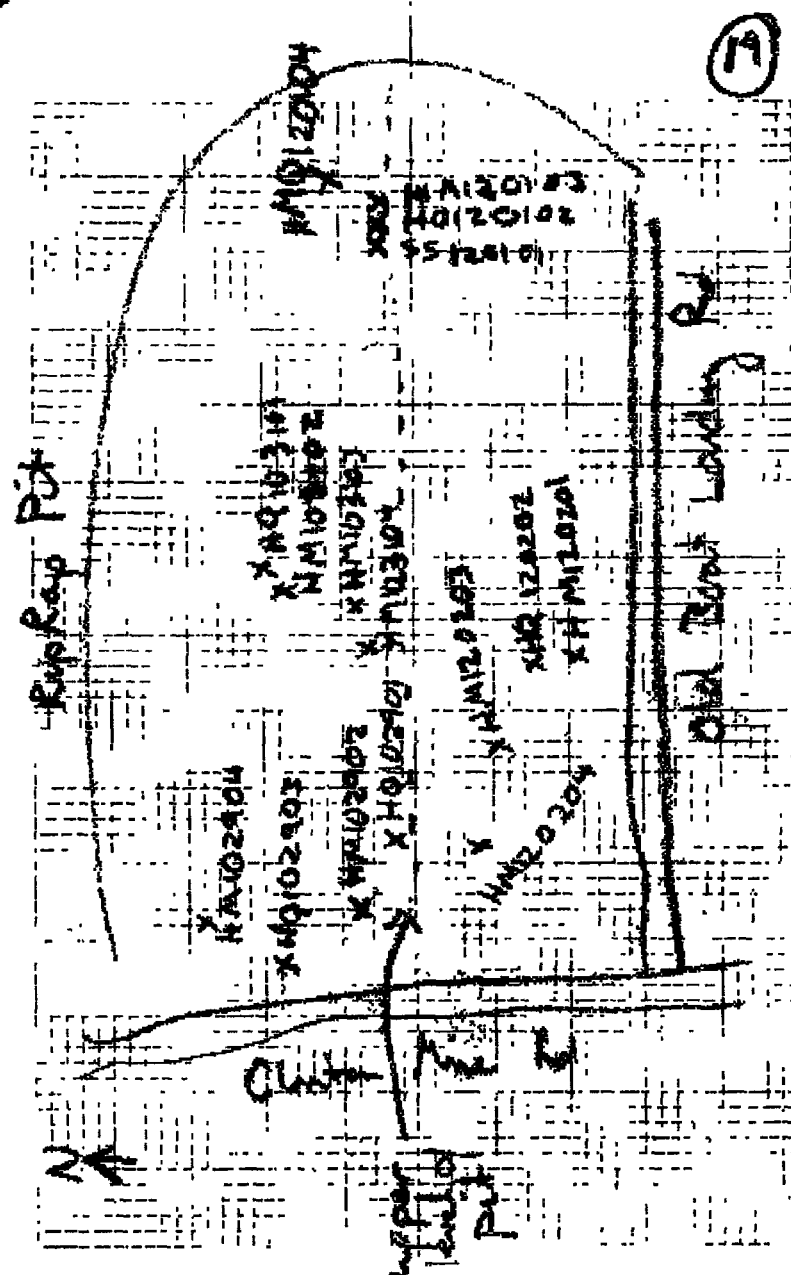
SS-1027-01 - soil sample
from cut bank - B zone
~ 1/2 m below surface - grey
soil - flinty - road cut

SS-1027-02 - soil sample from
creek cut bank ~ 1 m
down - sandy

SS-1027-03 - Soil sample from
creek cut bank - clay
about 1/2 m down from
surface photo

SS-1027-04 soil sample from
creek cut bank - reddish
sandy soil near surface

sample locations are marked on
map from Oct, 24



Oct 29/99 -19°C clear
1 snowmachine to ripen berries
pit near Clinton Co. (our road)
Samples from upper level
of Wes. - note pit

HQ 102901
 Cotton and/or broad
 w/ narrow gauge cloth

4710903 - ultra media

Sample 02 is from an area
~ 10" square where snow was
melted - weird - heat vent?
or possibly vent for
ground air & no tracks
around.

(21)

Oct 31/99 -10°C, mostly clear

Back to reprop pit alone by
 snowmachine over road
 sampled centre & east side of pit
 upper level

HM 103101-

quartz vein in lusterous
 schist q. vein ~ 1 cm thick
 1/2 way up cliff

HM 103102

matrix schist
 adjacent to q. vein
 harder at base

HM 103103

lusterous
 foliated mica schist

HM 103104

close to 03
 matrix schist

photos

samples shown on Map for Oct 29

(22)

11/01/99

2 snow machines on 40 mile R.
 to Spokes Ck (left unit 100)
 bushwacked on foot up
 creek channel looking for
 good spots to get soil
 samples.

