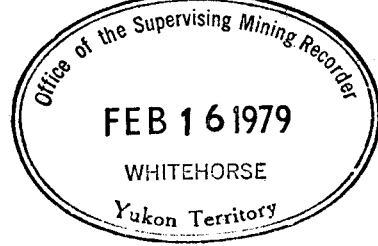
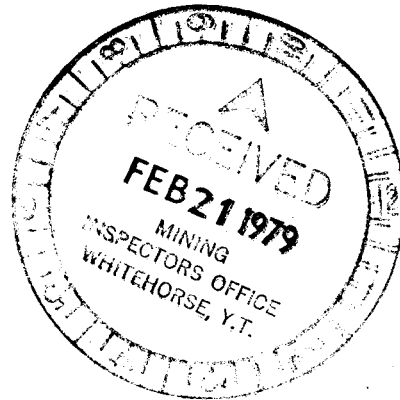


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1 INTRODUCTION

The KATHY claims were staked in July, 1977 to cover a lead zinc geochemical anomaly associated with a large gossan. The property lies on or near the projected extension of the DAWSON THRUST FAULT, which appears to be a significant factor in mineral occurrences on McIntyre's CRAIG and ROD properties and geochemical anomalies on our BAG claims. A small grid was established for the purposes of geochemical sampling.

2 LOCATION AND ACCESS

The claims are located about 8 km (5 miles) south of KATHLEEN LAKES (See Fig. 1) on mapsheet 106D/1: latitude $64^{\circ}12'$ N, longitude $134^{\circ}19'$ W. Helicopter support is required to reach the area for a summer base camp at KATHLEEN LAKES.

3 CLAIM INFORMATION

KATHY 1-8 claims are in the MAYO MINING DISTRICT and are held by PRISM RESOURCES LIMITED on behalf of PRISM JOINT VENTURE (1977). The following table lists pertinent information:

TABLE 1

CLAIM INFORMATION

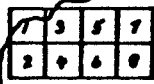
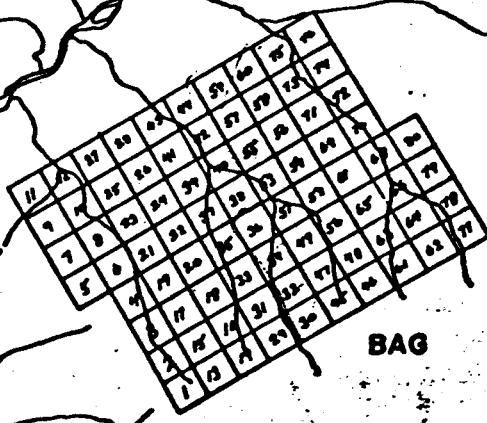
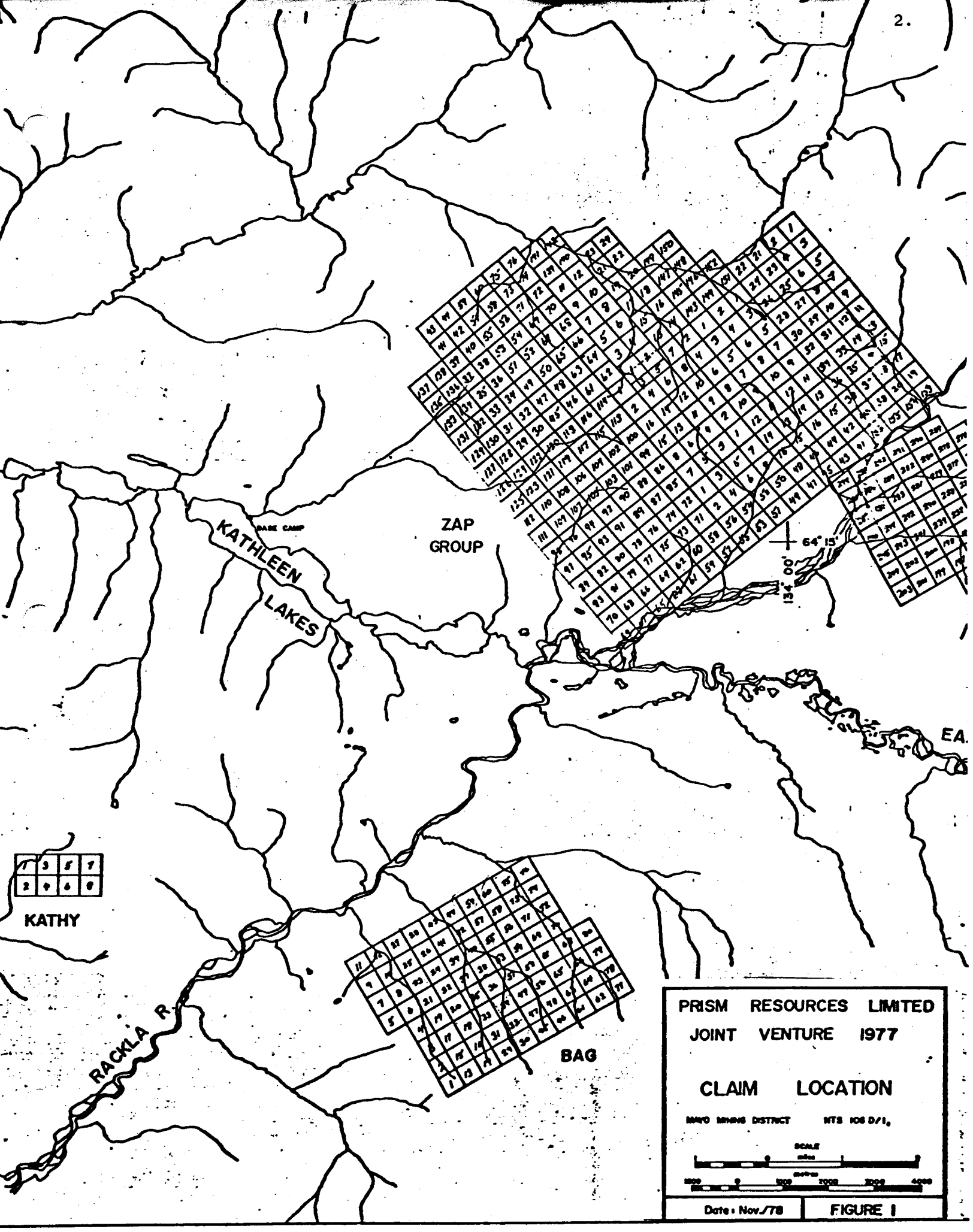
<u>CLAIM</u>	<u>DATE STAKED</u>	<u>STAKER</u>	<u>RECORD NO.</u>	<u>RECORDING DATE</u>	<u>EXPIRY * DATE</u>
KATHY 1-8	July 30/77	R. Cavey	YA15878-885	Aug. 11/77	Aug. 11/78

