

# PROSPECTING AND GEOCHEMICAL ASSESSMENT REPORT

for the

DLO CLAIM GROUP

DLO 1 to 109

NTS

116 A/2

136° 45' WEST, 64° 04' NORTH

UTM

Zone 8

415 000 EAST, 7 102 000 NORTH

Dawson Mining Division  
Yukon Territory

**093598**

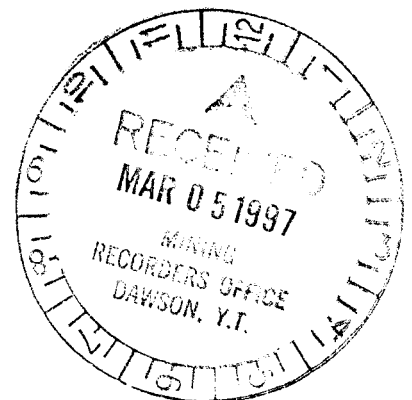
Prepared by

RS Addison PEng  
Consulting Geologist

and

DW Philip, PEng  
DW Philip Mining Services

Work Performed  
July 25 to August 15, 1996



This report has been examined by  
the Geological Evaluation Unit  
under Section 53 (4) Yukon Quartz  
Mining Act and is allowed as  
representation work in the amount  
of \$ 8900.

*M. B. h*

*for* Regional Manager, Exploration and  
Geological Services for Commissioner  
of Yukon Territory.

February 20,1997

Mining Recorder  
Box 249  
Dawson, Yukon Territory, YOB 1G0

Attention: Marion E Dejean

Dear Marion Dejean:

Please find attached 2 copies of the "Prospecting and Geochemical Assessment Report for the DLO Claim Group" dated February 15,1997.

If you have any questions please do not hesitate to contact us.

Yours truly,

  
RS Addison, P Eng

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## **APPENDICES**

Appendix I Northern Analytical Laboratories Ltd.  
Assay Certificate - WO# 10473

## **INTRODUCTION**

The DLO claims straddle the Boundary between the Dawson and Mayo Mining Divisions, north of Red Mountain and South of the Klondike River on the NTS map sheet 116 A/2. The claims are owned by Daleco Resources Ltd. The western portion of the claims are underlain by rocks of the Narchilla Formation and the eastern portion of the claims by rocks of the Yusezyu Formation. The presence of significant gold in soil anomalies on the adjoining BX claims and newly developing mines in Tombstone intrusives has renewed exploration activity for gold in the region.

Exploration focused on defining gold in soil anomalies.

## **SUMMARY**

The 1996 exploration program on the DLO claim consisted of prospecting and soil sampling for gold over a large area on the claim group. A total of 258 soil samples were assayed for gold (Au) to a detection limit of 5 parts per billion (ppb). Slightly elevated gold values occurred throughout the surveyed area.

Future work should focus on monitoring mineral exploration in the area and attempting to identify programs and methods that might prove more successful for the geological environment identified to date.

