

**YEIP  
2006  
-042**

## **FORTYMILE/CLINTON PROJECT**

**YUKON MINING INCENTIVES PROGRAM  
YMIP PROJECT 06-042**

**OCTOBER 1, 2005 – OCTOBER 10, 2006**

**PLACER CLAIM SHEET - 116 C 7**

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## PROPERTY LOCATION and ACCESS

The area evaluated for placer gold in this project occupies approx. 150 sq. km. centered around the confluence of Clinton Creek and the Forty Mile River. The areas involved can be found on NTS map & placer claim sheet **116C-7** and is in the Dawson Mining District.

See above *Location Reference Map.#1*

Access to area is from our base camp located in West Dawson, Yukon. The project area is reached by driving approx. 50 km (45 min. drive) west of Dawson on the *Top of the World Highway* (YTG Hwy # 9) to the *Clinton Creek Road*; then north-west approx. 30 km down the Clinton Creek Road. Prospect North's initial field camp was at a gravel pit in the upper Maiden Creek valley. In the fall it was moved to near the intersection of the road and Mickey Creek. From here, roads & trails access most locations defined in this report.

Despite its isolated situation, easy access to most of these areas has been made by many years of hard rock & placer exploration by others over the past century. The main access roads to the various test sites can be traveled by car or tractor/trailers with heavy equipment. More remote prospecting sites in the area are accessible by ATVs & 4x4 trucks on trails/cat trails that require little to moderate brush clearing. Quite often these roads & trails have side cuts & clearings to access gravels and bedrock at many of the target locations. Helicopter support is about ½ hr. from Dawson City. Barging and/or small boat travel is also available to the area approx. 75 km downstream of Dawson City on the Yukon River.

## DEPOSIT TYPE(S) & GEOLOGY

These deposits are large gravel channels from ancient streams that flowed generally east and south as part of the Bell River system. This river system is considered to have been slow moving and deposited what is known as white channel in the Tertiary period, possibly, specifically late Pliocene. This floodplain deposit has been eroded by the stream erosion of the 40 Mile River and its tributaries, such as Clinton Creek, Mickey creek and Maiden Creek. Schist and quartzite are the predominant clast types with some granitic and white quartz clasts.

The white channel is reported to vary from a relatively thin layer 1 to 2 meters above bedrock to up to 200ft. thickness in some locations (such as in the Maiden/Mickey Creek area. Placer gold is found in varying quantities in these high terrace white channel gravels.

There is more recent yellow or brown channel deposits, some from the outwash of glaciers. The medium and lower terraces are formed where existing rivers and creeks have flowed, concentrating and depositing the higher gravels into these benches over time. For sake of this report, they will be generically referred to as: *high bench, medium bench and low bench.*

McConnell reports that gold in the high benches is more concentrated in the 2 metres above bedrock.

In the studied area the bedrock underneath the high gravels generally at the 1600 foot level.'

The medium benches in the areas studied consist of a mix of gravels and weathered bedrock approximately 300 to 500 ft. above at the lowest benches above the Fortymile River and its lower tributaries. It is understood that these geological features contain eroded white channel gravels from above with reconcentrated placer gold.

The low benches and the current flood plain contain a mix of gravels eroded from above and contain concentrations of gold where it would be expected by examining the current and recent river and creek courses.

Creek valley samples were taken on Clinton Creek (and some tributaries), Fortymile River, Maiden Creek and Mickey Creek.

Gravels encountered were various blends of smooth & rounded stones and pebbles, angular bedrock material, possibly talus, intermixed with sands, silts and clay. Individual assessments of each location are shown on the attached *Test Hole & Sample* reports.

## **OBJECTIVES**

The main project objectives for the YMIP 06-042 were successfully completed by November 2006. Further work is being prepared for the 2007 season. Office, research & reporting work is ongoing Winter 2006/07.

The original objectives of the 2006 project that were outlined in the YMIP Proposal of February, 2006 were achieved. The potential for placer gold deposits were appraised and evaluated. After preliminary reconnaissance and sampling there was follow-up sampling focusing on locations that showed promise. Detailed records and maps showing locations of all test holes and sample locations were kept.

*Prospects North* was able to exceed the proposed exploration in the area in a cost-effective manner and to identify and sample target areas. Existing prospect and exploration information completed by others was used.

Logistics and permitting for more extensive works and bulk sampling for future years prospecting was also a priority. Several placer gold claims and a placer lease were staked and an exploration plan for further work is being planned.

## EQUIPMENT USED

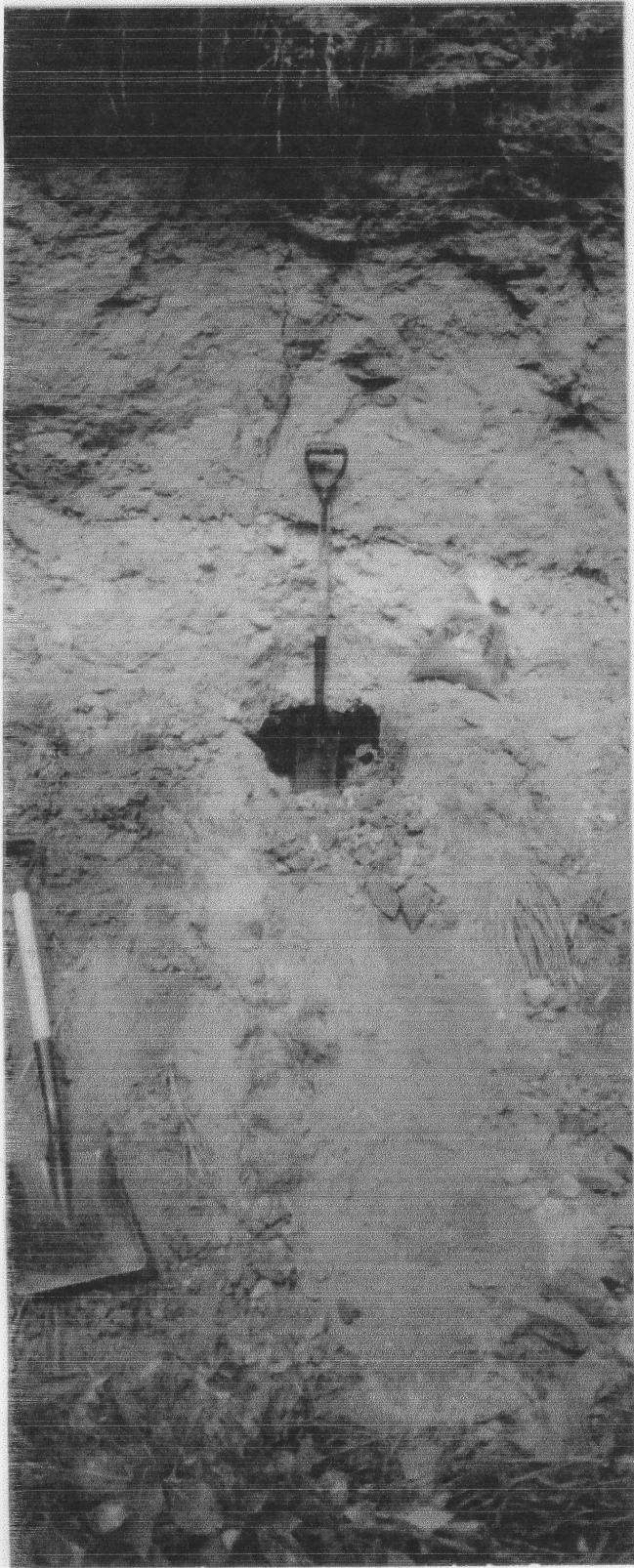
- Hitachi UH09LC Hoe w/ 1.25 cu. yd. Bucket (contracted from Klondike Welding)
- 4x4 Chev ¾ ton with camper on trailer
- 4' long Keene sluice with 2" pump
- 4x4 ATV
- chainsaws
- Hand held GPS's
- Hand shovels and gold pans
- Laptops & scanners
- Helicopter



