

MAP NO.: 115 I 7  
ASSESSMENT REPORT X  
PROSPECTUS X  
CONFIDENTIAL X  
OPEN FILE

DOCUMENT NO: 092747  
MINING DISTRICT: Whitehorse  
TYPE OF WORK: Geochemical

REPORT FILED UNDER: Mill City Gold Incorporated

DATE PERFORMED: 14-10 November, 1988

DATE FILED: 5 September, 1989

LOCATION: LAT.: 62°17'N

AREA: ~~Donjek River~~ Mt Freegold

LONG.: 137°00'W

VALUE \$: 1600.00

CLAIM NAME & NO.: TINTA 57-72 (YA74286-301)

WORK DONE BY: D.W. Ferguson

WORK DONE FOR: Mill City Gold Incorporated

DATE TO GOOD STANDING:

REMARKS: #37 TINTA HILL

In 1988 a brief geochemical reconnaissance was made, with four silt and three soil samples being taken along the northeast tributary of Stoddart Creek. Two silt samples returned weakly anomalous gold and zinc values in an area with no previously reported mineralization.



Government of Canada

Gouvernement du Canada

ROUND TRIP MEMORANDUM

NOTE ALLER RETOUR

FROM DE R.H. WHITTINGHAM  
WHITEHORSE MINING RECORDER

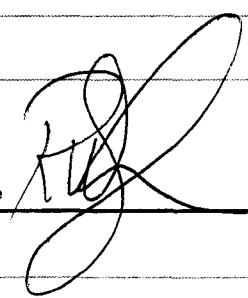
File No. (originator) — Dossier n° (source)

TO A TREVOR BREMNER  
GEOLOGIST - 200 RANGE RD.

File No. (addressee) — Dossier n° (destinataire)

Subject - Objet MILL CITY GOLD INC.

-- ATTACHED ARE THE ADDRESSES YOU REQUESTED.  
THE REPORT SUBMITTED CANNOT BE USED TO RENEW  
THE TINTA CLAIMS BECAUSE THEY ARE MORE THAN 3 YRS OLD.  
HOWEVER ~~FOR~~ THE REPORT SHOULD BE INDEXED FOR  
FUTURE REFERENCE. THE 1600 \$~~B~~ FIGURE WAS USED  
JUST AS A BASIS FOR VALUE.  
PHONE ME IF YOU NEED FURTHER INFO

Signature  Date 12 SEP 89.

Reply - Réponse

092747

MILL City Gold Inc.  
850, 11012 McLeod TR.  
S.E. Calgary, Alta.  
T2J 6A4

Del W. Ferguson  
902-840 9th St.  
S.W. Calgary, Alta.  
T2P 2T1

002747

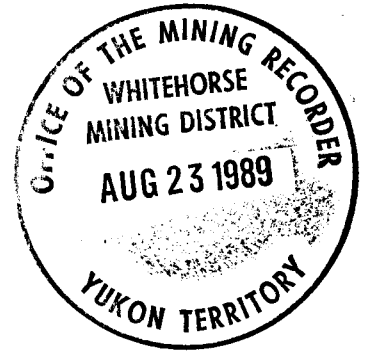


1988 RECONNAISSANCE SURVEY  
TINTA HILL CLAIM GROUP 5  
(TINTA 57 to 72)

STATEMENT of COSTS

|                               |            |
|-------------------------------|------------|
| CONSULTING FEES .....         | \$ 1575.00 |
| AIR TRAVEL .....              | 2457.05    |
| HELICOPTER CHARTER FEES ..... | 1667.50    |
| ACCOMODATION and MEALS .....  | 1000.49    |
| MISCELLANEOUS EXPENSES .....  | 24.07      |
| GEOCHEMICAL ANALYSES .....    | 143.50     |
| <br>                          |            |
| TOTAL COSTS .....             | \$ 6869.61 |

Delbert W. Ferguson, P.Geol.