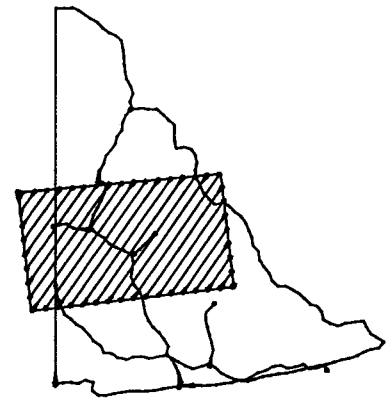
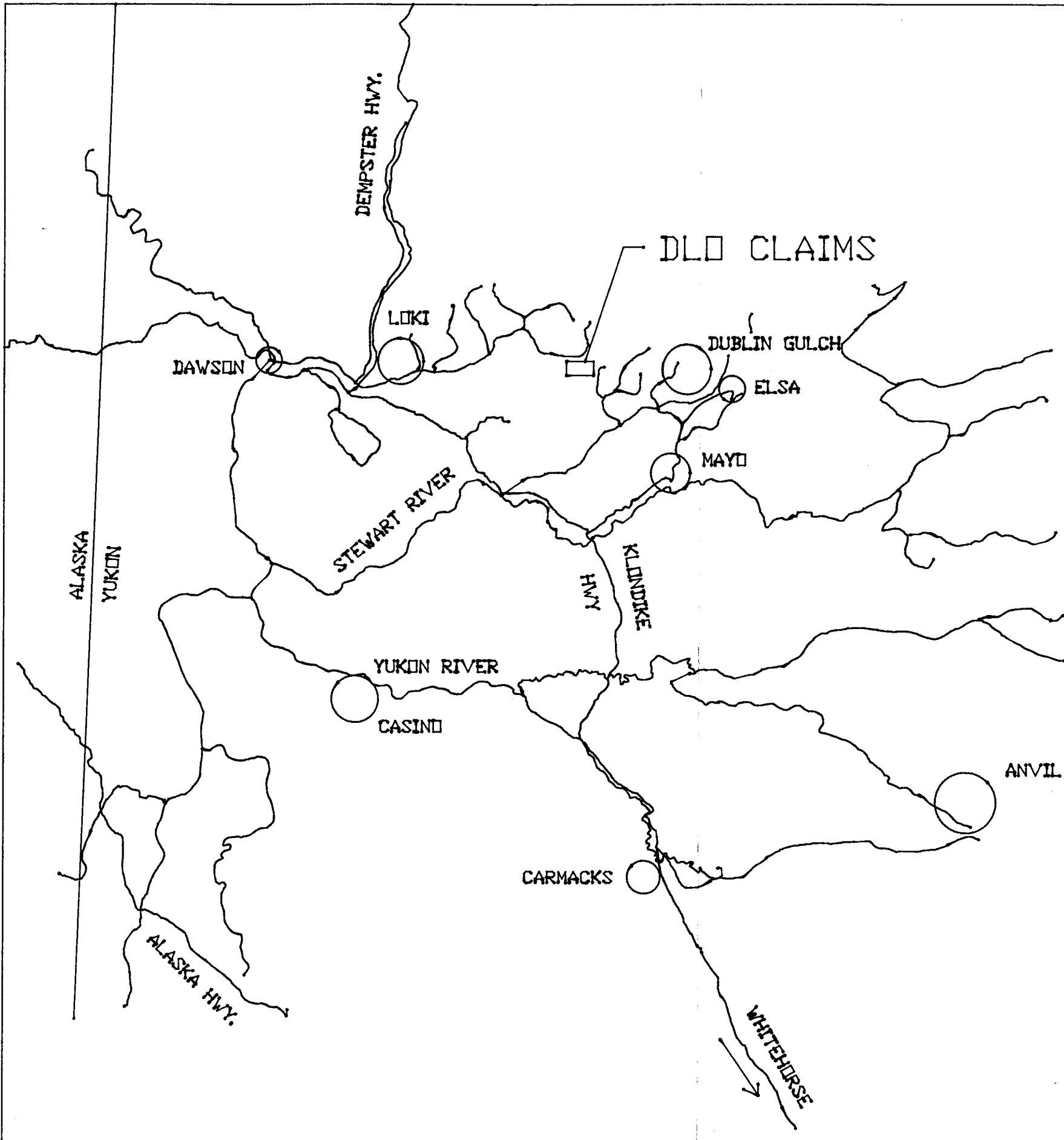
## **LOCATION, ACCESS and PHYSIOGRAPHY**

The property is located north of Red Mountain and south of the Klondike River on the NTS map sheet 116 A/2. The centre of the sample survey area is located at approximately 136° 43' West and 64° 01' North. The Regent Ventures Ltd camp can be accessed by a rough 4x4 trail which heads over the Clear Creek pass, down Josephine Creek and up Hobo Creek. A bulldozer trail, accessible by all terrain vehicles, was constructed from the Hobo Creek road to the middle of the claim group.

The project is location shown General Location Map, Figure No. 1.

A usable airstrip is located approximately 8 kilometres from the property.

The claim block covers a sparsely timbered upland region of the Yukon Plateau. Mountain slopes are moderately steep and do not outcrop well except on ridges. Most outcrops are frost heaved and blocky making accurate strike and dip determinations difficult. In general the metasediments are steeply dipping and have a north west trend.



AutoCAD Notes  
 - Model Space 0.0005xp  
 - Plot 1:1 in paper space

DW PHILIP MINING SERVICES  
 NORTH VANCOUVER BRITISH COLUMBIA

DALECO RESOURCES LTD  
 VANCOUVER BRITISH COLUMBIA

YUKON GOLD  
 DLO CLAIMS  
 YUKON TERRITORY  
 GENERAL LOCATION MAP

Dwg by:	Ck by:
Appd by:	Date: Feb 1997
Figure No: 1	Rev:

## **LIST OF CLAIMS**

The claims that make up the DLO Claim Block that are reported on in this report are:

### **DAWSON MINING DISTRICT**

<b><u>CLAIM NAME</u></b>	<b><u>CLAIM GRANT NUMBER</u></b>
DLO 1 to 57	YB52592 to YB52648
DLO 78 to 109	YB52649 to YB52680

### **MAYO MINING DISTRICT**

<b><u>CLAIM NAME</u></b>	<b><u>CLAIM GRANT NUMBER</u></b>
DLO 58 to 77	YB43299 to YB43318

The claims are plotted on the DLO CLAIMS - LOCATION MAP - Figure 2.

The claims are owned by Daleco Resources Ltd

## **REGIONAL GEOLOGY AND MINERALIZATION**

The claim block is located adjoining the Selwyn Basin. The Selwyn Basin consists of a Paleozoic assemblage of shales, cherts and quartzite which formed off the continental margin of North America.