***Excavator on flatdeck unloading at Placer Lease (gravel pit)***



***Excavator at Placer Lease (Gravel Pit)***





Typical hand dug hole and samples

## METHODOLOGY & WORK PERFORMED

This area survey was conducted by truck, ATV and foot, with the aid of GPS and mapping programs. Access to some target areas underwent minor brush clearing on existing trails.

Existing road/trail cuts and naturally eroded locations were the primary source for hand sampling. Several sites with gravel contact atop bedrock were found and sampled.

Field placer samples were transported to, and stored at head office in Whitehorse. Means of transportation was by truck and occasionally by ATV. Hand excavation was used for the summer season, which resulted in targets for drilling or digging with a hoe being determined. GPS was used to locate and map test sites. Larger gravels of obvious no mineral value were washed and screened out of the bucket samples.

Traditional panning techniques were used as well. Hand excavation was used for the summer season. Actual locations to be GPS located.

### Concentration Procedure:

Creek panning was done on site or at base camp. Bucket samples were conducted in Whitehorse. Processing of samples was done by washing/screening through a 1/2" sieve and then fed through a 4 ft long, portable Keene sluice with Hungarian riffles, expanded metal mesh overlaid on synthetic carpet matting. The resulting concentrate was then panned. Many of the creek side samples bypassed the screen and sluice, going straight to the gold pan.

Originally, a drilling program was anticipated. However; later in the season, a large excavating hoe was found to be located in the vicinity. Prospects North was able to hire the equipment and obtain samples superior to that obtained by auger drill. Our target areas were generally intersected by existing roads & trails facilitating the work.

Hand dug test holes were left open for the most part. Machine excavated test holes & trenches were partially or fully backfilled with large (approx 0.5-1.0 cu. yd.) samples from various depths identified and left at surface. Selected samples were taken and tested. Some testing was done at the second field camp established near Mickey Creek. Most was done at Whitehorse as described above. Further samples from the piles that are marked on the surface beside the excavations will be tested in 2007.

