

ASSESSMENT REPORT

on the

RAILROAD GROUP

Mayo Mining District Yukon

(Y.C.S. # 105-M-14)

Longitude: 135° 20'

Latitude: 60° 58'

By

ACE R. PARKER & ASSOCIATES

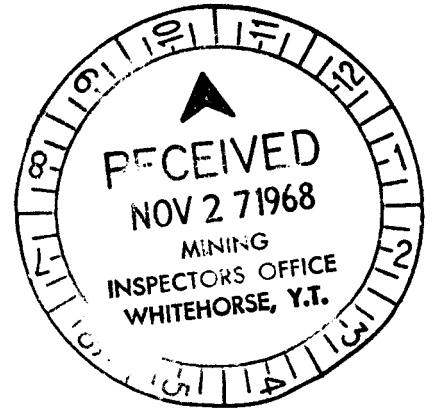
MINERAL INDUSTRY CONSULTANTS & CONTRACTORS

Work Performed

between

August 20, 1967 and
August 1, 1968

9890



This report has been examined by
the Geological Evaluation Unit
Approved as to technical worth by:

D.C. Finlay
RESIDENT GEOLOGIST

Approved as to cost in the amount
of: \$ 9890.00

A.S. Redden
FEDERAL MINING ENGINEER

Examined as regards location work
in Section 33 & Yukon Quartz
Mining Act.

[Signature]
COMMISSIONER OF YUKON TERRITORY

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THE RAILROAD GROUP

Ace R. Parker

INTRODUCTION

This report outlines geochemical and geophysical work conducted to date in the Railroad Claim Group situated in the Keno Hill area of the Mayo Mining District, Yukon.

The work discussed in this report was conducted by the management and staff of Ace R. Parker & Associates, Mineral Industry Consultants & Contractors, Whitehorse, Yukon, on behalf of the owner of the property, Ace R. Parker P. Eng. and Cro-Mur Mining & Explorations Ltd., and has been summarized herein and is presented as assessment work in compliance with the Yukon Quartz Mining Act.

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Ace R. Parker

SUMMARY

This report includes the methods, results and costs of a preliminary geochemical and geophysical survey conducted during 1967 and 1968 on the Railroad Claim Group situated on the western flank of Keno Hill in the Mayo Mining District of the Yukon.

Fourteen (14) line miles of control lines spaced at 400 foot intervals provided a control for the surveys.

The results of the surveys are shown on the attached maps and suggest the presence of several possible mineralized zones which are interconnected, concealed by overburden and coincide with the core zone of a Government aeromagnetic negative anomaly which covers a section of schists and limestone near the old "Wernecke Mine."

Additional geophysical surveys inconjunction with bulldozer trenching and diamond drilling are recommended to assess the potential of the property.

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PROPERTY AND OWNERSHIP

The property consists of forty-eight (48) contiguous and granted mineral claims which are recorded in the Mining Recorder's Office of the Mayo Mining District at Mayo, Yukon. These claims cover approximately 2,400 acres of Crown Land and are further described as follows:

<u>CLAIM NAME</u>	<u>GRANT NO.S</u>	<u>EXPIRY DATE</u>	<u>REGISTERED OWNER</u>
Railroad #1 to 8 incl.	Y 6859 to Y 6866 incl.	Aug. 24, 1968	Cro-Mur Mining - 2/3 Ace R. Parker - 1/3
Railroad # 9 to 16 incl.	Y 6867 to Y 6874 incl.	" " "	" " "
Railroad # 17 - 24 incl.	Y 6875 to Y 6882 incl.	" " "	" " "
Railroad # 25 - 32 incl.	Y 6883 to Y 6890 incl.	" " "	" " "
Railroad #33 - 40 incl.	Y 6891 to Y 6898 incl.	" " "	" " "
Railroad #41 - 48 incl.	Y 6899 to Y 6906 incl.	" " "	" " "

No mining or milling plant exists on the property and no organized mining company has ever worked on the claims. Also, to the best of my knowledge and belief no liens are registered against the property.