1988 RECONNAISSANCE SURVEY  
OVER TINTA HILL CLAIM GROUP  
CLAIM NO.S YA74286 to YA74301  
(TINTA 57 to 72)

WHITEHORSE MINING DIVISION  
YUKON TERRITORY

LATITUDE: 62° 17'      LONGITUDE: 137°

115 I 7

JULY 1989  
by: Delbert W. Ferguson

For Mill City Gold Inc.  
850 - 11012 MACLEDD TRAIL, SE.,  
CALGARY, ALBERTA  
T2J 6A4

— not for assessment credit

002747

#### SUMMARY

On November 10, 1988, two geologists and one prospector traversed the slopes south of Tinta Hill and the tributary of Stoddart Creek which lies at the foot of the hill. A total of 3 soil samples and 4 stream sediment samples were collected. Anomalous Pb and Zn in soils may indicate mineralization in the immediate vicinity.

TABLE OF CONTENTS

|   | PAGE NO. |
|---|----------|
| LOCATION AND ACCESS .....                     | 1        |
| PHYSIOGRAPHY .....                            | 1        |
| CLAIMS .....                                  | 1        |
| HISTORY .....                                 | 1        |
| REGIONAL GEOLOGY .....                        | 4        |
| PROPERTY GEOLOGY .....                        | 4        |
| SOIL/STREAM SEDIMENT GEOCHEMICAL SURVEY ..... | 4        |
| GEOCHEMICAL RESULTS .....                     | 4        |
| CONCLUSIONS .....                             | 5        |
| CERTIFICATE OF QUALIFICATIONS .....           | 6        |
| APPENDICES - GEOCHEMICAL LAB REPORT .....     | 7        |

LIST OF FIGURES

|  |   |
|--|---|
| FIGURE 1 - LOCATION MAP .....                  | 2 |
| FIGURE 2 - CLAIM AND SAMPLE LOCATION MAP ..... | 3 |

## LOCATION AND ACCESS

The Tinta 57 to 72 claims are located approximately 24 air miles (38 km) northwest of Carmacks, Y. T., on the southern flank of Granite Mountain. Access is achieved by way of 34 miles (54 km) along the Mt. Freegold mining road following west along the Crossing Creek valley. From this point, the Granite Mtn. uplands road heads northward for 7 miles (11 km) to the Tinta Claims.

## PHYSIOGRAPHY

The topography consists of rolling upland, mountain-valley terrain. Elevations range between 3300 feet (1000 metres) and 4100 feet (1250 metres) above sea level. Short willow brush and sparse alpine spruce trees cover most of the mountain uplands. South-facing slopes are covered in denser spruce forests. Water is obtainable from tributaries of Merrice and Stoddart creeks.