This basin hosts the Fort Knox deposit, an intrusive hosted gold deposit of large tonnage and low grade. This deposit occurs in Alaska within a region of the Selwyn Basin that has been offset to the northwest by a major fault along the Tintina Trench.

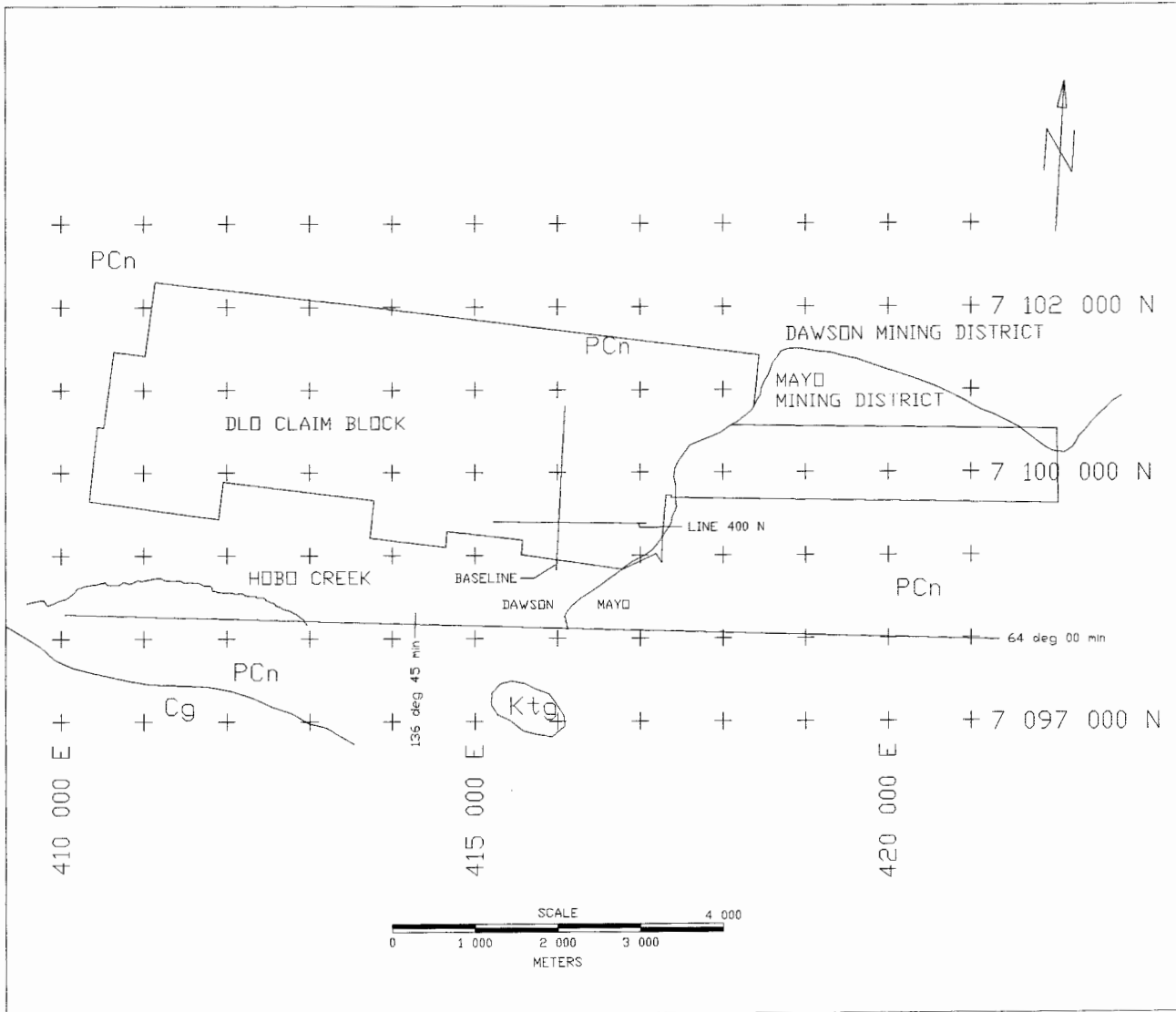
Intrusive bodies occur throughout the Selwyn Basin in the Yukon, and stocks are often associated with gold mineralization. The Brewery Creek deposit, 20 to 25 miles to the northwest, is largely intrusive hosted in excess of 17 million tons of 0.056 ounces per ton gold (opt Au). Another significant intrusive hosted deposit occurs at Dublin Gulch, some 25 miles to the northeast, but drill results are unavailable.

## **PREVIOUS WORK**

Mineralization in this area was unknown prior to the discovery of gold on the BX claims in 1992.