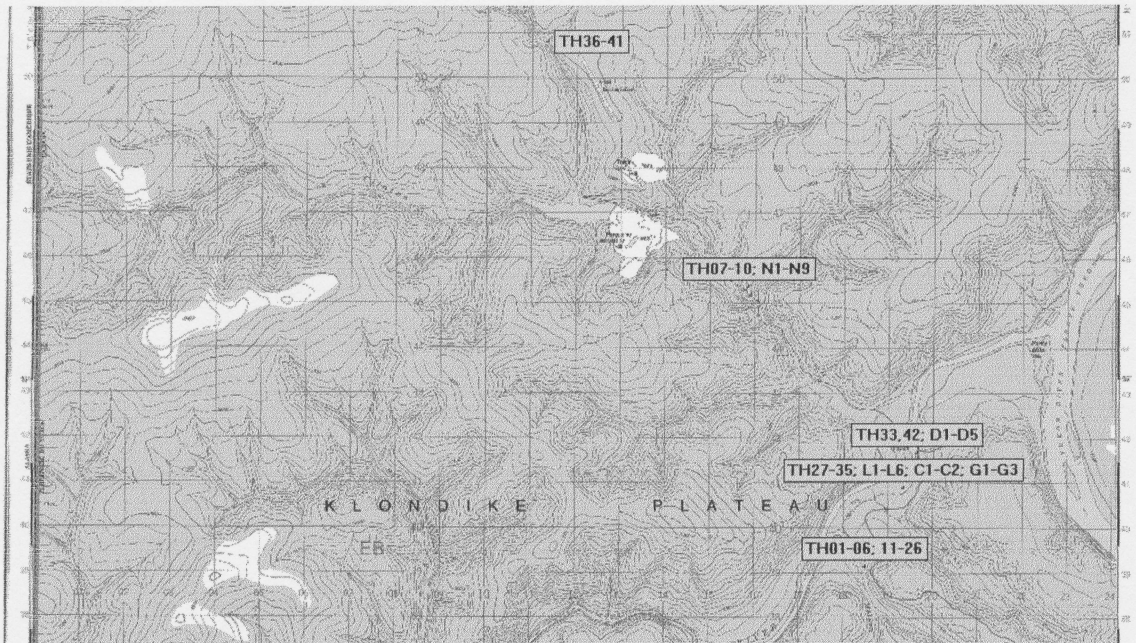




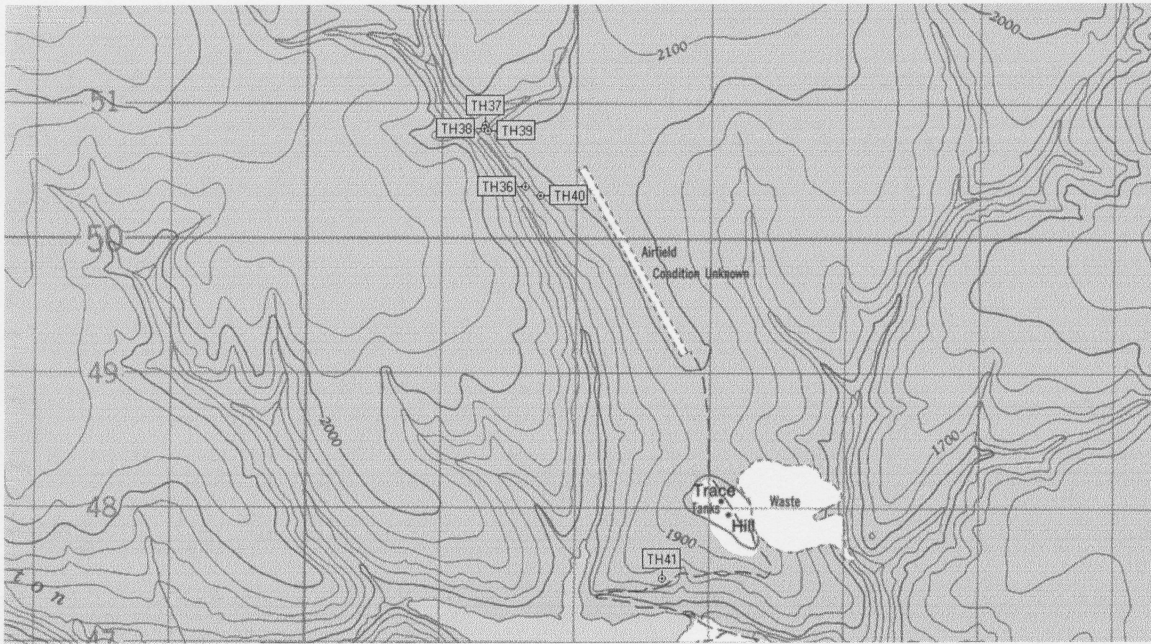
*KEENE Test Sluice*



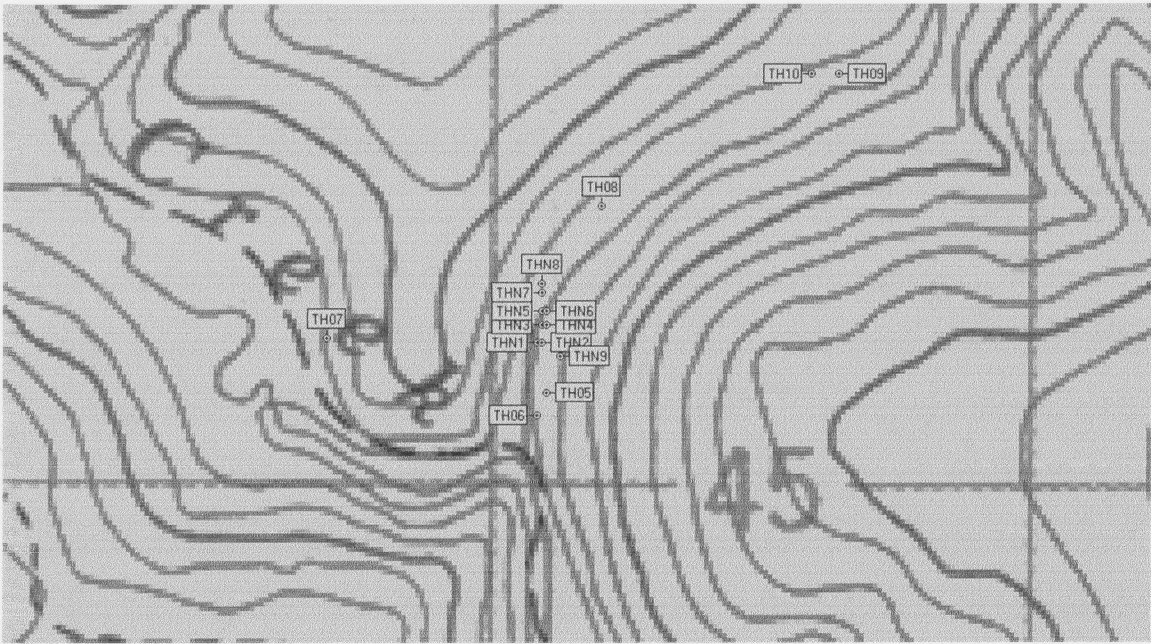
*Long Tom Test Sluice at field camp*



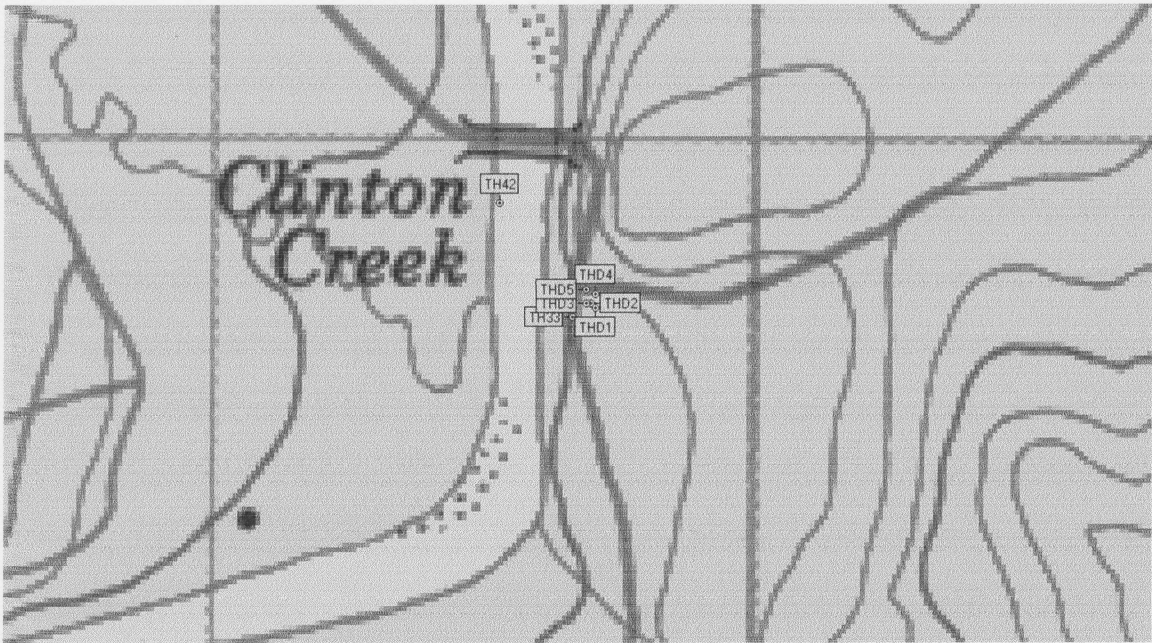
**TH Reference Map #1**



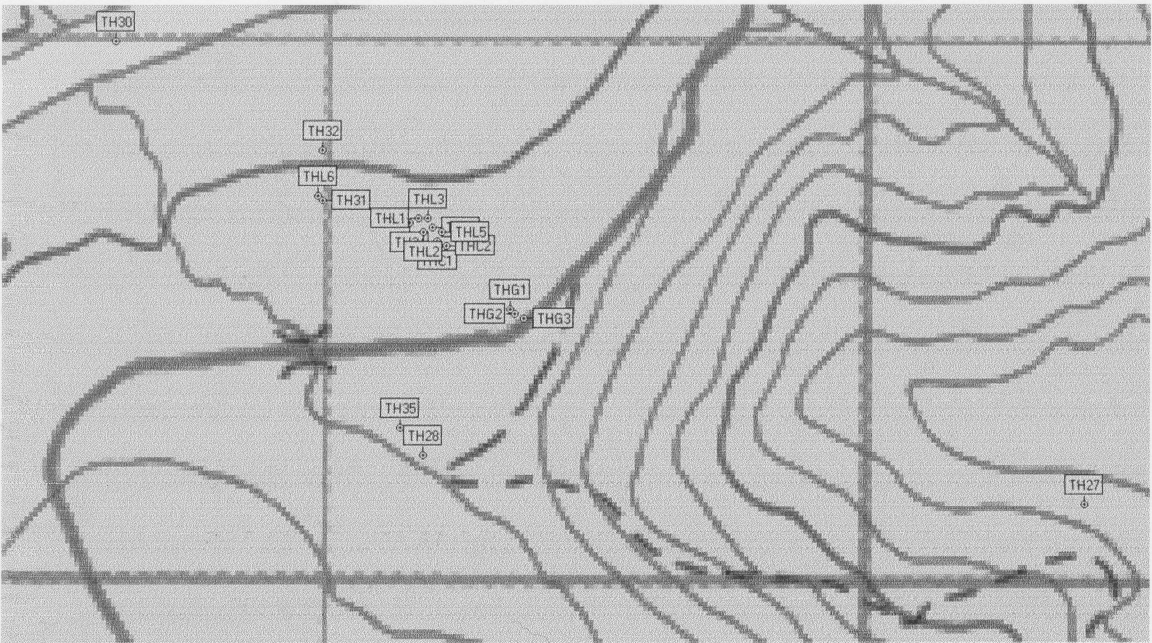
**TH Reference Map #2**



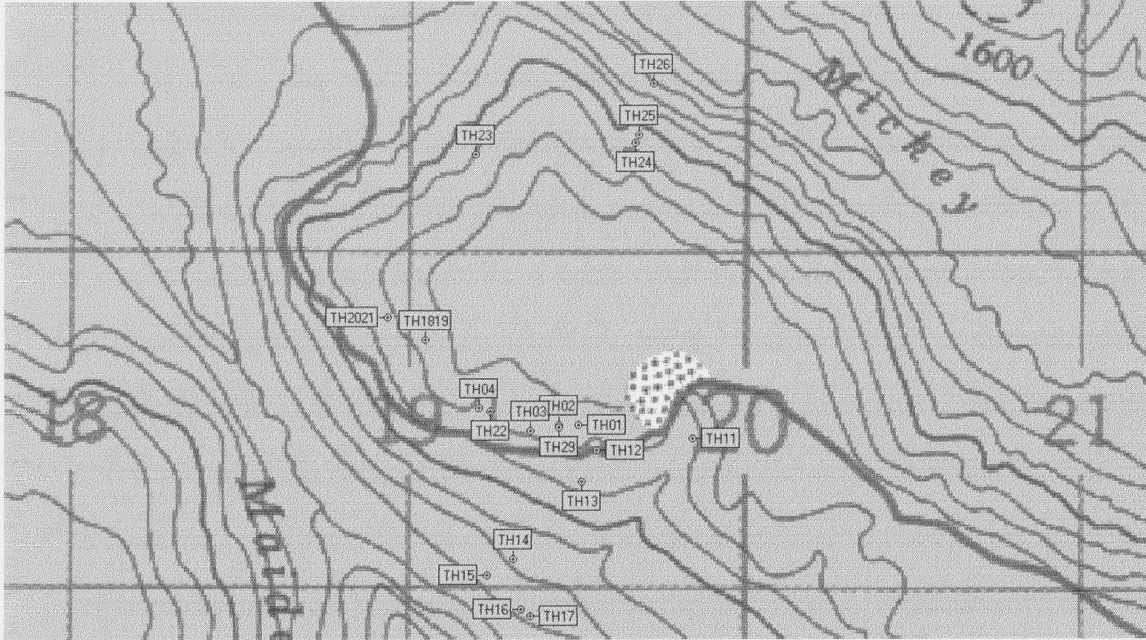
**TH Reference Map #3**



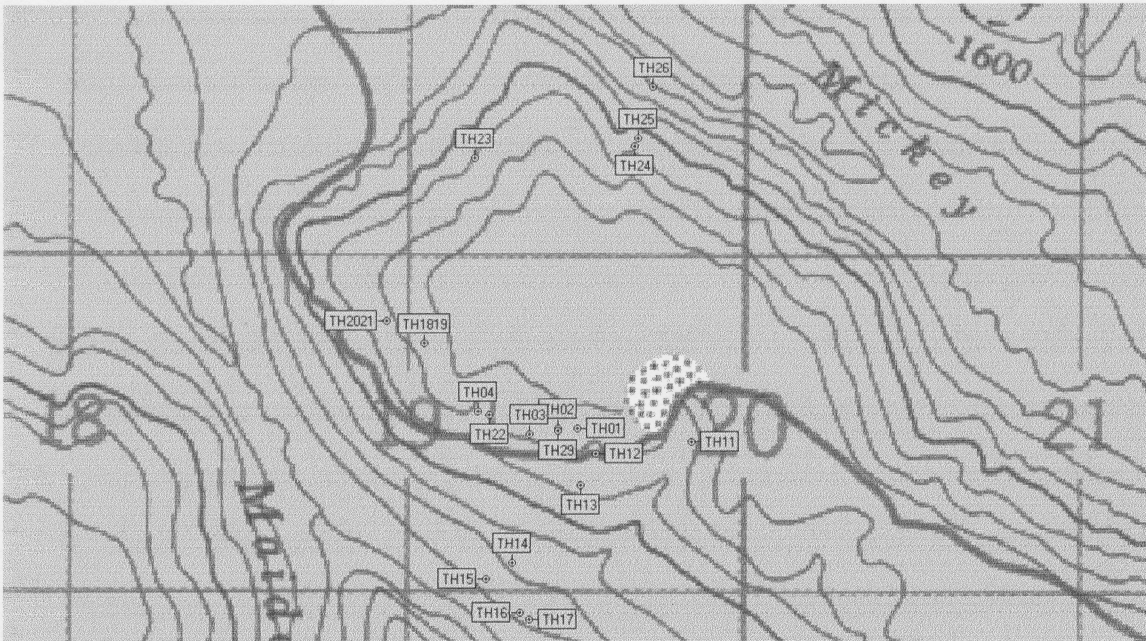
**TH Reference Map #4**



**TH Reference Map #5**



**TH Reference Map #6**



**TH Reference Map #7**

**RESULTS & CONCLUSIONS**

The results of the exploration and prospecting completed confirms the presence of large deep white channel deposits at and above the 1600 ft. level in the area the project covers. The erosion of these ancient stream channels into the valley