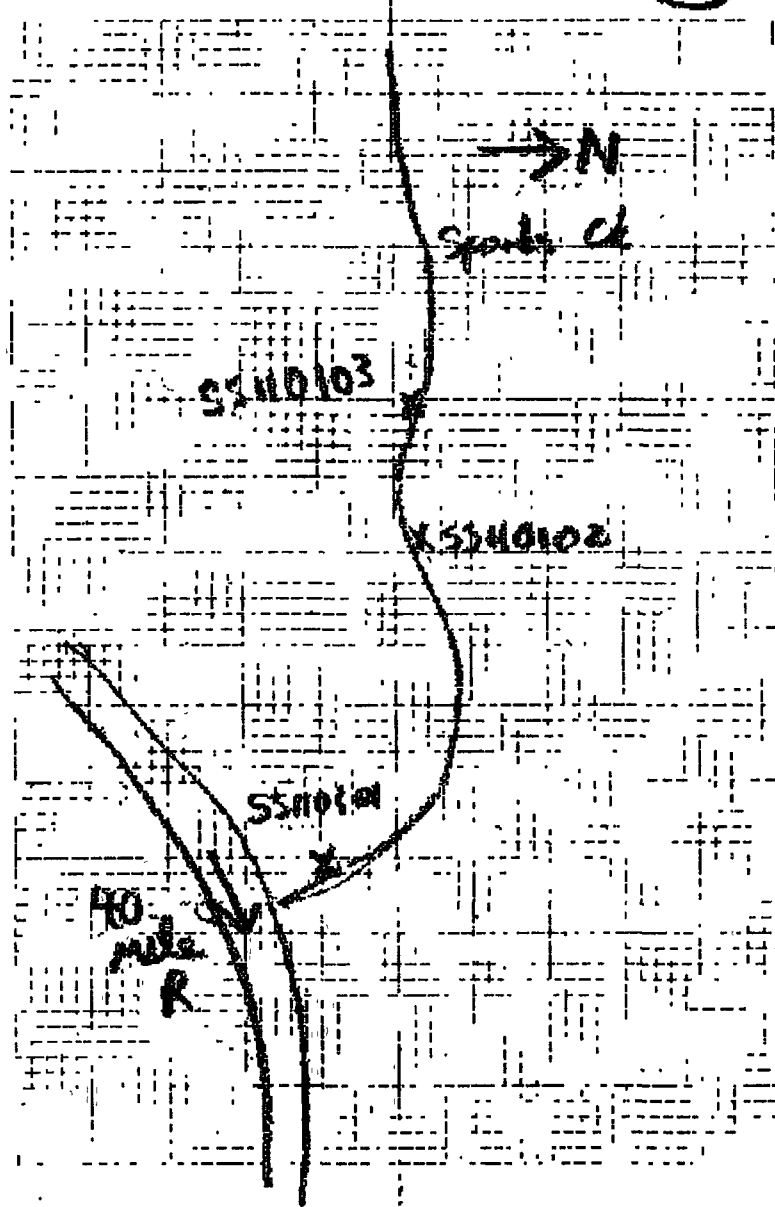
SS-1101-01 ~~right~~ ^{right} limit near
 mouth - sandy - B zone

SS-1101-02 ~~right~~ ^{left} limit ~ .3k
 up creek A zone - clay

SS-1101-03 right limit .5k
 from mouth B zone

lots of willows overgrowing creek so
 tough going - little exposed
 soil

(23)



(24)