THE RAILROAD GROUP

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LOCATION & ACCESS

The RAILROAD CLAIM GROUP (60°58'N. 135°20'W.) is situated between 2,300 and 3,100 feet in elevation on the western flank of Keno Hill in the Mayo Mining District, Yukon Territory, and approximately three (3) miles by gravel road N - NW of Keno City, Yukon.

Currently the property may be reached by foot trails leading from United Keno Hill Mines' gravel access road to the Sadie Ladue Mine.

Two hundred and seventy miles of all weather gravel road connect Keno City with Whitehorse, Yukon, which is 110 miles by narrow gauge rail road from deep sea haulage facilities at Skagway, Alaska.

Both Whitehorse and Mayo are serviced by scheduled aircraft and bus lines.

THE RAILROAD GROUP

Ace R. Parker

DISCUSSION OF THE SURVEYS

PURPOSE: The purpose of the surveys included herein was to provide preliminary explorations of the RAILROAD CLAIM GROUP.

Geomorphic Conditions:

The property covers a block of glaciated upland topography on the western flank of Keno Hill in the Mayo Mining District of the Yukon Territory.

The property lies below timberline between elevations of 2,300 and 3,100 feet and vegetation consists of a thick assemblage of typical "stunted Yukon white spruce" trees of various sizes intermingled with "buck" and alder bush.

Overburden consists of glacial and residual soil and minor talus all which vary from approximately five (5) to fifty (50) feet in thickness.

Control of the Surveys:

A grid consisting of thirteen-thousand foot lines was used to control the surveys. These lines have a common baseline 7,600 feet long and all lines have survey stations spaced at 100 foot intervals.

DISCUSSION OF THE SURVEYS (Cont'd)

The Geochemical Survey:

760 soil samples of A⁰ horizon soil dug with a mattock were analyzed for lead at the Whitehorse assay office using hot acid extraction and atomic absorption techniques.

The location of the samples, and the resulting lead values are shown on the attached map.

It must be understood that soil sampling of this type at best only provides a metalogenic guide to exploration in the Keno Hill area due to soil thickness, development and migration.

Nevertheless, correlation of results suggests several areas of significance. These areas contain lead values of relatively low numerical value but of intensity equal to twice background or greater.

The Magnetometer Survey

The magnetometer survey has a relief of 1250 gammas, confirms the results of the Government aeromagnetic survey, and outlines a series of mag "highs" and "lows" as shown on the attached map

DISCUSSION OF THE SURVEYS (Cont'd)

The Electromagnetic Survey:

The electromagnetic survey is probably the most important survey conducted on the property to date and reveals a series of related conductors which are shown on the attached map.

Many of these conductors are relatively strong and coincide with the core zone of the Government aeromagnetic negative anomaly on the property.

The conductors shown on the attached map suggest the presence of a series of strong vein zones interconnected by a stock work of lesser vein zones and possible replacements.

The geometry of the electromagnetic curves indicate that some conductors are associated with significant amounts of graphite along their margins. Said graphite may be considered as wall rock alteration evolving as a product of heat and may be conveniently used as a marker horizon for interpretation purposes.

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CONCLUSIONS & RECOMMENDATIONS

The RAILROAD CLAIM GROUP contains a number of anomalous conductive zones which may coincide with mineral deposits. The significance of these conductors will be better known after some diamond drilling has been completed.

The geochemical expression of the property as revealed by surface sampling of A⁰ soil cannot be used to guide drilling directly since all values are diluted, distorted, and rendered inconclusive by soil thickness, development and migrations.

Areas of geochemical importance and equal to two times background have been "hatched" on the attached map. It's most significant that zones of strongest geochemical lead expression coincide with electromagnetic conductors and thus establish trends in mineralization.

The magnetic survey produced a series of highs and lows which coincide with the negative anomaly produced by the Government airborne survey.

Areas of low magnetic relief and junction areas between mag highs and lows are of particular importance.

The results of the E.M. survey are plotted on the attached map and reveal several promising conductors suggesting the

CONCLUSIONS & RECOMMENDATIONS (Cont'd)

presence of a series of interconnected veins connected by a stockwork of lesser veins and possible replacement deposits all developed in schists and interclated limestone horizons.

Correlation of geological, geochemical and geophysical evidence applicable to the property indicates the presence of numerous anomalous zones that justify additional exploration to assess the exonomical potential of the property.