tested extensively has potentially economic levels of gold present. Other benches of streams that cut through the high ancient stream beds that bear gold would have gold deposits, though not throughout. The specific gold deposits grade and locations depend upon the streams' courses as they eroded and deposited gravel with gold at lower levels through time.

The gold values present in tributaries of Clinton creek and the Forty Mile River shows that the gold from the white channel has been concentrated in current stream channels as well. Higher concentrations of gold were found at creek side near the confluence of Clinton Creek and its second tributary; on the upstream right. The aforementioned tributary has been named *Eagle Creek* on the *Surficial Geology Map* produced by YTG EMR, and will be referred to as such.

The samples taken at the **Clinton/Eagle confluence** had some the highest concentrations of gold in the area for the 2006 season. It is assumed that concentration of gold bearing White Channel from above has occurred in pay-streaks deposits within this section of the watershed that was tested. The narrow valley complicates modern placer requirements for minimum setback from creeks, but the tight valley of bedrock may have created an opportunity for placer gold to have settled. Two Discovery Claims were staked on each creek (see attached Yukon Mining Recorder Claim Sheet – 116C7)..

More detail information on the work done and the results can be seen on the sample location maps and the Excel sample page

## **RECOMMENDATIONS**

Determine targets for an exploration large auger drill program.

The tested locations where gold values were found are targets for more systematic sampling, testing and evaluating. This would include areas of permafrost in the forests by the gravel pit that was tested by hoe last year.. Drilling in thawed areas may be difficult if water is encountered above the bedrock.

An auger drill mounted on a truck and/or all terrain vehicle should be used to drill some of these targets in a systematic fashion.

A backhoe would be used for further bulk sampling in the gravel pit area where excavations were done last year.

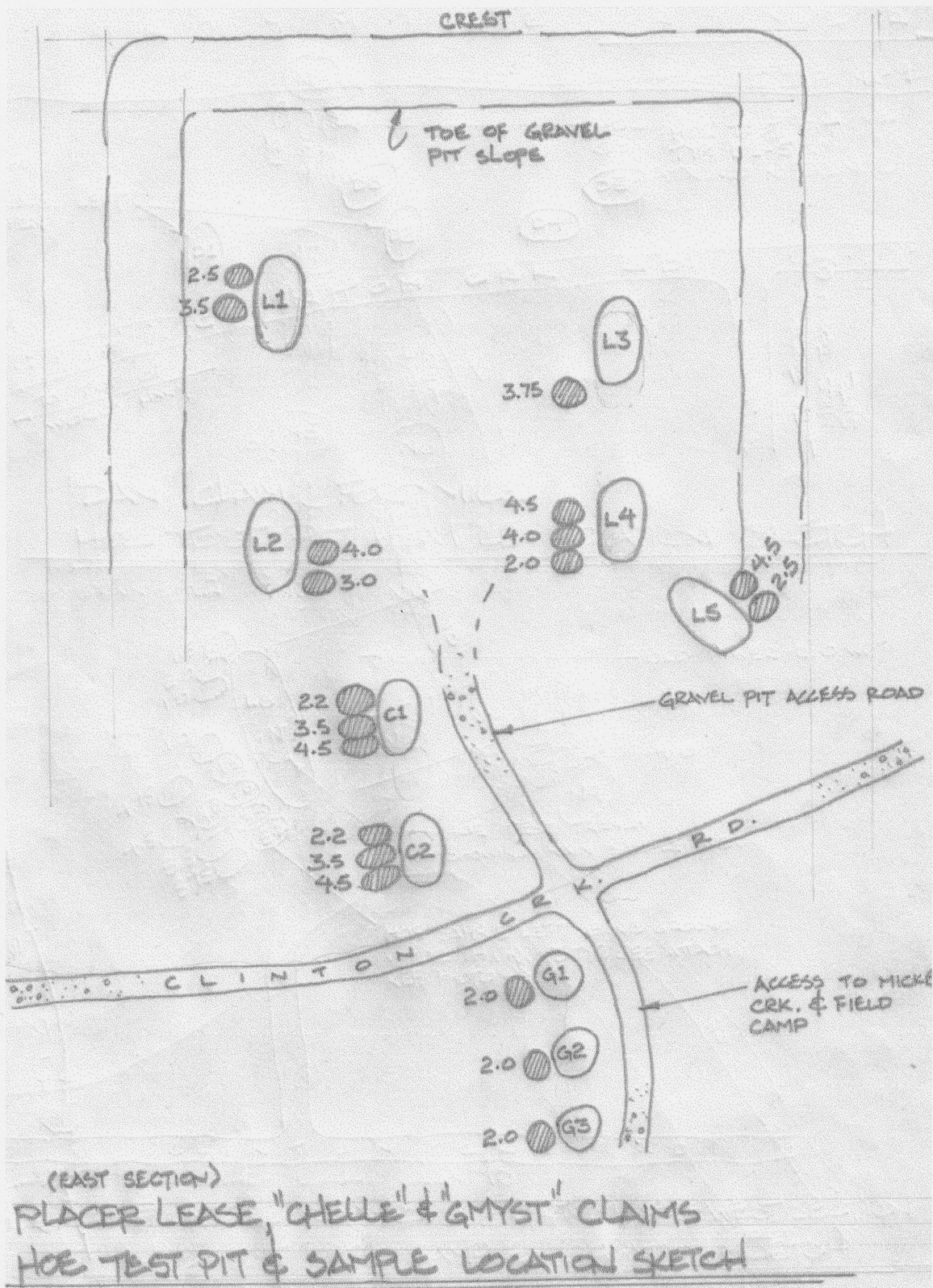
Grassroots exploration and prospecting should be continued along the Forty Mile river and its tributaries with the goal of finding targets for systematic sampling, testing and evaluations. Prospecting by hand excavations and small auger drill in locations with gold potential. These locations can be accessed by foot, by ATV, by boat, and possibly by helicopter. mobilized by ATV