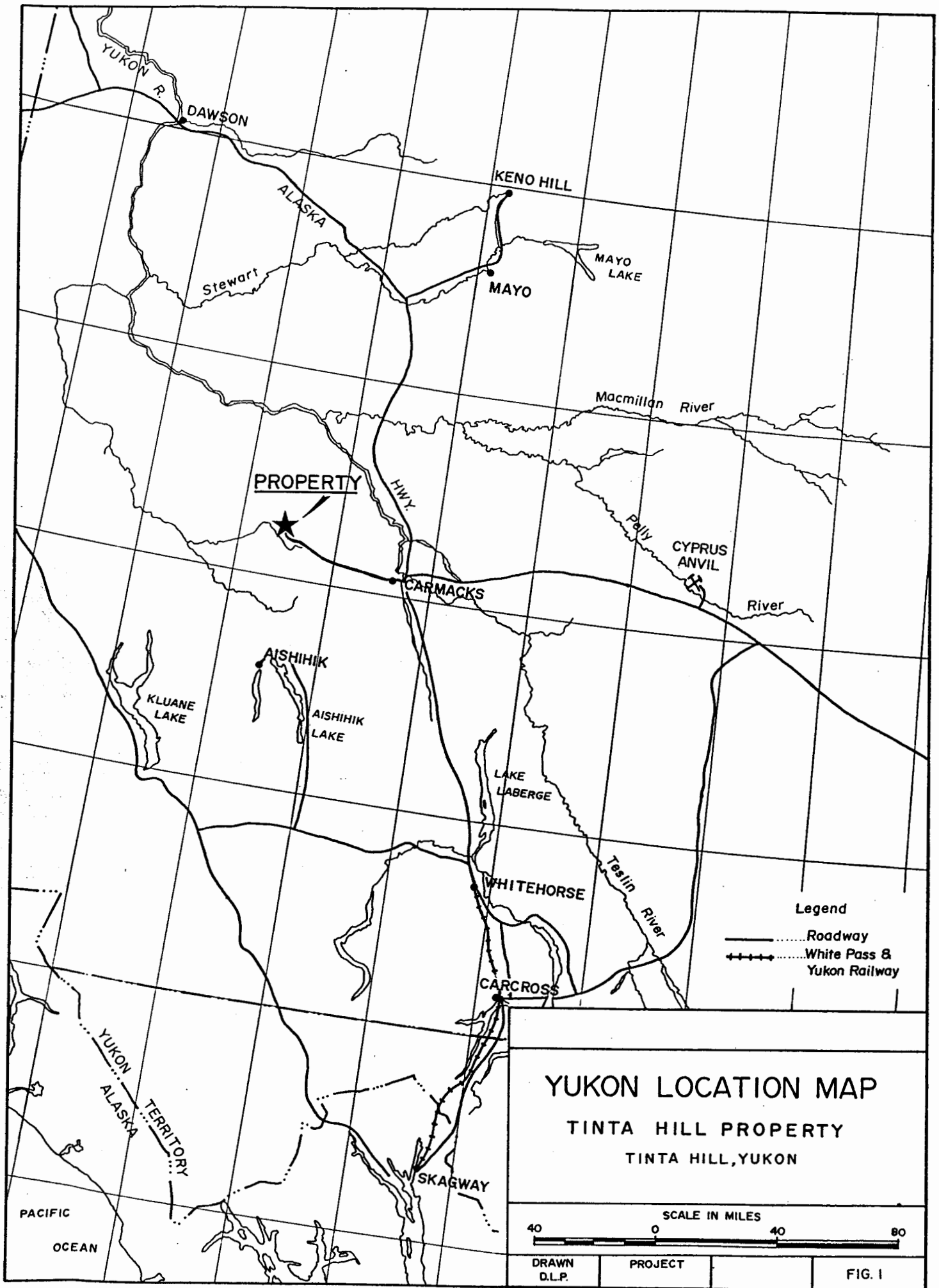
## CLAIMS

The Tinta 57 to 72 claims (Grant Numbers YA74286 to YA74301) blanket some 826 acres (334 hectares) at the headwaters of Stoddart Creek. Mill City Gold Inc. has an option to earn a 50% working interest in the property from joint owners Silver Tusk Mines Ltd. and Panther Mines Ltd.

## HISTORY

Initial interest in the area began in 1930, when sulphides were discovered on Tinta Hill. Since then, the area has seen sporadic exploration work, including soil geochemical and electromagnetic surveys, tunnelling and diamond drilling. The Tinta 57 to 72 claims have not been as thoroughly explored as other portions of the Tinta Hill claims.



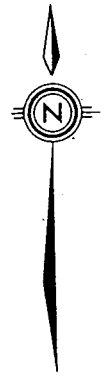


DRAWN  
D.L.P.