Nov. 2 -12°C mostly clear

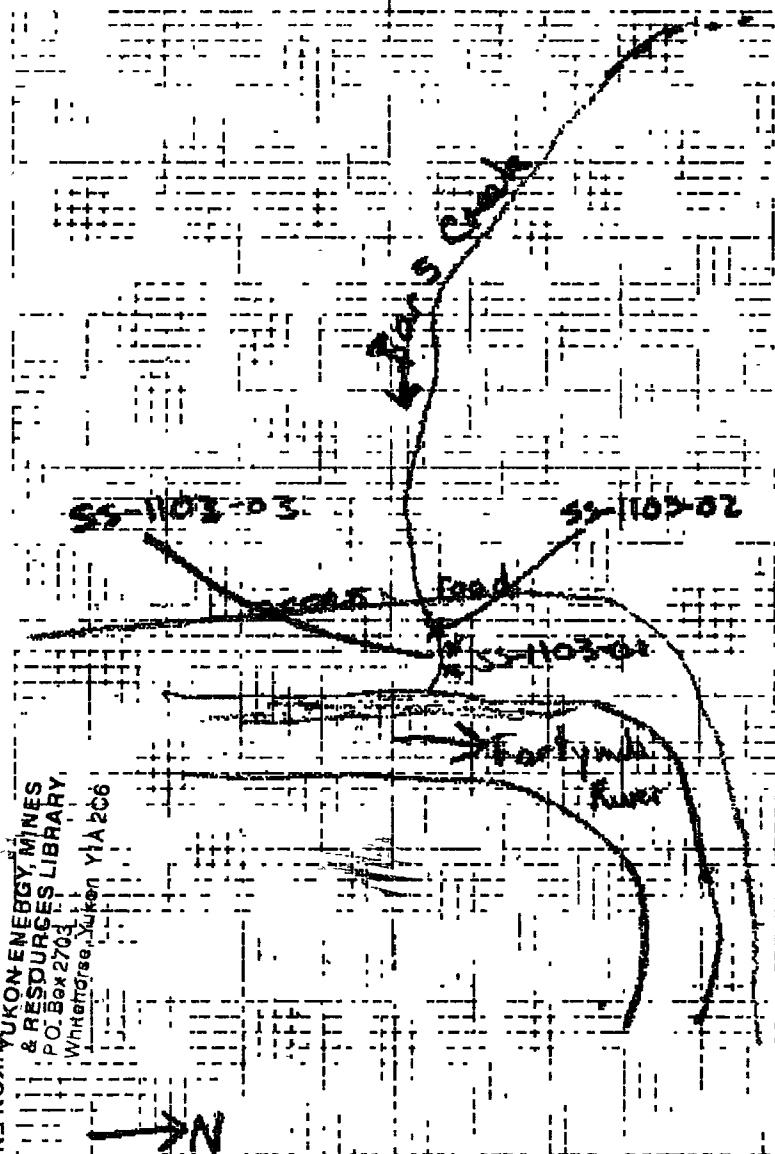
2 snow machines over road up to small right limit trib. approx $\frac{1}{2}$ mile upstream of Marten Cr left limit of Fortymile

walked up trib about 1 mile to its origin between 2 hills

wanted to take hardrock samples but did not find any suitable sights for sampling - creek runs over moss/mudstone - heavy willows

I'm interested in this trib area because when the river bar near (or esp upstream) the mouth of the trib was placer mined, values were high & many nuggets with quartz attached were recovered

(25)



YUKON ENERGY, MINES
& RESOURCES LIBRARY
P.O. Box 2703
Whitehorse, Yukon Y1A 2C6

(26)

Nov 3 -15°C mostly clear

2 Snowmachines back up
to Fortymile L.L. to which
we visited yesterday.

I decided to look for areas
where I could take soil
samples. Difficult to
find soil to sample - 1
SS-1103-01 - near mouth

SS-1103-02 - sample from just
under moss

SS-1103-03 - good sample of
silt from cut bank

all soil samples are from
'A' zone (as per
E. Wolff - Handbook for
the Alaskan Prospector)

		#1	#2	#3	#4
Mo	ppm	4	4	4	4
Cu	ppm	42	19	46	6
Pb	ppm	<3	<3	3	3
Zn	ppm	22	6	29	3
Ag	ppm	<3	.7	.4	<3
Ni	ppm	10	6	14	5
Co	ppm	2	1	2	1
Mn	ppm	55	36	62	30
Fe	%	1.33%	.49	1.26	.45
As	ppm	35	10	29	6
U	ppm	<8	<8	<8	<8
Au	ppm	<2	<2	<2	<2
Th	ppm	<2	<2	<2	<2
Sr	ppm	18	32	43	25
Cd	ppm	<2	<2	.2	<2
Sb	ppm	8	21	13	4
Bi	ppm	<3	<3	<3	<3
V	ppm	8	2	10	6
Ca	%	.05%	.02	.04	.02
P	%	.050%	.013	.025	.012
La	ppm	<1	1	3	2
Cr	ppm	23	29	32	27
Mg	%	.01	<.01	.01	.01
Ba	ppm	1534	1323	340	615
Ti	%	<.01	<.01	<.01	<.01

		#1	#2	#3	#4
B	ppm	<3	<3	<3	<3
Al	%	.07	.05	.12	.11
Na	%	.01	<.01	<.01	<.01
K	%	.01	.02	.05	.05
W	ppm	5	5	5	5
Au	ppb	1	1	12	7
Pb	ppb	<1	<1	1	<1
Radon	ppb	1	3	5	4

Nov 4 - called Acme Labs

for results re above items

Order of samples taken in
July

Nov 6/99 -15°C mostly clear (29)