Interest in this area was sparked by a regional gold and arsenic in silt anomaly on Hobo Creek, shown on the government geochemical surveys. The large adjoining BX claim block to the south is now being explored by Regent Ventures Ltd. Regent is exploring a number of gold in soil geochemical targets enclosed within 50 and 100 ppb





Ktg TOMBSTONE INTRUSIONS  
 Medium coarse grained  
 grey quartz monzonite  
 & granodiorite

Cg GULL LAKE FORMATION  
 Pebbly quartzite, dark  
 dark grey phyllite, dark  
 green meta-volcanics

PCn NARCHILLA FORMATION  
 Maroon & green phyllite,  
 grey meta-sandstone,  
 grits & sandy limestone

DALECO RESOURCES LTD  
 VANCOUVER BRITISH COLUMBIA

DW PHILIP MINING SERVICES  
 NORTH VANCOUVER BRITISH COLUMBIA

DLO CLAIMS  
 REGIONAL GEOLOGY

Dwg by:	Ck by:
Appd by:	Date: Feb 1997
Figure No: 3	

contours. Mineralization is hosted in a plug of Tombstone rocks and surrounding metasediments.

### **LOCAL GEOLOGY**

The western portion of the claim block is underlain by Upper Proterozoic - Lower Cambrian rock of the Narchilla Formation: maroon and green phyllite with cm-scale green-grey siltstone laminations, grey to green meta-sandstone (grit) and sandy limestone. The eastern portion of the claim block is underlain by the Yusezyu Formation; foliated tan to grey meta-sandstone, muscovite-chlorite phyllite, blue-grey quartz and chalky white feldspar pebbly meta-sandstone (grit) pebble meta-conglomerate. Tombstone intrusive rocks were not identified on the DLO & TA claims.

### **THE 1996 WORK PROGRAM**

The program consisted of prospecting and soil geochemical sampling. Lines were marked with flagging and sample sites were marked with a grid location written on the ribbon. Six lines from 1000 to 2520 meters long were spaced at 200 meters with samples taken at stations 40 meters along the lines. Samples were dug to the 'B' soil horizon, where possible,

The soil samples were dried, screened and pulverized, and fire assayed for gold to a detection limit of 5 parts per billion (ppb). Sample sites are indicated on the 1996 GEOCHEMISTRY MAP, Figure 3 and the grid location is indicated on the CLAIM LOCATION MAP, Figure 2.

The gold in soil geochemical responses are generally low ranging in value from less than 5 ppb to 10 ppb. On line 1 000 north from 800 east to 1 000 east moderately anomalous gold values range from 10 ppb to 35 ppb.

### **DISCUSSION**

The DLO claims host poorly explored gold mineralization. The target was a large, low grade, disseminated or stockwork gold deposit similar to the Loki and Dublin Gulch deposits.

Moderately anomalous values that were produced in the 1996 soil sampling program. The 200 meter moderately anomalous values on line 1 000 north indicates the presence of gold.



## CONCLUSIONS AND RECOMMENDATIONS

The 1996 exploration program on the DLO claims was unsuccessful in identifying gold in soil anomalies of a similar magnitude to those identified on the adjoining BX claims possibly due to the apparent lack of intrusive rocks.

A close spaced grid soil sampling program should be conducted over the anomalous area on line 1 000 north. This program should be executed in conjunction with the 1997 exploration program expected to be conducted on the adjoining Regent Ventures Ltd, claims.

### EXPENDITURES

Geologist	- 4 days at \$ 300.00 /day	\$ 1 200.00
Crew Foreman	- 7 days at \$ 250.00/day	\$ 1 750.00
Soil Sampler	- 7 days at \$ 200.00/day	\$ 1 400.00
Truck and Fuel	- 9 days at \$ 100.00/day	\$ 900.00
Misc. costs	- flagging, etc.	
Accommodation	- 18 mandays at \$ 75.00/day	\$ 1 350.00
Access Road	- bulldozer 20 hrs at \$ 100.00/hour	\$ 2 000.00
Mobilize/Demobilize		\$ 1 500.00
Report and Drafting		\$ 2 000.00
Assays		\$ 2 979.42
		=====
Total		\$15 079.42

The work was completed between July 25th and August 15th 1996.

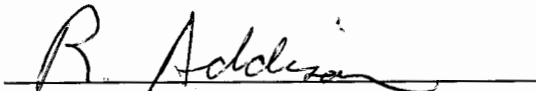
### PERSONNEL

- Richard Addison; 1141 West 33rd St., Vancouver, BC, V6M 1A3
- Roy Mueller; PH#8 - 1060 Alberni St., Vancouver, BC, V6E 4K2
- Scott McLeod; General Delivery, Whitehorse, Yukon

## STATEMENT OF QUALIFICATIONS

I, Richard S Addison of the City of Vancouver, British Columbia, do hereby certify that:

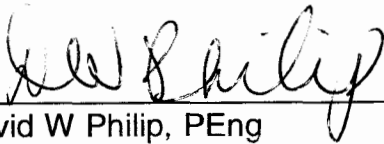
1. I am a graduate of the University of British Columbia and possess a Bachelor of Applied Sciences degree in geological engineering.
2. I have been employed and practiced as a professional in resource industries for over 30 years.
3. I am a member in good standing of The Association of Professional Engineers and Geoscientists of the Province of British Columbia.
4. I was present on the property and have reviewed the data and inspected the field work and I believe this report to be an accurate reflection of the work performed on the property during 1996.