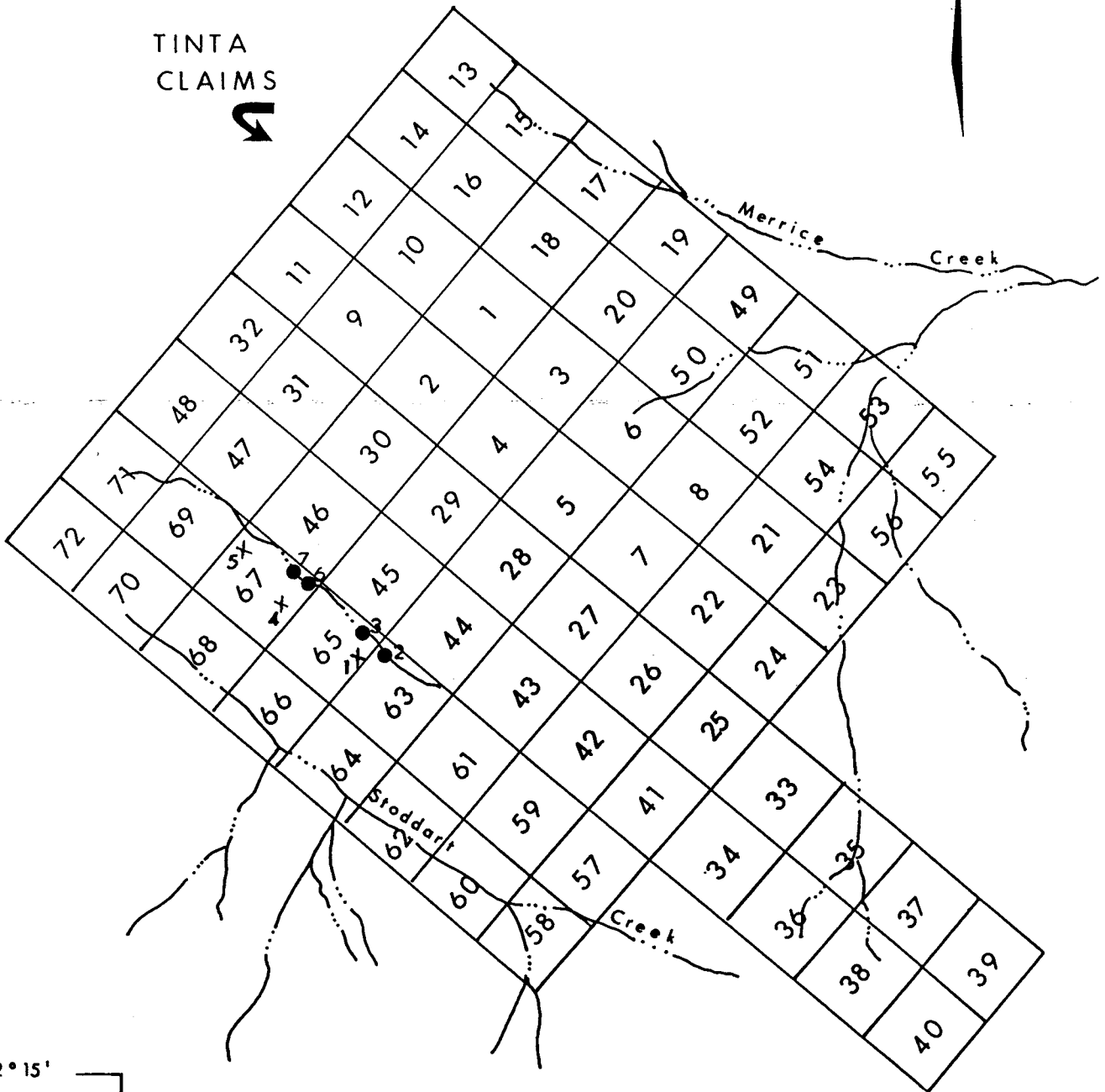
PROJECT

FIG. 1

△ 4663'



TINTA CLAIMS



62°15'

137°00'

REF. NO. SAMPLE NO.

|   |       |
|---|-------|
| 1 | 80151 |
| 2 | 80152 |
| 3 | 80153 |
| 4 | 80154 |
| 5 | 80155 |
| 6 | 80156 |
| 7 | 80157 |

X soil  
● stream sediment

TINTA HILL PROPERTY  
FIGURE 2  
CLAIM and  
SAMPLE LOCATION MAP

SCALE

FT. 3000 1500 0 3000 FT.