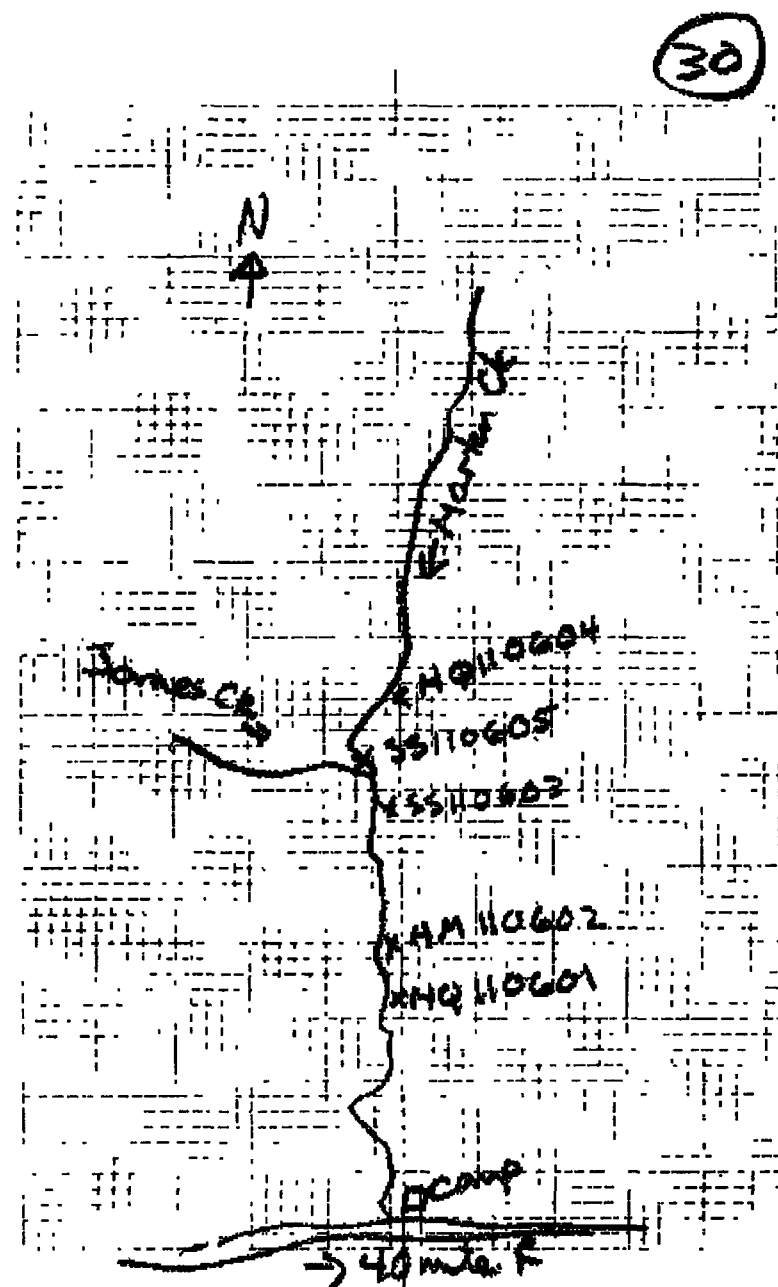
2 snowmachines up to James Cr - some manhandling but less trailcutting than I had thought would be required

HQ-1106-01 - quartz sample from rubble from trail building - 6" quartz seen in schist.

HM-1106-02 - left limit cliff white precipitate deposit on rocks - white to yellow - some on moss above cliff as well mafic schist

SS-1106-03 Soil sample right limit just below James Cr

HQ-1106-04 right limit cliff above James Cr on north Cr some of quartz stringers in schist



Nov 6/99 - cont.

(31)

SS-1106-05

soil sample from
spill pile from old pit
right at confluence of
Samo + Marten Ck

11/07/99 -12°C clear

(32)

2 snowmachines to just
upstream of Bram's Ck
Some open spots as now
but mostly good traveling

HQ 110701 series of quartz
seams in ultramafic
schist seams are
rusty + crumbling in places
remnant of 'leucite' allsort
quartz/schist sample from
bedrock from place but
unmy

HM 110702 + 03
rusty mafic schist locally
quite decomposed

HM 110704 & HQ 110705
~ 300 m upstream of Bram Ck
left bank interesting
extremely crumbly schist
05 is from rotten quartz

(33)

Nov 8/99 -12°C partly cloudy

2 snowmachines up river
to Sparks Ck. walked
further up creek looking
for signs to scrape for
flintrock - not much exposed
rock faces in creek valley

(34)

Nov 9/99 - -10°C cloudy

tried to go up river
on 2 snowmachines

got stuck in snowflow
below Browns Ck - deep

managed to get snowmachines
out after getting quite wet -
returned to camp!

