WATSON RIVER - Y. T.
COPPER - MOLYBDENUM PROSPECT
ON THE TUB MINERAL CLAIMS

N.T.S. SHEET 105-D-6
WHITEHORSE MINING DISTRICT - Y. T.
LATITUDE 60°20' LONGITUDE 135°19'

BY

R. G. HILKER, P. ENG.,
CONSULTANT GEOLOGIST
WHITEHORSE, YUKON TERRITORY
MARCH 17, 1976.
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INTRODUCTION:

The Tub 1-10 claim group was staked on June 1st 1975 by R. G. Hilker. The claims are located on a large gossan zone that contains copper and molybdenum mineralization controlled by fracture zones accompanied by quartz veining. The mineralization is contained within the cretaceous aged Const Intrusions, granite rock types.

The property is situated north of the Watson River and southeast of Alligator Lake and is 28 airmiles southwest of Whitehorse. The claims are located in the Whitehorse Mining District on Sheet 105-0-6. The copper/molybdenum showings occur on a steep hillside approximately 2500 feet above the Watson River.

Phelps Dodge Corporation of Canada Limited staked the gossan area in 1970 and conducted a geology mapping and geochemical survey in the summer of 1971. The surface exploration work consisted of regional geology mapping, gossan geology and alteration features of the granite on the gossan zone. The geochemical soil samples were determined for molybdenum and copper. A geochemical anomaly approximately 3000 feet long and 1700 feet wide was found to occur on the face of the hillside. Copper values ranged from 200 P.P.M. to highs of 1700 PPM with a background of about 40 PPM. Molybdenum values ranged from 2 to 10 PPM, 10 to 40 PPM, 40 to 100 PPM, 100 to 400 PPM and a high of 720 PPM, with a background of about 2 PPM. Surface grab samples from selected areas of the property are reported to indicate 0.58% copper and 0.835% molybdenum.

The previous owners of the property, Phelps Dodge Corporation, permitted the property to lapse in the summer of 1973 due to a cutback of exploration funds in Canada. The property was staked again in 1974 by a prospector who permitted the claim to lapse in 1975.
The Watson River copper and molybdenum mineralization, within the gossan zone, has enough previous surface exploration work completed to warrant a diamond drill programme, as the next stage of exploration.

LOCATION AND ACCESS:

The Tub 1-10 claim group is located twenty eight air-miles southwest of the City of Whitehorse - Yukon Territory. The central part of the claim group is located 4½ miles west of station 74 of the Wheaton River Reference Traverse at Latitude 60°20' and Longitude 135°19'. The claim is located on N.T.S. Sheet 105-D-6.

Present access to the claim area is by helicopter from the Whitehorse airport. A tote trail has been constructed from Robinson on the Whitehorse - Carcross highway southwest to Watson River and westward to the Tub claim group. The tote trail is about 19 miles in length from Robinson to the Tub claims. The first 9 miles of the tote trail is in good condition for a four wheel drive vehicle type of travel. The 19 mile tote trail is a winter type of road when the ground is frozen or for use with snowmobiles.

Robinson is located on the White Pass & Yukon Route Railway, that goes to the tidewater port of Skagway, Alaska. The elevation of the Watson River is 3000 feet below the claim group and about 5500 feet elevation on the plateau above the hillside of the river valley.
CLAIMS

The Tub 1-10 claim group is located in the Whitehorse Mining District - Y.T., on Sheet 105-D-6 at approximately Latitude 60°20' and Longitude 135°19'. The claims are located near the Watson River, four and one-half miles west of Station 74 of the Wheaton River Reference Traverse.

<table>
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<tr>
<th>Claim Name</th>
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<tr>
<td>Tub 1 - 8</td>
<td>Y98687 - Y98694</td>
<td>June 11, 1976</td>
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<td>Tub 9 - 10</td>
<td>Y98695 - Y98696</td>
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Registered owner of the claim group is R.G. Hilker, Box 4008, Whitehorse, Y.T.

Another fourteen claims is required to be staked adjacent to the present claim group to further protect the prospect.
TABLE OF FORMATIONS

CENOZOIC

Tertiary or Earlier - Quaternary

Miles Canyon Basalt
4 - basalt

Skukum Group
3 - andesite, basalt, rhyolite, tuffs and flows, granitic agglomerate, greywacke

Cretaceous

Coast Intrusives
2 - granodiorite, granite, quartz monzonite, quartz diorite

PRECAMBRIAN AND LATER

Yukon Group
1 - quartz-mica, quartz-chlorite and mica schists; quartzite, micaceous-quartzite, gneiss, and amphibolite; feldspathic gneiss, gneissic granite rocks; limestone.