## REGIONAL GEOLOGY

Regionally, the northeast flank of the Dawson Range Mtns. consists of metamorphosed basement schists (Yukon Schist) and an assemblage of highly differentiated Jurassic or Cretaceous intrusives. These units are bounded by sequences of basic and acid volcanics. Locally, intrusives have themselves been intruded by quartz porphyry and rhyolite bodies. The Dawson Range was not affected by the latest period of glaciation.

## PROPERTY GEOLOGY

The property is underlain by Jurassic-Cretaceous quartz diorite intrusives and local co-magmatic diorite intrusives. Mixing between the two lithologies is common. No mineralization has been detected to date on the Tinta 57 to 72 claims. On Tinta Hill, quartz-carbonate-auriferous massive sulphide vein structures occupy northwest-trending shear zones.

## SOIL/STREAM SEDIMENT GEOCHEMICAL SURVEY

On November 10, 1988 two geologists (D.Ferguson, A.Pollmer) and one prospector (M.Levasseur) were flown in from Whitehorse to form a preliminary evaluation of the property. Four stream sediment samples were collected along the northeastern-most tributary of Stoddart Creek. Three soil samples were gathered from the hillside between the aforementioned tributary and the main Stoddart Creek. All samples were submitted to Bondar-Clegg & Co. Ltd., Whitehorse for geochemical analyses of Au, As, Sb, Cu, Pb, Zn, Mo, Ag and Hg.

## GEOCHEMICAL RESULTS

Two stream sediment samples were found to be weakly anomalous in Au (#80156 - 37 ppb, #80157 - 23 ppb). These same samples showed elevated Zn values, greater than 100 ppm. Two soil samples taken along the southwest bank of the tributary (Figure 2) showed elevated Pb and Zn values, greater than 100 ppm. This is an area where no mineralization has been documented.

## CONCLUSIONS

Anomalous Pb and Zn values found in soils along the Stoddart Creek tributary (Figure 2) indicate a target for further exploration. It is possible that these anomalies could reflect a nearby northwest-trending mineralized shear structure, similar to what has been detected to the northeast on the Tinta Hill property.

CERTIFICATE OF QUALIFICATIONS

I, Delbert W. Ferguson, of RR#2, Site 40, Gabriola, B.C., do hereby certify that:

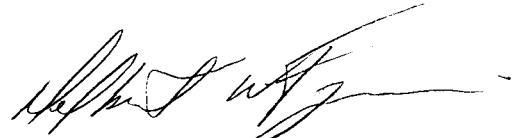
I am a consulting geologist with over 10 years experience in the mining exploration industry.

I am a graduate of the University of Western Ontario, 1979, with an Honours B.Sc. in geology.

I am a fellow member of the Geological Association of Canada.

I am a member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta.

I personally aided in the preliminary evaluation of the Tinta Hill Property for Mill City Gold Inc., and supervised a subsequent drilling program on the property.



Delbert W. Ferguson  
July 31, 1989

902-840 9<sup>th</sup> St SW  
Calgary, Alberta T2P2T1

1 September, 1989

Received the following information by telephone this afternoon at 2:20 p.m. 1 September, 1989. Copy of the following information is being mailed.

ATTENTION: R.G. RONAGHAN

1988 Reconnaissance Survey

TINTA GROUP 5  
(TINTA 57 to 72)

STATEMENT OF COSTS

|                          |             |
|--------------------------|-------------|
| Consulting Fees:         | \$ 1,575.00 |
| Air Travel               | 2,457.05    |
| Helicopter Charter Fees: | 1,667.50    |
| Accommodation and Meals  | 1,000.49    |
| Miscellaneous Expenses   | 24.07       |
| Geochemical Analysis     | 143.50      |
|                          | <hr/>       |
| TOTAL COSTS:             | \$ 6,869.61 |

Delbert W. Ferguson  
P.Geol.