  
Richard S Addison, PEng  
Consulting Geologist

## **STATEMENT OF QUALIFICATIONS**

I, David W Philip, of the City of North Vancouver, British Columbia, do hereby certify that:

1. I graduated from the Colorado School of Mines with a Bachelor of Science degree in Mining Engineering in 1971.
2. I graduated from the British Columbia Institute of Technology with a Mining Technology degree in 1968.
3. I am a member in good standing in the Association of Professional Engineers of the Province of British Columbia since 1971.
4. I have been employed and practiced as a professional in the resource industries for over 25 years.
5. I have been aware of mineral exploration activities near the DLO claims reported on in this report and have worked with personnel associated with this project on other projects and have prepared the drafts and final report from information submitted and coordinated by Daleco Resources Ltd.



David W Philip, PEng

APPENDIX I  
NORTHERN ANALYTICAL LABORATORIES LTD  
ASSAY CERTIFICATE WO# 10473

06/09/96


Assay Certificate

Page 1

Daleco Resources

WO# 10473

Sample #	Au ppb
L2N 0+00E	<5
L2N 0+40E	<5
L2N 0+80E	9
L2N 1+20E	6
L2N 1+60E	11
L2N 2+00E	7
L2N 2+40E	6
L2N 2+80E	7
L2N 3+20E	7
L2N 3+60E	10
L2N 4+00E	10
L2N 4+40E	13
L2N 4+80E	<5
L2N 5+20E	7
L2N 5+60E	10
L2N 6+00E	9
L2N 6+40E	5
L2N 6+80E	8
L2N 7+20E	<5
L2N 7+60E	5
L2N 8+00E	7
L2N 8+40E	13
L2N 8+80E	5
L2N 9+20E	5
L2N 9+60E	6
L2N 10+00E	14
L2N 0+40W	<5
L2N 0+80W	<5
L2N 1+20W	5
L2N 1+60W	<5

Certified by 



06/09/96

Assay Certificate

Page 2

Daleco Resources

WO# 10473

Sample #	Au ppb
L2N 2+00W	<5
L2N 2+40W	5
L2N 2+80W	5
L2N 3+20W	<5
L2N 3+60W	10
L2N 4+00W	9
L2N 4+40W	13
L2N 4+80W	8
L2N 5+20W	<5
L4N 0+00E	<5
L4N 0+40E	7
L4N 0+80E	7
L4N 1+20E	<5
L4N 1+60E	11
L4N 2+00E	<5
L4N 2+40E	5
L4N 2+80E	<5
L4N 3+20E	7
L4N 3+60E	6
L4N 4+00E	<5
L4N 4+40E	5
L4N 4+80E	6
L4N 5+20E	11
L4N 5+60E	6
L4N 6+00E	12
L4N 6+40E	<5
L4N 6+80E	10
L4N 7+20E	<5
L4N 7+60E	7
L4N 8+00E	5

Certified by



06/09/96

Assay Certificate

Page 3

Daleco Resources

WO# 10473

Sample #	Au ppb
L4N 8+40E	11
L4N 8+80E	8
L4N 9+20E	6
L4N 9+60E	7
L4N 10+00E	<5
L4N 0+40W	5
L4N 0+80W	<5
L4N 1+20W	<5
L4N 1+60W	6
L4N 2+00W	28
L4N 2+40W	10
L4N 2+80W	7
L4N 3+20W	<5
L4N 3+60W	<5
L4N 4+00W	<5
L4N 4+40W	<5
L4N 4+80W	<5
L4N 5+20W	<5
L6N 0+00E	<5
L6N 0+40E	6
L6N 0+80E	5
L6N 1+20E	5
L6N 1+60E	9
L6N 2+00E	<5
L6N 2+40E	6
L6N 2+80E	7
L6N 3+20E	<5
L6N 3+60E	7
L6N 4+00E	11
L6N 4+40E	<5

Certified by

06/09/96

Assay Certificate

Page 4

Daleco Resources

WO# 10473

Sample #	Au ppb
L6N 4+80E	5
L6N 5+20E	5
L6N 5+60E	<5
L6N 6+00E	5
L6N 6+40E	9
L6N 6+80E	13
L6N 7+20E	<5
L6N 7+60E	7
L6N 8+00E	10
L6N 8+40E	10
L6N 8+80E	6
L6N 9+20E	<5
L6N 9+60E	10
L6N 10+00E	9
L8N 0+00E	12
L8N 0+40E	<5
L8N 0+80E	<5
L8N 1+20E	<5
L8N 1+60E	8
L8N 2+00E	5
L8N 2+40E	6
L8N 2+80E	5
L8N 3+20E	6
L8N 3+60E	10
L8N 4+00E	5
L8N 4+40E	5
L8N 4+80E	<5
L8N 5+20E	5
L8N 5+60E	8
L8N 6+00E	<5

