GEOCHEMICAL SURVEY
FOR
BLACK GIANT MINES LTD. (N.P.L.)
ON
THE MIT CLAIM GROUP
Watson Lake, Mining Division
Yukon Territory
Claim Map 105 I - 6
Latitude 62 Degrees, 24 Minutes North
Longitude 129 Degrees, 30 Minutes West

BY
Robert W. Nusbaum
Geologist

July 12th, 1973 - January 8th, 1974

This report has been examined by the
Geological Evaluation Unit and is recom-
mended to the Commissioner to be consid-
ered as representative work in the amount of
$528.38

[Signature]
Commissioner of Yukon Territory

Considered as representative work under
Section 53 (c) Yukon Gold Mining Act.
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GEOCHEMICAL SURVEY
FOR
BLACK GIANT MINES LTD. (N.P.L.)
ON
THE MIT CLAIM GROUP
Watson Lake, Mining Division
Yukon Territory

Introduction

Black Giant Mines Ltd. (N.P.L.) acquired the MIT Claim Group in the Spring of 1973, and upon recommendations by the Company Consulting Engineer, a Geochemical Survey was conducted on the Property by Newcastle Explorations, Vancouver, B.C. in July, 1973.

Conclusions

Contouring of all zinc values in excess of 500 parts per million indicates that the values occur as single-sample anomalies forming no definite pattern or trend. Widely scattered anomalous zinc values are a common occurrence in the particular geologic environment of shale host rock, which normally contains high background values of zinc, but not necessarily indicative of significant massive zinc sulfide mineralization.

Recommendations

No further work is recommended on the MIT Claim Group.

Personnel

Newcastle Exploration's Survey Crew

Larry Sostad                      Vancouver, B.C.
Garry Baker                      Vancouver, B.C.
Jack Bradley                     Vancouver, B.C.
David Munns                      Vancouver, B.C.
Property

The Property consists of 48 claims recorded on February 7th, 1973, Claim Map 105 I - 6. The following is a list of the claims and their grant numbers.

<table>
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<td>MIT 1 - 48</td>
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Location & Access

The Property is located on the northwest end of Summit Lake near the Yukon, Northwest Territories border, Latitude 62 degrees, 34 Minutes North, Longitude 129 degrees, 36 Minutes West, Watson Lake Mining Division, Yukon Territory, Claim Map 105 I - 6.

Access is by fixed wing aircraft to Summit Lake, then by helicopter to the Property. Charter service is available from Watson Lake or Ross River.

Soil Sampling Program

Two baselines were cut and measured, and a grid pattern was layed out on the Claim Group, with lines at 400 feet spacings, and stations at 200 feet intervals. Soil samples were collected from the top of the "B" soil horizon using a hand auger. The samples were packaged in manilla envelopes, code-marked for identification, and sent to Loring Laboratory, Calgary, Alberta for lead-zinc analysis. The samples were screened to minus 80 mesh, digested in aqua regia, and analysed for lead and zinc using the Atomic Absorption method.

Survey Results

Approximately 670 sample results for lead-zinc analysis were received and plotted directly on maps on a scale of 1 inch to 500 feet for contouring and interpretation. About 350
samples were reported missing somewhere between Ross River and the Laboratory in Calgary. Consequently there are several large areas on the Claim Grid devoid of results.

A statistical analysis of the results shows an average background of 15 parts per million in lead. Only one lead value was found which falls in the anomalous category, that is three times background, in this case 45 parts per million. This value was 74 parts per million, and located at co-ordinates 56W 8N, on Grid Map II. No significance is placed on this one anomalous lead value.

Average background zinc values are 185 parts per million, with values of 555 parts per million falling into the anomalous category (i.e. three times background).

Only nine samples with values ranging from 585 to 1335 parts per million zinc were found to fall in the anomalous category. These values are widely scattered over the Claim Grid and do not form an anomalous population. Contouring of all zinc values in excess of 500 parts per million indicates that the anomalous values occur as single-sample anomalies forming no definite pattern or trend. Widely scattered anomalous zinc values are a common occurrence in this particular geologic environment of shale host rock, which normally contains high background values of zinc, but not necessarily indicative of significant massive zinc sulfide mineralization.

January 10th, 1974
Vancouver, B.C.

Robert W. Nusbaum
Geologist
I, Robert W. Nusbaum, do hereby certify:

1. I am a practising Consulting Geologist with residence at 660 Chatsworth Road, Richmond, British Columbia.

2. I am a graduate of the University of Idaho with a Bachelor of Science Degree in Geology.

3. I have been practising my profession since 1959.

4. The accompanying Report is based on analytical data received from Loring Laboratory, Calgary, Alberta, personal experience from working in the Yukon Territory, and information received from the contractor, Newcastle Explorations.

5. I have no interest in the Property, nor in the securities of Black Giant Mines Ltd. (N.P.L.), nor do I expect to receive any.

January 10th, 1974
Vancouver, B. C.

Robert W. Nusbaum
Geologist
LOCATION MAP SHOWING
CANEX DISCOVERY AND STAKING AREA
AND THE MIT CLAIM GROUP
YUKON TERRITORY
Scale: 1 inch to 46 miles
CLAIM SURVEY
BLACK GIANT MINES LTD.
M.T. No. 48, MINERAL CLAIMS

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CLAIM SHEET - 105 1-6
SCALE: 1 inch = 1000 feet

L.R.W.S.