A testing plant should be set up at the field camp to test: It should be efficient and include a gold wheel and/or gold table for efficient separations.

2. the marked samples in piles beside the excavations made in September, 2006 (see excavation sample maps)
3. samples from large auger drilling, and any further hoe excavations.

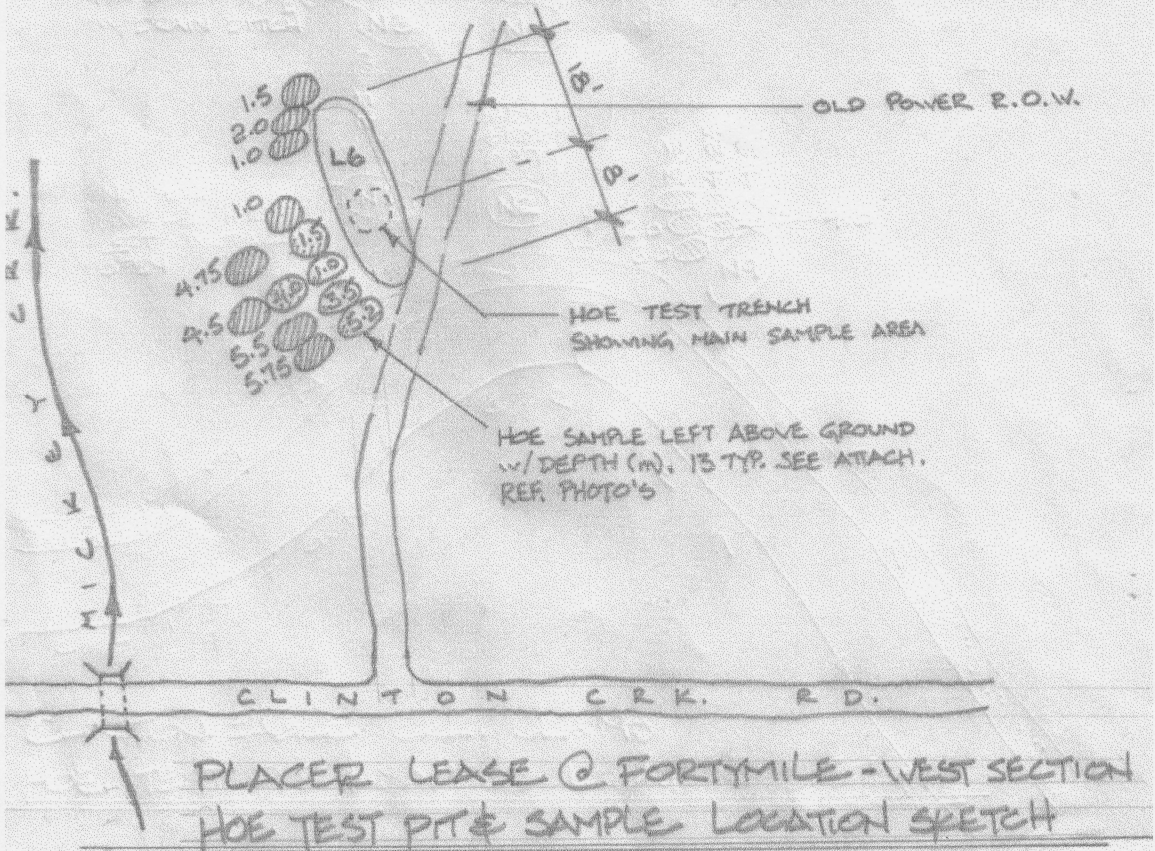
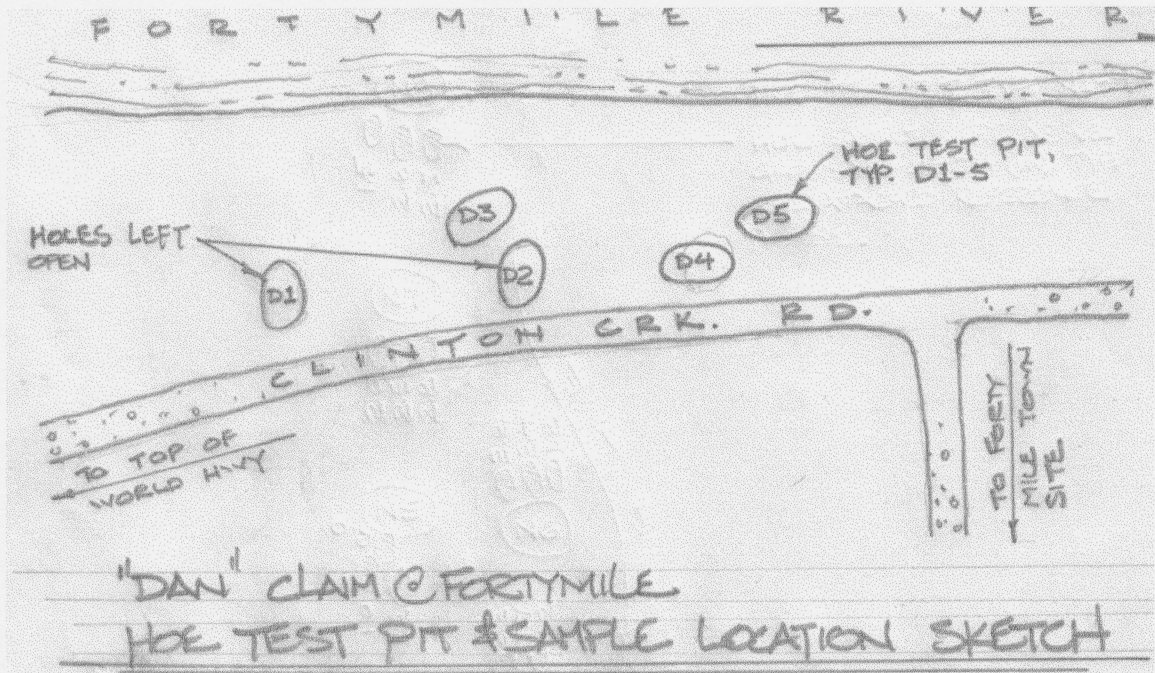
Exactly where the pay channels are located in the high, medium and low benches, and in the current stream courses requires systematic sampling and testing.