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Assay Certificate

Page 5

Daleco Resources

WO# 10473

Sample #	Au ppb
L8N 6+40E	<5
L8N 6+80E	<5
L8N 7+20E	5
L8N 7+60E	5
L8N 8+00E	5
L8N 8+40E	<5
L8N 8+80E	<5
L8N 9+20E	<5
L8N 9+60E	<5
L8N 10+00E	<5
L10N 0+00E	<5
L10N 0+40E	<5
L10N 0+80E	7
L10N 1+20E	8
L10N 1+60E	<5
L10N 2+00E	6
L10N 2+40E	6
L10N 2+80E	<5
L10N 3+20E	<5
L10N 3+60E	8
L10N 4+00E	<5
L10N 4+40E	6
L10N 4+80E	6
L10N 5+20E	<5
L10N 5+60E	<5
L10N 6+00E	7
L10N 6+40E	8
L10N 6+80E	<5
L10N 7+20E	6
L10N 7+60E	8

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06/09/96

Assay Certificate

Page 6

Daleco Resources

WO# 10473

Sample #	Au ppb
L10N 8+00E	19
L10N 8+40E	35
L10N 8+80E	10
L10N 9+20E	10
L10N 9+60E	14
L10N 10+00E	12
L10N 10+40E	9
L10N 10+80E	8
L10N 11+20E	<5
L10N 11+60E	7
L10N 12+00E	8
L10N 12+40E	11
L10N 12+80E	6
L10N 13+20E	7
L10N 13+60E	<5
L10N 14+00E	<5
L10N 14+40E	9
L10N 14+80E	5
L10N 15+20E	5
L10N 15+60E	6
L10N 16+00E	<5
L10N 16+40E	7
L10N 16+80E	5
L10N 17+20E	7
L10N 17+60E	5
L10N 18+00E	10
L10N 18+40E	<5
L10N 18+80E	7
L10N 19+20E	<5
L10N 19+60E	<5

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06/09/96


Assay Certificate

Page 7

Daleco Resources

WO# 10473

Sample #	Au ppb
L10N 20+00E	<5
L10N 20+40E	<5
L10N 20+80E	<5
L10N 21+20E	<5
L10N 21+60E	<5
L10N 22+00E	5
L10N 22+40E	6
L10N 22+80E	11
L10N 23+20E	5
L10N 23+60E	9
L10N 24+00E	8
L10N 24+40E	10
L10N 24+80E	5
L10N 25+20E	9
L12N 0+00E	13
L12N 0+40E	7
L12N 0+80E	6
L12N 1+20E	6
L12N 1+60E	12
L12N 2+00E	5
L12N 2+40E	<5
L12N 2+80E	8
L12N 3+20E	9
L12N 3+60E	8
L12N 4+00E	<5
L12N 4+40E	8
L12N 4+80E	5
L12N 5+20E	7
L12N 5+60E	10
L12N 6+00E	5

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06/09/96

Assay Certificate

Page 8

Daleco Resources

WO# 10473

Sample #	Au ppb
L12N 6+40E	14
L12N 6+80E	5
L12N 7+20E	6
L12N 7+60E	5
L12N 8+00E	5
L12N 8+40E	<5
L12N 8+80E	<5
L12N 9+20E	5
L12N 9+60E	5
L12N 10+00E	<5
L12N 10+40E	<5
L12N 10+80E	5
L12N 11+20E	6
L12N 11+60E	<5
L12N 12+00E	<5
L12N 12+40E	5
L12N 12+80E	<5
L12N 13+20E	<5
L12N 13+60E	<5
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L12N 14+40E	8
L12N 14+80E	<5
L12N 15+20E	5
L12N 15+60E	6
L12N 16+00E	7
L12N 16+40E	<5
L12N 16+80E	<5
L12N 17+20E	<5
L12N 17+60E	<5
L12N 18+00E	7

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06/09/96


Assay Certificate

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Daleco Resources

WO# 10473

Sample #	Au ppb
L12N 18+40E	6
L12N 18+80E	10
L12N 19+20E	10
L12N 19+60E	11
L12N 20+00E	<5
L12N 20+40E	<5
L12N 20+80E	<5
L12N 21+20E	5
L12N 21+60E	<5
L12N 22+00E	<5
L12N 22+40E	<5
L12N 22+80E	<5
L12N 23+20E	<5
L12N 23+60E	6
L12N 24+00E	6
L12N 24+40E	<5
L12N 24+80E	<5
L12N 25+20E	<5

Certified by 



February 20,1997

Mining Recorder  
Box 249  
Dawson, Yukon Territory, YOB 1G0

Attention: Marion E Dejean

Dear Marion Dejean:

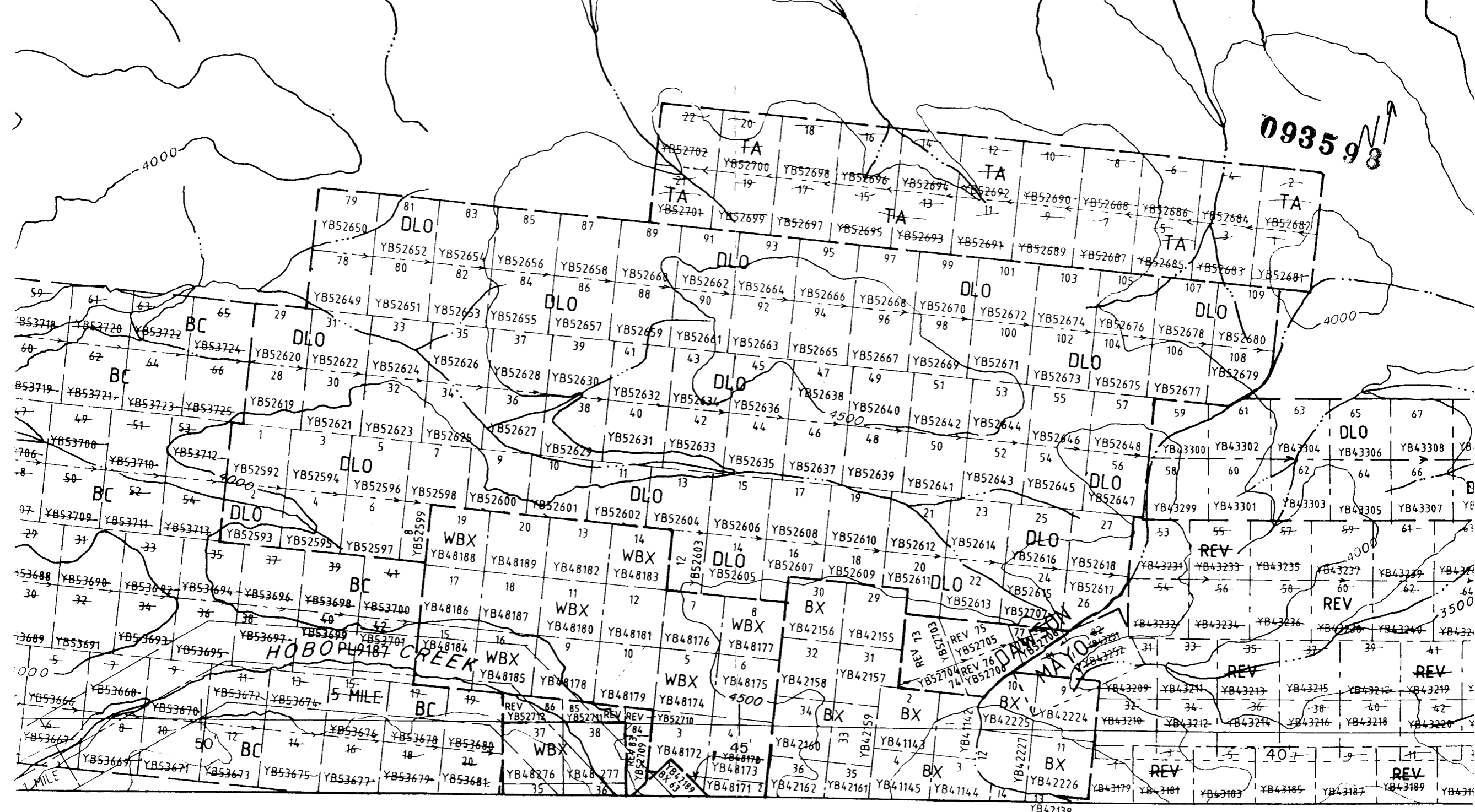
Please find attached 2 copies of the "Prospecting and Geochemical Assessment Report for the DLO Claim Group" dated February 15,1997.

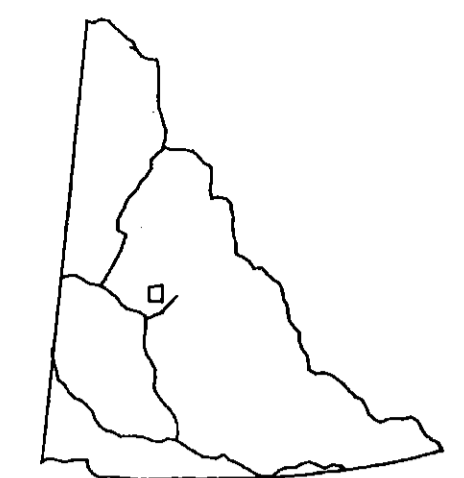
If you have any questions please do not hesitate to contact us.