Nov 18/99 - 14°C mostly clear (35)

H.M. 1115-01 RL
dark schist at small

quartz veins

ends of kilt

stepped off quartz vein

at top of small stream

H.Q. 1115-02 RL
~ 1/2" wide dense
rotten quartz vein - rusty

H.Q. 1115-03 RL
north-south quartz
vein ~ 12" thick
rust stain

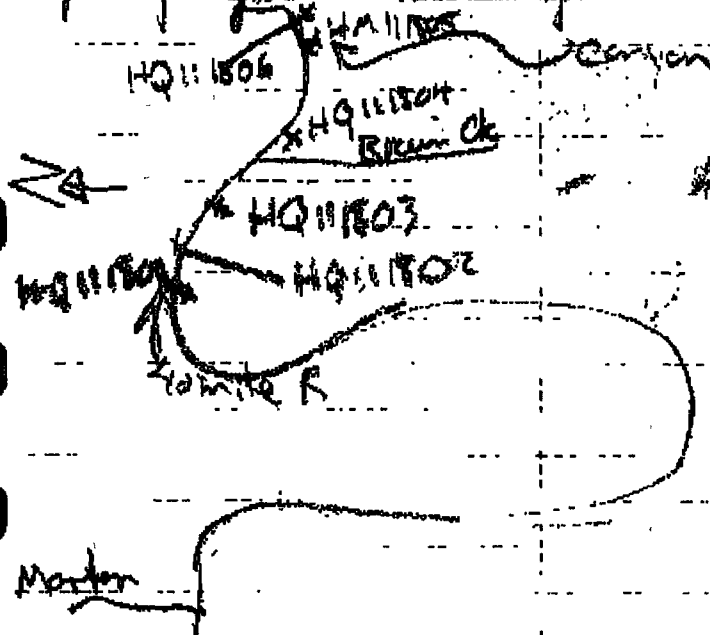
H.Q. 1115-04 L
100 m. ds from
Brun. Ck series of
quartz veins

H.Q. 1115-05
RL above canyon
fine green m. of
weathered by the

Nov 18/99 - cont

H.Q. 1118-06 RL
in canyon
white quartz little
decomposition - photo (36)

We took 3 snowmachines
down to the canyon on
the river today - some
open water near Brun. Ck
in center of canyon, but
pretty good travelling



Nov 19/99 -9°C cloudy
2 snowmachines to Coral Hill over road

HM 111901 - base of Sd/so
made w/ mineralization
chromium as copper
green

HM 111902 - 02 01

HM 111903 + 04 upslope
from 01 + 02 more
green coloring tho not as bright
serpentine

HM 111905 + 06
upslope from 03/04
similar make up green stone

H 111907 upslope from 05/06
serpentine w/ some
quartzite

H 111908 upslope from 08
similar serpentine

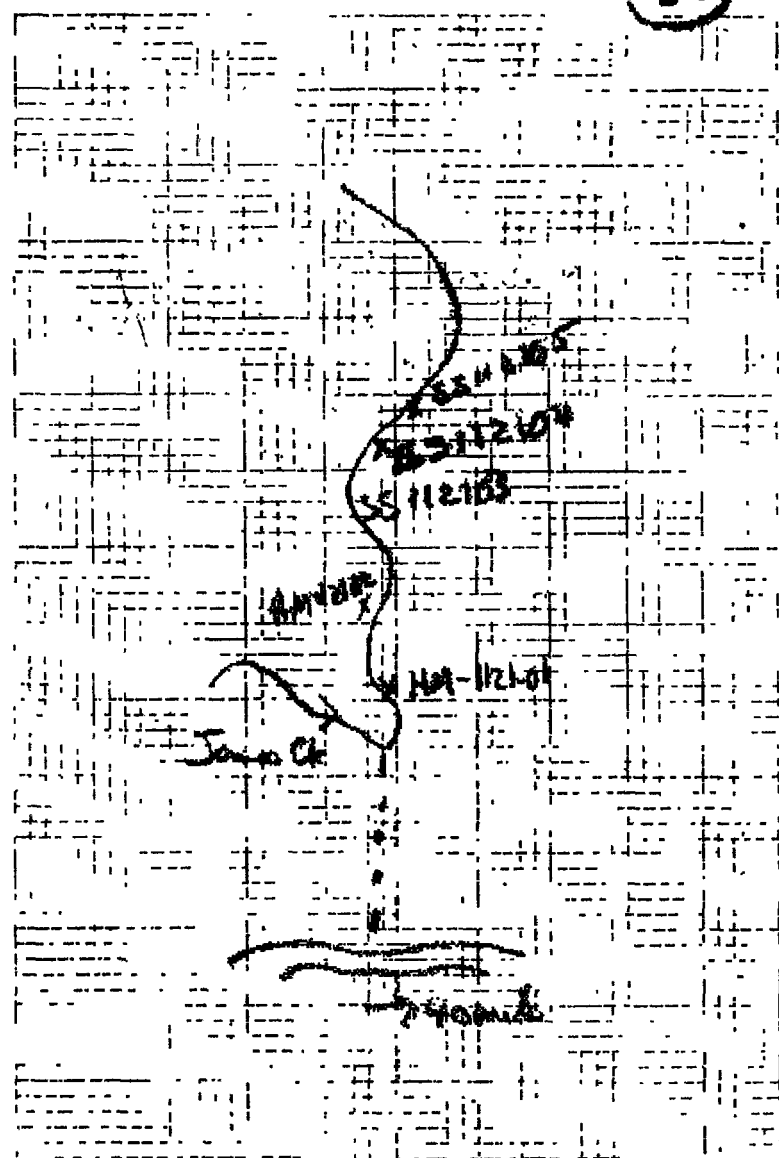
Sampling base of Coral Hill
both side samples marked on
Map from Oct 21