Said exploration should consist essentially of additional geochemical and geophysical surveys conducted in conjunction with diamond drilling.

THE RAILROAD GROUP

Ace R. Parker

**PERSONNEL EMPLOYED ON THE PROJECT
TO DATE**

<u>NAME</u>	<u>OCCUPATION</u>	<u>FIXED ADDRESS</u>
A. Alföldy	Exploration Tech.	Vancouver, B.C.
D. Bougie	Exploration Tech.	Ottawa, Ont.
M. Currie	Senior Geophysist	Port Loring, Ont.
G. Davies	Exploration Tech.	Vancouver, B.C.
L. Fox	Exploration Tech.	Vancouver, B.C.
M. Fox	Geophysical Tech.	Vancouver, B.C.
G. Gordon	Line Cutter	Whitehorse, Y.T.
N. Henry	Surveyor	Whitehorse, Y.T.
K. Kania	Exploration Tech.	Winlaw, B.C.
R. Nicholson	Cook	Whitehorse, Y.T.
Ace R. Parker	Consulting Eng.	Whitehorse, Y.T.
P. Percival	Project Eng.	Fairbanks, Alaska
B. Peterson	Draftsman	Whitehorse, Y.T.
R. Savidge	Exploration Tech.	Dirango, Colorado

THE RAILROAD GROUP

Ace R. Parker

COSTS

The costs of the work covered by this report are as follows:

Grid Line and Stations 13 line miles @ \$75/lm	\$ 325.00
Mag Survey 13 line miles @ \$75/lm	325.00
Geochemical Survey 13 line miles @ \$100/lm	1300.00
E. M. Survey 13 line miles @ \$150/lm	1650.00
Camp and Subsistence (includes cook)	1700.00
Engineering and Supervision	1200.00
Steno, Printing and Reports	900.00
Transportation and Communication	600.00
Tools, Supplies, Miscellaneous	90.00
Equipment Rental	800.00
	<hr/>
TOTAL	\$9890.00

THE RAILROAD GROUP

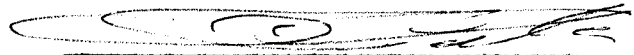
Ace R. Parker

AFFIDAVIT OF COSTS

I, Ace R. Parker, of the City of Whitehorse, Yukon Territory,
do certify that:

1. That I am a Consulting Engineer, President
of the firm of ACE R. PARKER & ASSOCIATES,
MINERAL INDUSTRY CONSULTANTS & CONTRACTORS,
Whitehorse, Yukon and have personal knowledge
of the matters described herein.

2. That to the best of my knowledge and belief,
the costs represented in this report are a
true statement of direct expenditures for
Assessment Work performed on the RAILROAD
CLAIM GROUP as outlined by this report.



Ace R. Parker, P. Eng.

Sworn before me at Whitehorse
in the Yukon Territory this
13 day of September
1968.



A Commissioner for taking Oaths
In and For the Yukon Territory.

A Notary Public in and for the
Yukon Territory.