Bondar-Clegg & Company Ltd.  
 130 Pemberton Ave.  
 North Vancouver, B.C.  
 V7P 2R5  
 985-0681 Telex 04-352667



Geochemical  
 Lab Report

REPORT: V88-10212.0 ( COMPLETE )

REFERENCE INFO:

CLIENT: MILL CITY GOLD  
 PROJECT: NONE GIVEN

SUBMITTED BY: D. FERGUSON  
 DATE PRINTED: 6-JAN-89

| ORDER | ELEMENT              | NUMBER OF ANALYSES | LOWER DETECTION LIMIT | EXTRACTION        | METHOD               |
|-------|----------------------|--------------------|-----------------------|-------------------|----------------------|
| 1     | Au 30g Gold 30 grams | 7                  | 5 PPB                 | FIRE-ASSAY        | Fire Assay AA        |
| 2     | Ag Silver            | 7                  | 0.5 PPM               | HNO3-HCL HOT EXTR | PLASMA EMISSION SPEC |
| 3     | As Arsenic           | 7                  | 5 PPM                 | HNO3-HCL HOT EXTR | PLASMA EMISSION SPEC |
| 4     | Cu Copper            | 7                  | 1 PPM                 | HNO3-HCL HOT EXTR | PLASMA EMISSION SPEC |
| 5     | Mo Molybdenum        | 7                  | 1 PPM                 | HNO3-HCL HOT EXTR | PLASMA EMISSION SPEC |
| 6     | Pb Lead              | 7                  | 5 PPM                 | HNO3-HCL HOT EXTR | PLASMA EMISSION SPEC |
| 7     | Sb Antimony          | 7                  | 5 PPM                 | HNO3-HCL HOT EXTR | PLASMA EMISSION SPEC |
| 8     | Zn Zinc              | 7                  | 1 PPM                 | HNO3-HCL HOT EXTR | PLASMA EMISSION SPEC |
| 9     | Hg Mercury           | 7                  | 5 PPB                 | HNO3-HCL HOT EXTR | Cold Vapour AA       |

| SAMPLE TYPES | NUMBER | SIZE FRACTIONS | NUMBER | SAMPLE PREPARATIONS | NUMBER |
|--------------|--------|----------------|--------|---------------------|--------|
| S SOILS      | 7      | 1 -80          | 7      | DRY, SIEVE -80      | 7      |

REPORT COPIES TO: MILL CITY GOLD

INVOICE TO: MILL CITY GOLD

Bondar-Clegg & Company Ltd.  
 130 Pemberton Ave.  
 North Vancouver, B.C.  
 V7P 2R5  
 ) 985-0681 Telex 04-352667



Geochemical  
 Lab Report

REPORT: V88-10212.0

PROJECT: NONE GIVEN

PAGE 1

| SAMPLE NUMBER | ELEMENT UNITS | Au 30g PPB | Ag PPM | As PPM | Cu PPM | Mo PPM | Pb PPM | Sb PPM | Zn PPM | Hg PPB |
|---------------|---------------|------------|--------|--------|--------|--------|--------|--------|--------|--------|
| S1 80151      |               | 8          | 1.1    | 6      | 15     | <1     | 177    | 9      | 109    | 65     |
| S1 80152      |               | 5          | <0.5   | 6      | 15     | <1     | <5     | 8      | 41     | 50     |
| S1 80153      |               | 9          | <0.5   | 33     | 17     | <1     | 8      | 10     | 62     | 45     |
| S1 80154      |               | 11         | <0.5   | 37     | 29     | <1     | 122    | 5      | 426    | 25     |
| S1 80155      |               | <5         | <0.5   | <5     | 9      | <1     | 9      | <5     | 47     | 10     |
| S1 80156      |               | 37         | 0.7    | 29     | 50     | <1     | 63     | 18     | 112    | 20     |
| S1 80157      |               | 23         | 0.6    | <5     | 19     | <1     | 12     | 7      | 100    | 25     |