38

Nov. 20/99 -3° snowing

We took 2 snowmachines
up Marten Cr today. Various
problems caused us to turn
back: first we got one
machine stuck trying to
get up a bank - we had got
up it before, but it has
snowed alot since the last
time we went up the creek.
Then after we got unstuck
one machine quit & it took
a long time & a lot of work to get
it going again (Cords problem?)
We decided it was best to
abort & return to camp for today.

39



40

Nov 21/00 -5°C cloudy
light snow

Today I returned up Martin Ck
but this time walking - there is
too much snow for back working
with an Elora. Walked up creek
past James Ck.

HM 1121-01 - dark schist w/
small quartz stringers from
outcrop LL

HM 1121-02 RL - mafic

SS 1121-03 Soil sample from
LL stream cut bank
sandy 1/2 m down

SS 1121-04 Soil sample from
upturned tree rock surface

SS 112105 soil sample
LL creek cut bank
~ 1/2 m deep

(41)

Nov. 22/99 -14°C partly cloudy

2 snowmachines to
re-establish trail up river past
Stump's Ch. like breaking new
trail

Hugged areas for sampling on
Lh. upriver of Stump's & also
upriver of Sparks Ch.

11/23/99 -12°C clear (42)

2 snow machines upriver
sample Lh. upstream of Sparks

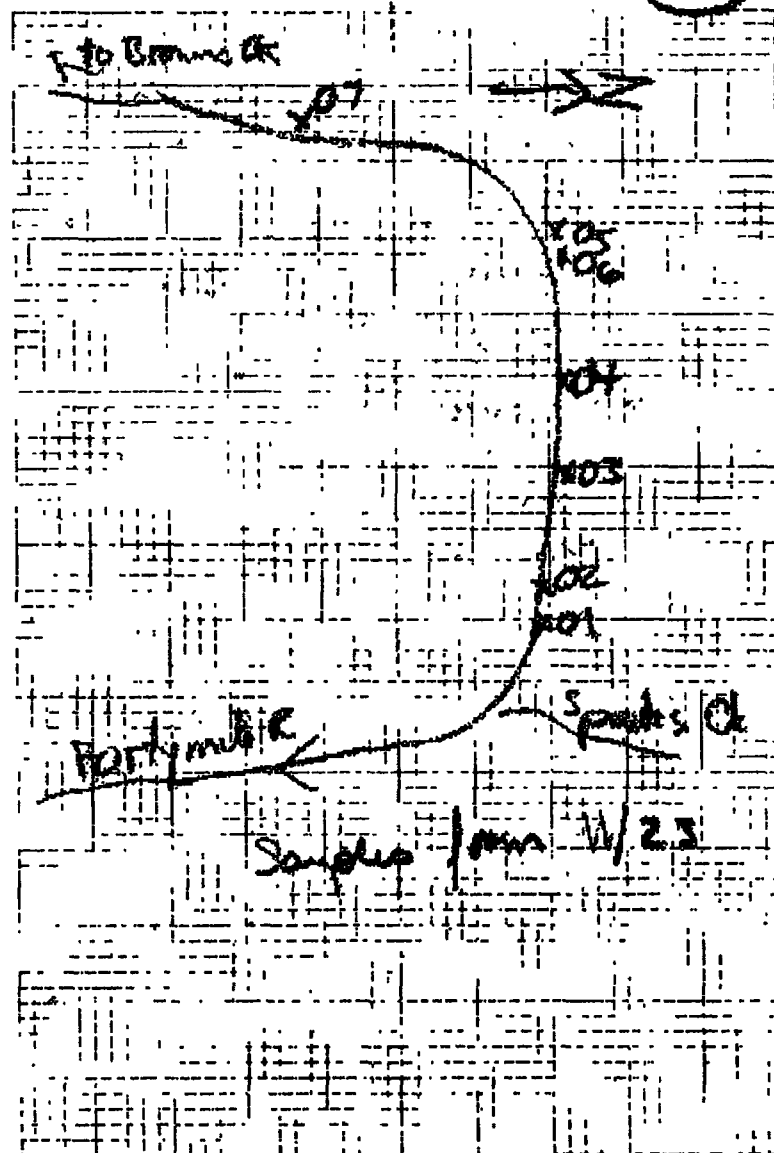
H112301 - quartzite seam ~1' ^{thick}
w/ hornblende in
very foliated sheet
1/8' mile upstream from
Sparks Ch. Left bank