THE RAILROAD GROUP

Ace R. Parker

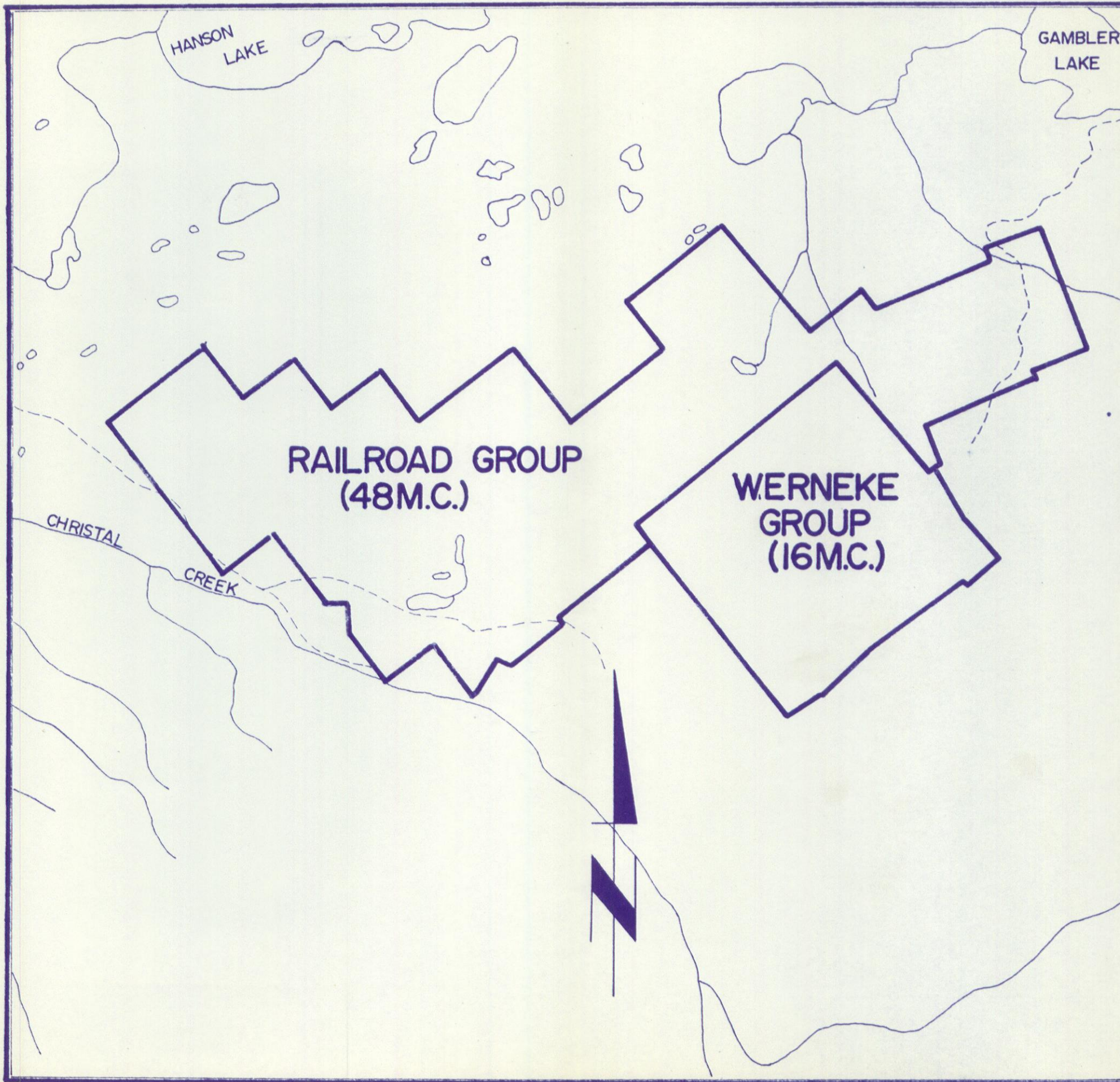
C E R T I F I C A T E

I, Ace R. Parker, of the City of Whitehorse, Yukon Territory,
do certify that:

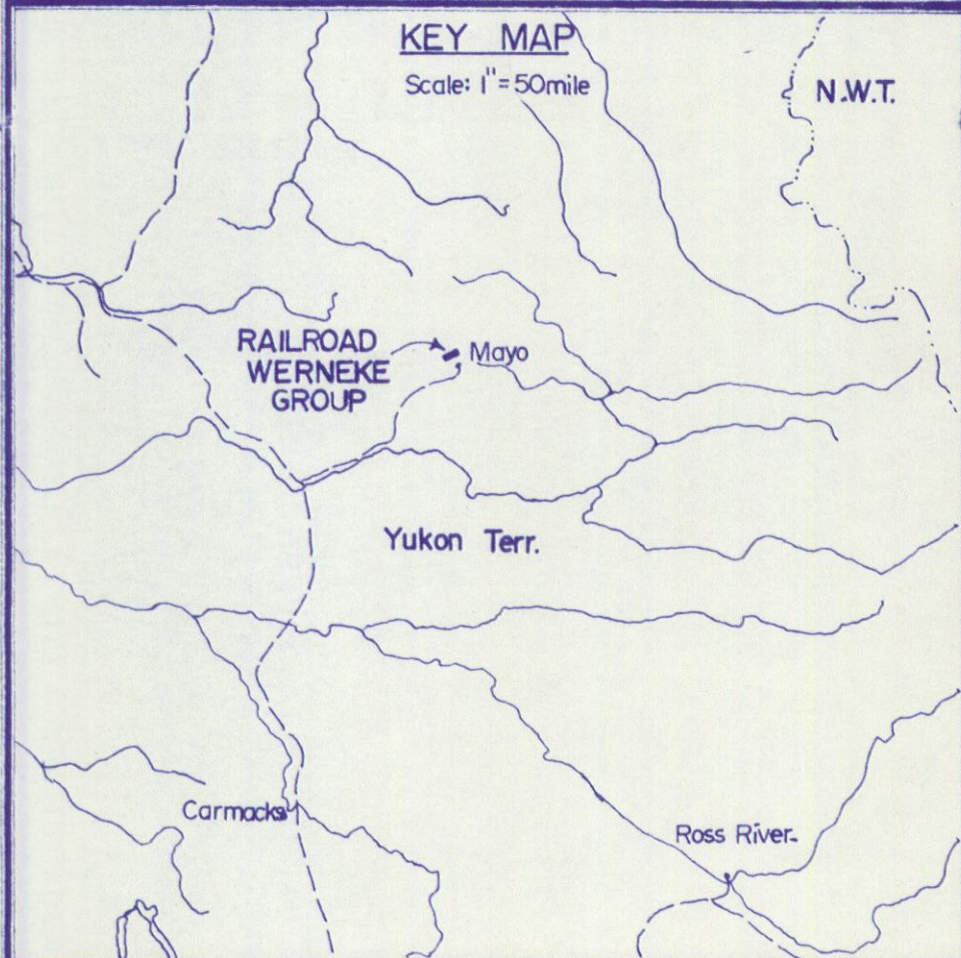
1. I am a Consulting Engineer practising under the name and style of ACE R. PARKER & ASSOCIATES, with office at 3rd Avenue and Elliott Street, Whitehorse, Y.T.
2. I am a Bachelor of Science in Mining Engineering from the College of Earth Sciences and Mineral Industry, University of Alaska, College, Alaska - 1962. I hold a diploma in Mineralogy from the Mineral Science Institute, Chicago, Illinois, - 1959.
3. I am a member in good standing of the Association of Professional Engineers of Yukon, the Association of Professional Engineers of British Columbia, and the Association of Professional Engineers of Alberta. I have been a member of the American Institute of Mining, Metallurgical, and Petroleum Engineers since 1954.
4. I have formally practiced my profession for the past six years after working in the Mineral Industry since 1953.
5. I have one third interest in the RAILROAD CLAIM GROUP described in the accompanying report.
6. This certificate is part of the attached Geochemical and Geophysical Assessment Report on the RAILROAD CLAIM GROUP dated September 13, 1968. The attached property map shows the location of the RAILROAD CLAIM GROUP of mineral claims on which the included work was performed.
7. This report is based on a comprehensive personal study of documents, maps, and reports relating to the surveys described herein, including reports of the Geological Survey of Canada. The work outlined by this report was conducted under my supervision.

Whitehorse, Yukon
September 13, 1968


Ace R. Parker, P. Eng.