A - Volcanic rocks of uncertain age and metamorphosed volcanic rocks.

Rock types that occur on the Tub claims are as follows: granodiorite, chlorite quartz diorite, granitic porphyry, fine-grained granodiorite, dolerite, greenstone and trap rock dykes, biotite granite, felsites, vesicular basalt, quartz porphyry, gneissen, quartz calcite veining.

After: Geology Whitehorse area map 1093A-G.S.C. Memoir 312 by O.J. Wheeler
GEOLOGY

The general geology of the Alligator Lake area consists of a Cretaceous aged granite stock fifteen miles long and five to seven miles wide. The granitic rocks within the stock belong to the Coast Intrusions Group that intruded the Precambrian aged Yukon Group of schist, gneiss and quartzite. Volcanic rocks of an uncertain age cap the granitic stock in parts. A late Quaternary aged Miles Canyon Basalt extrusive abuts the northeast side of the stock.

CLAIM GEOLOGY

The Tub claim group and gossan is underlain by a complex intrusive that has several stages of development. Shearing and fracture zones in the vicinity of the gossan suggest structural controls of mineralization. Copper and molybdenum occur in fracture zones and quartz veins. Pyrite occurs in the main gossan area. The Table of Formations lists the rock types found on the Tub claim group.

ECONOMIC GEOLOGY

The Phelps Dodge Corporation geochemistry survey indicated a copper and molybdenum anomaly 3000 feet long and 1700 feet wide on the hillside gossan area above the Watson River. Copper values ranged from 200 PPM to a high of 1700 PPM, with a background of about 40 PPM. Molybdenum values ranged from 2-10 PPM, 10-40 PPM, 40-100 PPM, 100-400 PPM, and a high of 720 PPM, with a background of about 2 PPM.

Surface grab samples containing mineralization from selected areas of the property are reported to indicate 0.58% copper and 0.835% molybdenum. Other surface samples assayed range to lows of 0.02% copper and Tr of molybdenum.
GEOLOGICAL LEGEND

CENOZOIC
Quaternary
- Miles Canyon Basalt

Tertiary or Earlier
- Skukum Group
  - andesite, basalt, rhyolite, tufts and flows, granitic conglomerate, greywacke
  - Cretaceous
    - Coast Intrusives
      - granodiorite, granite, quartz monzonite, quartz diorite

PRECAMBRIAN AND LATER
Yukon Group
- quartz-mica, quartz-chlorite, and mica schists, quartzite, micaeous-quartzite, gneiss, and amphibolite, feldspathic gneiss, gneissic granite rocks, limestone

A - Volcanic rocks of uncertain age and metamorphosed volcanic rocks
After: Map 1093A
Memoir 312 by J.O. Wheeler
REFERENCE TO GEOLOGY AND REPORTS


CONCLUSIONS AND RECOMMENDATIONS

The Tub claim group contains an extremely high copper/molybdenum geochemical anomaly, about 3000 feet long and 1700 feet wide, on a hillside above the Watson River. The geochemical anomaly covers a gossan zone in a host rock assemblage structurally fractured and sheared that contains Cu/Mo mineralization. The gossan and mineralized area may be deeply weathered due to the structural deformation. Numerous dykes occur within the gossan zone. The gossan zone and structural features appear to plunge northward from the hillside face. No evidence of the structural shearing, fractures and gossan occur on the plateau above the gossan zone. Therefore, it is recommended that diamond drilling be conducted from the top of the plateau.

EXPENDITURES

A diamond drill programme is warranted on the Tub claims and is based on the excellent results obtained in the previous geology mapping and geochemical survey exploration work.

Diamond Drilling ------------------ $32,000.00
2000 Feet at $16.00 / foot

Camp Costs ---------------------- 6,000.00
Radio Communications ------------ 500.00
Flying Costs --------------------- 10,500.00
Helicopter = 30 hrs @ $3.50 /hr

Geology Labour & Property Management ------ 6,000.00

Total Cost Programme--$55,000.00

March 17, 1976