*(prior to application of assessment work covered by this report)

4 GEOLOGY

There is little or no outcrop on the property.

Published regional geology maps by the Geological



BASE CAMP
KATHLEEN LAKES

ZAP GROUP

BAG

KATHY

RACKLA R.

PRISM RESOURCES LIMITED
JOINT VENTURE 1977

CLAIM LOCATION

MARO MINE DISTRICT NTS 106 D/1

SCALE
0 1000 2000 3000 4000

Date: Nov/78

FIGURE I

Survey of Canada show the claim area to be underlain by Pre-Cambrian or Cambrian sediments comprised of several lithologies and now commonly referred to as the "GRIT UNIT". Recent field work by the G.S.C. has redefined these rocks as Ordovician to Pennsylvanian black shale equivalent to the ROAD RIVER and CANOL FORMATIONS. No geological mapping was done this past season as was originally planned for two reasons:

- 1) Results from the geochemical survey were negative (except for some zinc values).
- 2) This property's priority with respect to the RUSTY MOUNTAIN area is now much lower, therefore our efforts were applied accordingly.

5 GEOCHEMISTRY

5.1 INTRODUCTION

The grid is centered on a clearly visible red gossan. A silt sample from the small stream draining the gossan had interesting lead and zinc values which prompted staking of the property. Five North-South sample lines were established, each 500 m. long with samples taken every 50 m. These lines are 150 m. apart. (See Fig. 2).

5.2 RESULTS AND INTERPRETATION

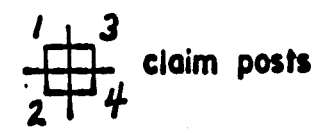
Figures 2 , 3 and 4 are the geochemical plans showing the results of the sampling - lead, zinc and silver respectively. The silver and lead plans are barren of any anomalous values, however, the zinc

plan does show a strong anomaly. Red gossans in this region, such as the one we are concerned with here, occur where iron-rich groundwater reaches the surface and oxidized iron precipitates. The iron is leached from the rocks through which the groundwater passes and, being a mobile element, such a conspicuous concentration probably represents collection from a large area. Zinc is similarly mobile, therefore, the anomaly defined in Fig. 3 is not unexpected. Both lead and silver are considerably less mobile and the absence of any anomaly indicates low content of these metals in the immediate vicinity of the gossan and in the rocks in the general area.