H112302 - immediately upriver
of H112301 - seam
is whiter

H112303 - mafic basalt?
some white/yellow precipitate
too high up on cliff to
sample - similar to what
we saw up Martin Ch.

HQ112304 - large quartz
interior (4m x 5m)
in basalt cliff on RL
~ 1/2 way between Sparks & Bend Ch.

43



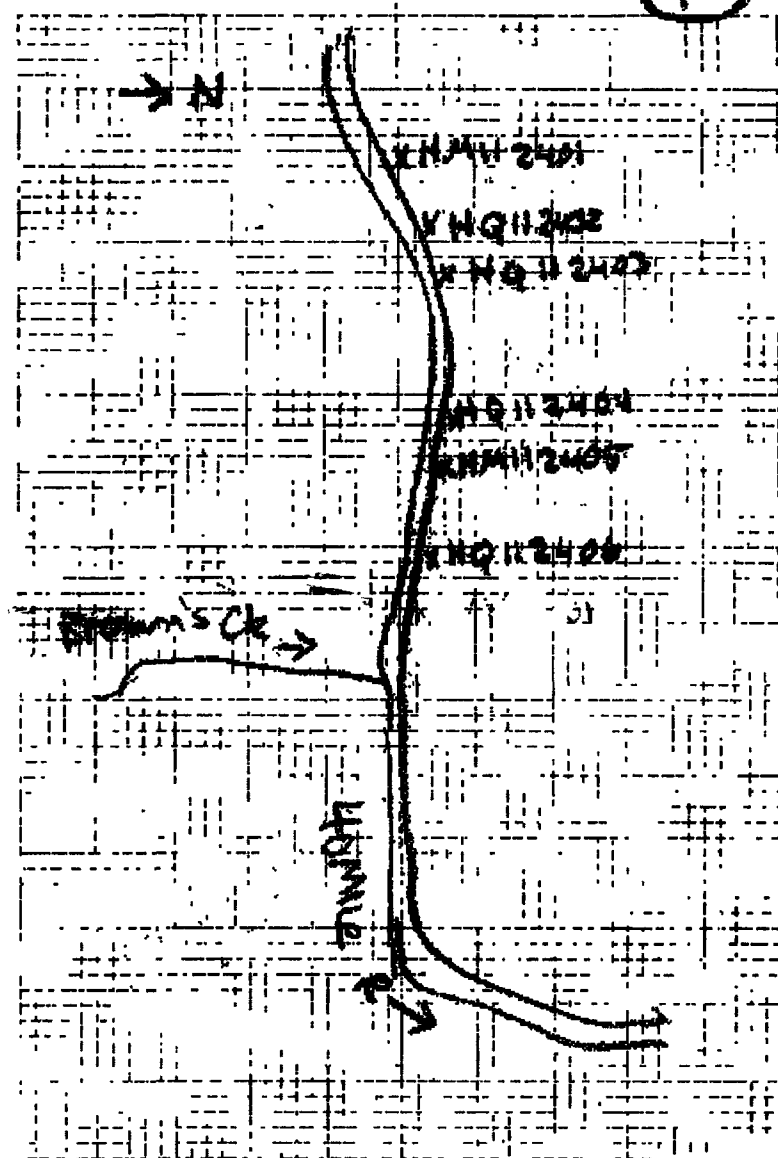
44

HQ112305 + 06

Upstream ~ 20m from
 04 similar quartz
 seams. Tho smaller
 - it would be very difficult
 to sample these cliffs
 in summer as access
 would not be possible - river
 flows against cliffs

HQ112307 - soft decomposed
 quartz seams in basalt

(45)



11/24/99 -18°C clear

(46)

2 snow machine upriver
to examine + sample
cliffs / outcrops on the
left bank of the Hornet Cr.
upstream of Brown's Cr.