More detailed information is available.

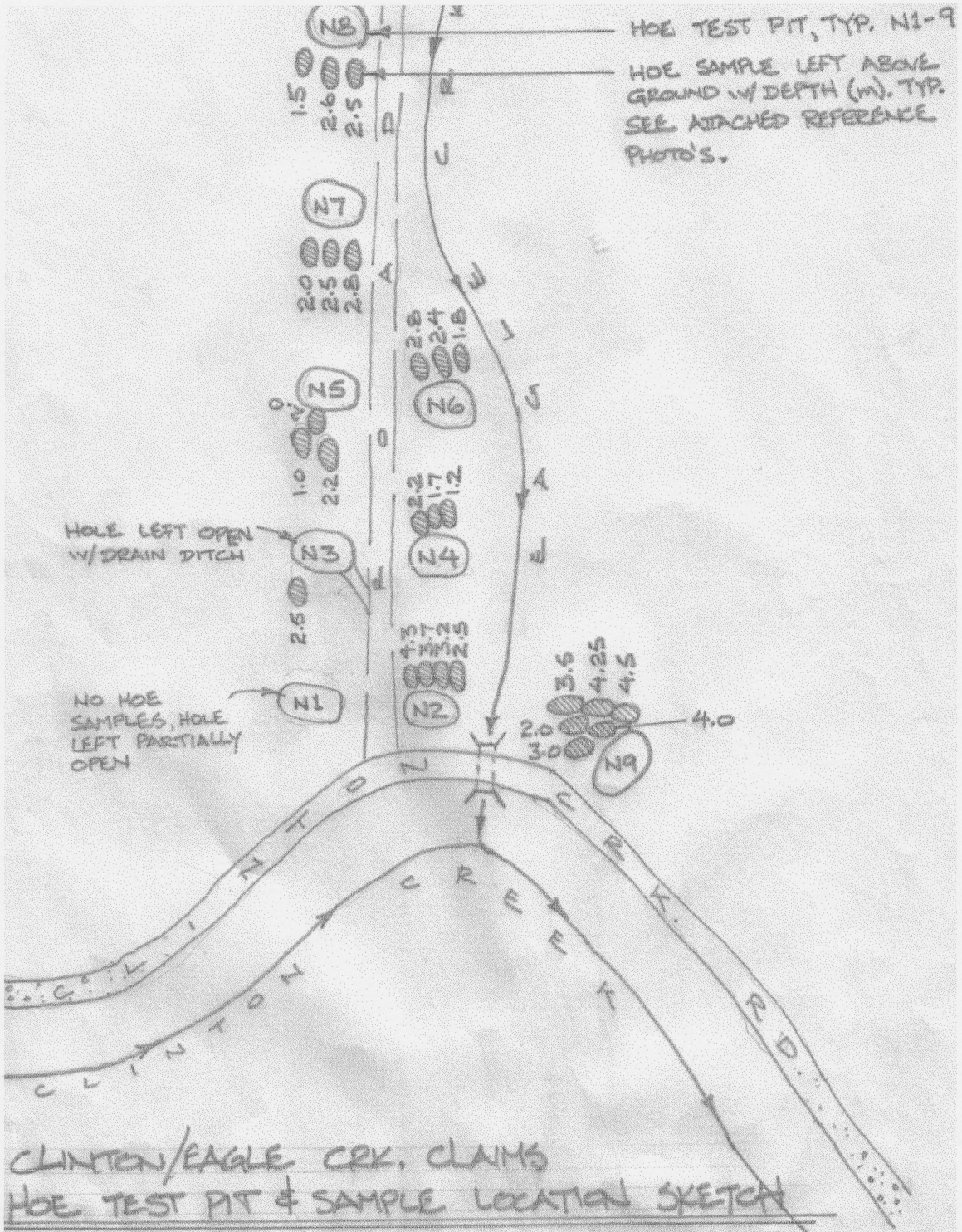


K1: Location Sketch for 0.5-2.0 cu.m samples, left at surface Sept. '06





SK2: Location Sketch for 0.5-2.0 cu. .m. samples, left at surface Sept. '06



SK3: Location Sketch for 0.5-2.0 cu.m samples, left at surface Sept. '06

# CLINTON 2006 TEST HOLE & SAMPLE LOG

See attached reference map for locations

TH #	Elev. (ft.)	Sample Size	Depth (m)	Au QTY. (sample)	DESCRIPTION
1A	1657	7.5 l bag	?	20 col., 4 sml fl.	White Channel (WC). Road cut profile.
1B	1657	sml 1.5 l bag	?	?	
1C	1657	7.5 l bag	?	30 col.	Yellow Channel (YC)
2	1632	7.5 l bag	1.8	20 col.	WC
3A	1603	7.5 l bag	?	20 col.	
3B	1603	7.5 l bag	?	20 col.	WC
3C	1603	?	?	?	
4	1576	7.5 l bag	?	15 col., 5 sml fl.	
5	1159	7.5 l bag	at creek	20 col., 3 sml fl.	
6	1156	7.5 l bag	at creek	35 col., 4 sml fl.	
7	1144	7.5 l bag	at creek	?	angular bedrock, some garnet
8	1181	7.5 l bag	at creek	6 speck (sp)	angular bedrock, some garnet
9	1230	7.5 l bag	at creek	5 sp., 2 sml fl	
10	1215	7.5 l bag	at creek	5 sp., 2 sml fl	
11	1605	7.5 l bag	surface	?	WC. Superficial washout from grav. pit above
12	1650	7.5 l bag	0.3	?	Mix of KG & WC. Some ang.graph.schist bedr'k
13	1517	7.5 l bag	0.3	3 sp., 1 sml fl	KG, WC, angular graph. schist bedrock
14	1267	sml 1.5 l bag	0.3	0	KG, WC, angular graph. schist bedrock
15	1229	5 pans	at creek	0	
16	1274	4 pans	at creek	0	
17	1241	4 pans	at creek	0	
18	1642	7.5 l bag	0.6	20 sp., 5 sml fl.	
19	1642	7.5 l bag	0.9	7 sp.	
20	1592	7.5 l bag	0.3	4 sp., 1 sml fl.	
21A	1592	7.5 l bag	0.5	25 sp., 5 sml fl.	
21B	1592	7.5 l bag	0.7	20 sp..	
21C	1592	7.5 l bag	0.9	10 sp., 2 sml fl.	
22	1593	2 pans	at creek	0	
23	1611	sml 1.5 l bag	0.6	1 sp.	
24	1640	2 pans	at creek	0	
25	1610	2 pans	at creek	1 sp.	
26	1390	2 pans	at creek	0	
27	1027	7.5 l bag	0.5	7 sp., 2sml fl.	
28	1065	7.5 l bag	1.2	8 sp.	
29	1640	by pan	road cut	1.0 8 sp., 4 sm fl, 2 m f	
30	976	7.5 l bag	at creek	4 sp, 1 m fl.	Confluence of Mickey Crk & Fortymile.
31	1019	7.5 l bag	0.6	1 sp, 1 s fl.	
32	1036	7.5 l bag	surface	6 sp, 1 s fl.	from power pole tailings
33	1012	7.5 l bag	river cut	6 sp, 3 s fl.	Mixed gravels at contact with bedrock at edge of F
34	1021	7.5 l bag	gray pit cut	2 sp, 1 s fl.	At side slope of gravel pit.
35	1033	7.5 l bag	at creek	3 sp, 1 s fl	
36	1612	7.5 l bag	at creek	3 sp, 1 s fl	
37	1679	7.5 l bag	at creek	1 sp.	
38	1670	7.5 l bag	at creek	1 s fl. ?	
39	1664	3.0 l bag	0.6	2 sp.	
40	1658	small bag	road cut	no test	Weathered green schists on graph. schists.
41	1620	7.5 l bag	road cut	2 sp.	Weathered bedrock..
42	984	7.5 l bag	at creek	2 sp, 2 s fl.	Confluence of Clinton Crk & Fortymile.
N1	970	7.5 l bag	n/a		No sample. Hole left open to bedrock.
N2		7.5 l bag	2.5		

	7.5 l bag	3.2	
	12.0 l bucket	3.7	1 sp.
	7.5 l bag	4.3	6 sp., 2 sml fl.
N3	7.5 l bag	2.5	1 m sp.
N4	7.5 l bag	1.2	
	7.5 l bag	1.7	
	7.5 l bag	2.2	
N5	7.5 l bag	1.5	
	7.5 l bag	2	
	7.5 l bag	2.2	
N6	7.5 l bag	1.8	
	7.5 l bag	2.4	
	7.5 l bag	2.8	1 m sp.
N7	7.5 l bag	2	
	7.5 l bag	2.5	
	7.5 l bag	2.8	
N8	7.5 l bag	1.5	
	7.5 l bag	2.5	
	7.5 l bag	2.8	
N9	7.5 l bag	2	
	7.5 l bag	3	
	7.5 l bag	3.5	
	7.5 l bag	4	4 sp., 1 sml fl.
	7.5 l bag	4.3	2 s sp, 1m sp.
	7.5 l bag	4.5	
D1	7.5 l bag	1.5	Hole left open.
D2	7.5 l bag	1.5	Hole left open.
D3	7.5 l bag	2	
D4	7.5 l bag	2.7	
D5	7.5 l bag	3	
G1	7.5 l bag	2	
G2	7.5 l bag	2	
G3	7.5 l bag	2	
C1	7.5 l bag	2.2	
	7.5 l bag	3.5	4 m. sp., 2 lg sp.
	7.5 l bag	4.5	3 s fl.
C2	7.5 l bag	2.2	
	7.5 l bag	3.5	
	7.5 l bag	4.5	
L1	7.5 l bag	2.5	
	7.5 l bag	3.5	4 sp., 1 sml fl.
L2	7.5 l bag	3	2 s sp.
	7.5 l bag	4	4s sp, 3lg sp, 2sm fl
L3	7.5 l bag	3.8	
L4	7.5 l bag	2	
	7.5 l bag	4	
	7.5 l bag	4.5	
L5	7.5 l bag	2.5	
	7.5 l bag	4.5	1 m sp.
L6	7.5 l bag	1	
	7.5 l bag	1	
	7.5 l bag	1	
	7.5 l bag	1.5	2 sm sp., 1 m sp.
	7.5 l bag	1.5	
	7.5 l bag	2	
	7.5 l bag	3.5	2 m sp.
	7.5 l bag	4	
	7.5 l bag	4.5	0