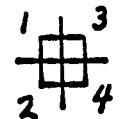
6 RECOMMENDATIONS

In view of the essentially negative results of the geochemical survey and of the important discoveries in the RUSTY MOUNTAIN area it is recommended that no more work be planned for these claims and that they be allowed to lapse on their expiry date.


	9,700 E	9,850 E	10,000 E	10,150 E	10,300 E
10,250 N	.35	.48	.39	.41	
	.33	.50	.50	.50	
10,150 N	.35	.36	.40	.39	.52
	.41	.52	.61	.65	
	.38	.49	.34	.51	.69
10,000 N	.45	.40	.52	.56	
	.36	.34	.32	.50	.65
	.35	.36	.	.70	
9,850 N	.34	.43	.69	.76	.70
	.35	.48	.	.63	.66
9,750 N	.	.41	.51	.72	.90



64° 12'



134° 19'



PRISM resources limited

PRISM JOINT VENTURE 1977 - 2

KATHY CLAIMS

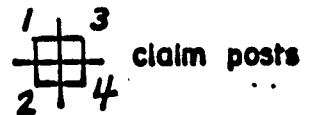
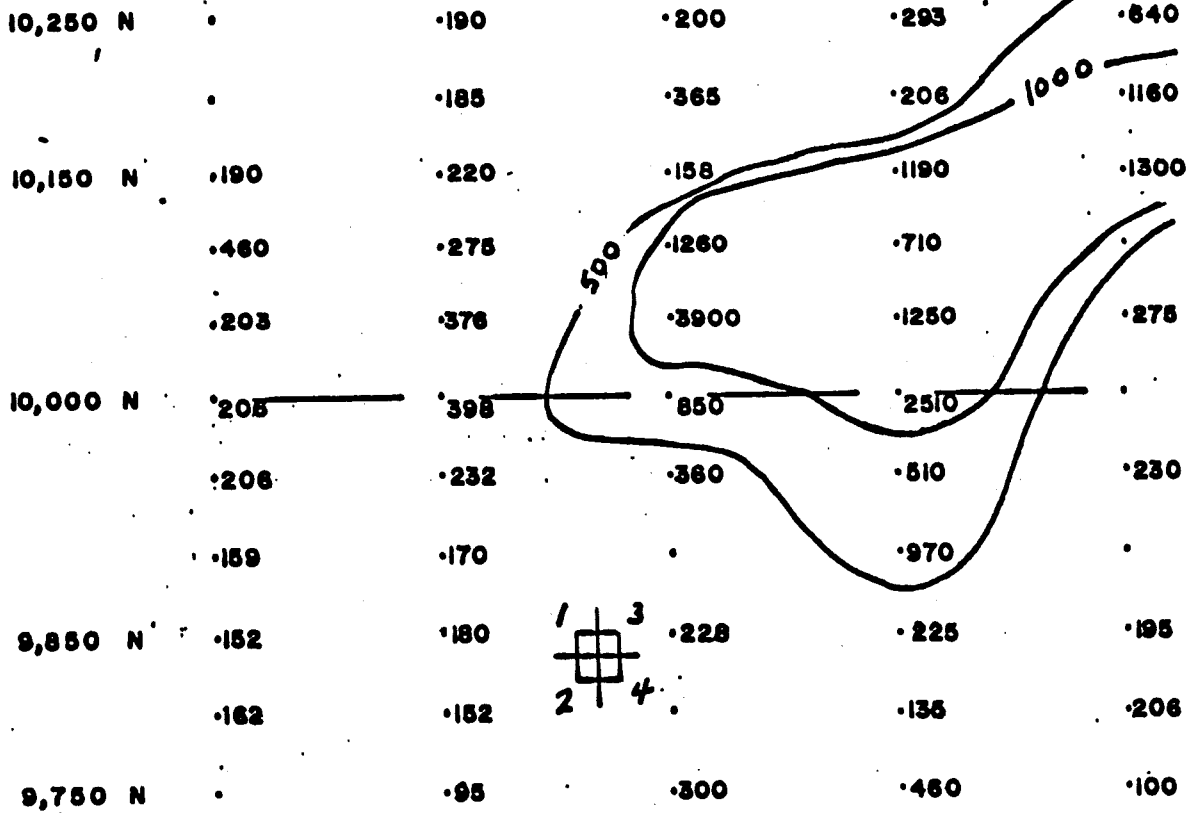
SAVO MINING DISTRICT, YUKON TERRITORY. N.T.S.: 106 D/1