HM112401

a mafic schist - sample
from mineralized - decomposed
seam w/ little quartz

HQ112402 50m downstream
of 01 - small quartz seam
in v. foliated schist

HQ112403 ~50m
downstream of 02 from
a large boulder which
sheared off cliff
along a 15m quartz
seam which is rusty
& decomposed

(47)

HQ 112404

secondary boulder square at
base of cliff quartzite?
~ 200m downstream of 03

HQ 112405

seam in
very foliated schist base
of cliff ~ 50m downstream
of 04

HQ 112406

series of
quartz seams ~ 10cm thick
in foliated schist

11/25/99 -18°C clear (48)

2 snowmachines up to Brown's
Creek is frozen (overflow frozen)
So we were able to take
Snow machine right up the creek

SS 112501 - right limit sample
taken from A zone - fine
sand - about .2t up creek

SS 112502 } These samples
H 112503 } taken from
from out crop on
right limit - Schist with
layers almost vertical
"Soil" Sample taken from
interesting frosty decomposed
zone between layers - rock
decomposed to clay
- hard rock sample (beds
numerous)

HQ 112504 - quartz sample
taken from right limit

(49)

N
↓bgs
outcrop

SS 112503

X 112504

Brown's
CRK
↓

X SS 112505

SS 112507

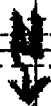
← 40m R

(50)

outcrop. Sample is from
vein in a mica schist
~100 m upstream of 03

SS 112505 - pit limit
A zone sample from
creek bank - fine clay
not too far upstream
from 01 sample

(51)

massive orange
outcrop

adit

Sample from adit

HM 112600 { HM 112603
 HM 112601 { HM 112604
 HM 112602 { HM 112605

HM 112602

HM 112601

Chinle Ch Road

bridge

vehicle R

Nov 26/99 - 21°C clear

(52)

2 snowmachines to Cane Hill
by road, back by river

HM 112601 sample from 3m Ø
 boulder broken off rocky spine
 of SD/SD located ~ 1/2 way up
 bright green in color - copper?

HM 112602 upslope from G1
 again same green - serpentine?

Found Adit!!

HM 112603 - taken from
 inside end of adit - mufu
 schist

HM 112604 - ultramafic
 Panax right side
 going into shaft ~ 10' in

HM 112605 - quartz vein
 near mouth just
 in side adit

(53)

HM 112606 - decaying
rock w/ visible asperities
entrance to adit right
(approx 10' wide) sub

HM 112607
left side entrance to
adit ultimate - mineral
rock

adit passes off at 52'
w/ scale toward ~ 10'
floor is level ~ 6' high

HM 112608 rubble from
floor of side tunnel

The location of the old adit
seemed really obvious
once we found it. There is
no sign of a trail cut to it
so I think it is quite old -
though still in very good shape
north side of hill at base of
major outcrop

(54)

Nov 28 -28°C partly cloudy

Cold today, so stayed in
Camp & started preparing
samples to take out for
assay. Samples prepared as
follows:

- Soil samples: screened to
10 mesh, weighed out
300 gm of - 10 mesh,
balance retained
(some of the soil samples collected
were too small to yield 300 gm
after screening)
portion to be sent for assay
(labelled), retained portion labelled

- handrock samples: samples
split to retain a portion -
approx 300 gm bagged & labelled
for assay & retained portion
also labelled

(55)

Dec 1/99 -19°C partly cloudy, windy

1 travelled alone by snowmachine
to the top-top pit sampled
east side of pit

SS120101 very decomposed
scum east side pit

HQ120102 quartz vein
adjacent to B01

HQ120103 hot east side

HQ120104
mineralized 1m gap
vein - getena? sulfur?

Sample location shown on
map from Oct 89

(56)

Dec 2/99 -20°C partly cloudy
light snow

1 snow machine over road back to
top-top pit - lower level sampled today
HM120201 from boulder at
base of hill dark green
phenocrysts

HQ120202 quartz vein in
large boulder
large crystals ~3cm

HQ120203 quartz
some quartz veins

HQ120204 1st few
miles south
quite foliated

Sample location shown on
map from Oct 89

Dec 3

Finished up splitting &
labelling soil & rock
samples - packed samples
for shipping - 66 samples
in all (plus 4 previous)
retained portions of all
samples labelled & stored
along with some samples
which were not chosen to be
sent in for assay.

Dec 5

to town (Dawson) by
snowmachine over top of
Ward highway to bring
samples in to send out
for assay - good trip
but slow - lots of snow
& ice on top made
visibility poor.