Yours truly,

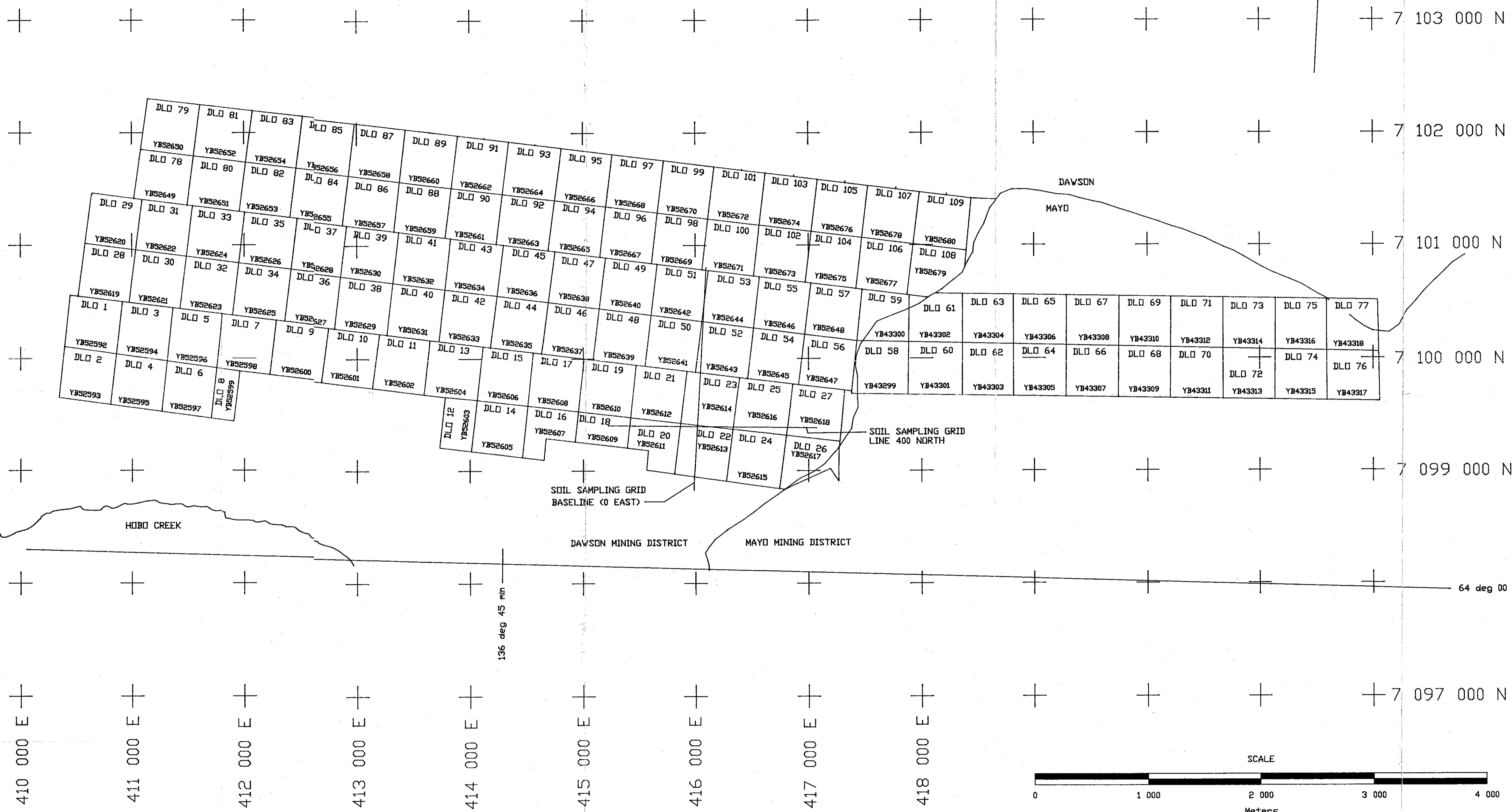
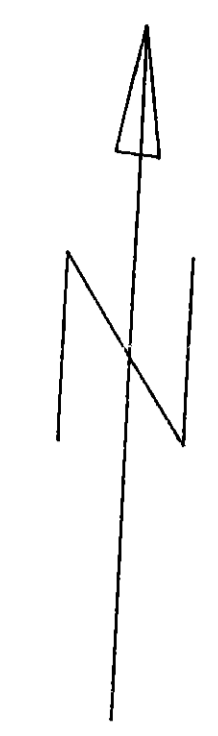
RS Addison, P Eng

0935 98





INDEX MAP



093598

- NOTES:
- 1) UTM Coordinates - Zone 8
  - 2) Model Space 0.05xp
  - 3) Plot 1:1 in paper space
  - 4) Claims from Yukon Government Claim Map 116 A/2

DALECO RESOURCES LTD  
VANCOUVER BRITISH COLUMBIA

DW PHILIP MINING SERVICES  
NORTH VANCOUVER BRITISH COLUMBIA

DLO CLAIMS  
LOCATION MAP

Dwg by:	Ck by:
Appd by:	Date: Feb 1997
Figure No: 2	Scale: 1:20 000

#1