GEOCHEMICAL PLAN Lead (ppm)

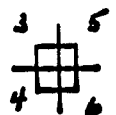
FIGURE No. 2

DATE: NOV/78 DRAWN BY: S.D. SCALE: 1:5000


9,700 E 9,850 E 10,000 E 10,150 E 10,300 E



64° 12'



134° 19'



PRISM resources limited

PRISM JOINT VENTURE 1977 - 2

KATHY CLAIMS

BLAND MINING DISTRICT, YUKON TERRITORY. N.T.S. : 1:100 000

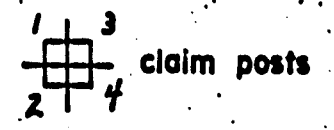
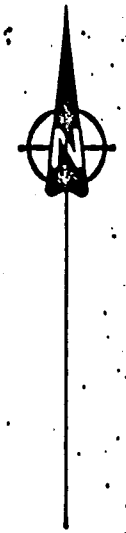
GEOCHEMICAL PLAN Zinc (ppm)

FIGURE NO 1 3 SCALE: 1:15000

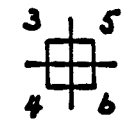
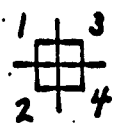
DATE: NOV/78 DRAWN BY: B.D.

9,700 E
9,850 E
10,000 E
10,150 E
10,300 E

10,250 N	.11	.11	.09	.10
	.10	.16	.11	.14
10,150 N	.10	.13	.10	.16
	.11	.17	.16	.
	.12	.16	.20	.17
10,000 N	.12	.15	.26	.
	.13	.10	.17	.16
	.12	.10	.20	.
9,850 N	.08	.13	.12	.13
	.08	.14	.11	.13
9,750 N	.	.15	.13	.12



64°12'



134°19'



PRISM resources limited

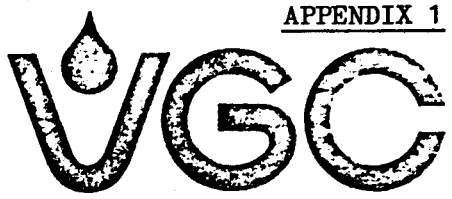
PRISM JOINT VENTURE 1977 - 2

KATHY CLAIMS

MANITOUBIA DISTRICT, YUKON TERRITORY. N.T.S. : 106D/1

GEOCHEMICAL PLAN Silver (ppm)

FIGURE No: 2
DATE: NOV./78 DRAWN BY: B.D. SCALE: 1:5000



986-5211

VANGEOCHEM LAB LTD. 1521 PEMBERTON AVE., NORTH VANCOUVER, B.C., CANADA 604 XXXXXXXX

V7P 2S3

January 20, 1978

TO: Prism Resources Ltd.,
214 - 850 West Hastings Street,
Vancouver, B. C. V6C 1E1

FROM: Vangeochem Lab Ltd.,
1521 Pemberton Avenue,
North Vancouver, B. C. V7P 2S3

SUBJECT: Analytical procedure used to determine hot acid soluble Mo, Cu, Pb, Zn, Ag, and Cd in geochemical silt and soil samples.

1. Sample Preparation

- (a) Geochemical soil or silt samples were received in the laboratory in wet-strength 3½ x 6½ Kraft paper bags.
- (b) The wet samples were dried in a ventilated oven.
- (c) The dried soil and silt samples were sifted by using a shaking machine with 80-mesh stainless steel sieves. The plus 80-mesh fraction was rejected and the minus 80-mesh fraction was transferred into a new bag for analysis later.

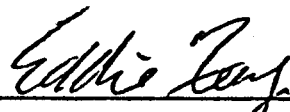
2. Methods of Digestion

- (a) 0.50 gram of the minus 80-mesh samples was used. Samples were weighed out by using a top-loading balance.
- (b) Samples were heated in a sand bath with nitric and perchloric acids (15% to 85% by volume of the concentrated acids respectively).
- (c) The digested samples were diluted with demineralized water to a fixed volume and shaken.

3. Method of Analysis

Mo, Cu, Pb, Zn, Ag, and Cd analyses were determined by using a Techtron Atomic Absorption Spectrophotometer Model AA4 or Model AA5 with their respective hollow cathode lamps. The digested samples were aspirated directly into an air and acetylene flame. The results, in parts per million, were calculated by comparing a set of standards to calibrate the atomic absorption unit.

4. The analyses were supervised or determined by Mr. Conway Chun and the laboratory staff.



Eddie Tang

VANGEOCHEM LAB LTD.

ET:mb