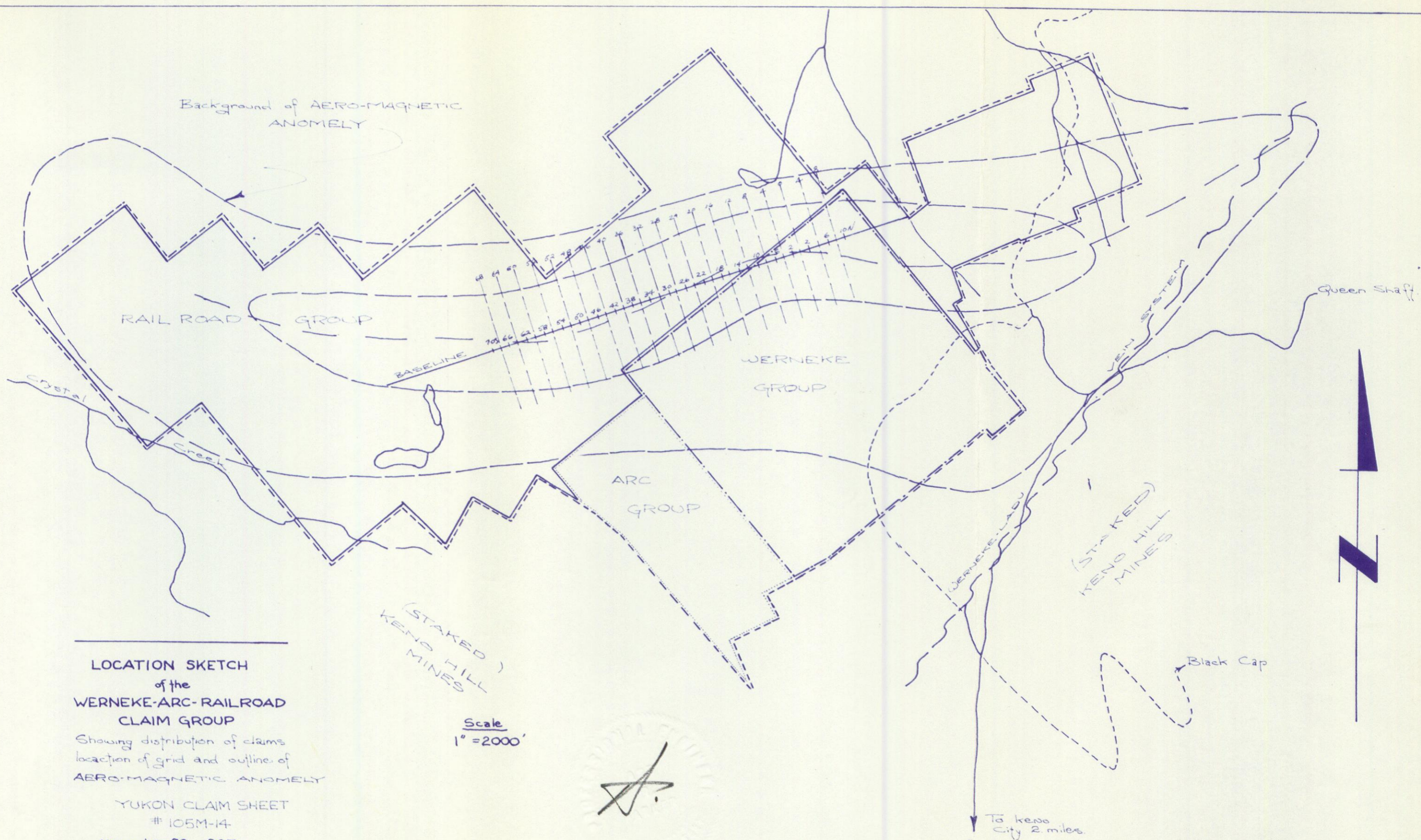
PROPERTY LOCATION MAP
CROMUR EXPLORATION
RAILROAD-WERNEKE GROUP
 KENO HILL AREA
 MAYO MINING DISTRICT



ACE R PARKER & ASSOCIATES
Mineral Industry Consultants and Contractors

Claims location approx. Location map taken from C.S.105M-14

DATE	SEPT. 6, 1968	SEAL
SCALE	1" = 1/2 mile	
DRAWN BY	Barry Peterson	
DWG No.		



**LOCATION SKETCH
of the
WERNEKE-ARC-RAILROAD
CLAIM GROUP**

Showing distribution of claims
location of grid and outline of
AERO-MAGNETIC ANOMELY

YUKON CLAIM SHEET
105M-14

November 22, 1967
ACE R PARKER
Consulting Engineer

(STAKED)
KEND HILL
MINES

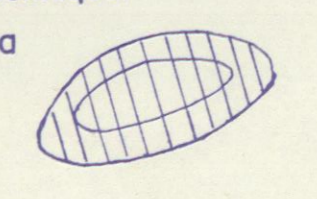
Scale
1" = 2000'

To keno
City 2 miles.



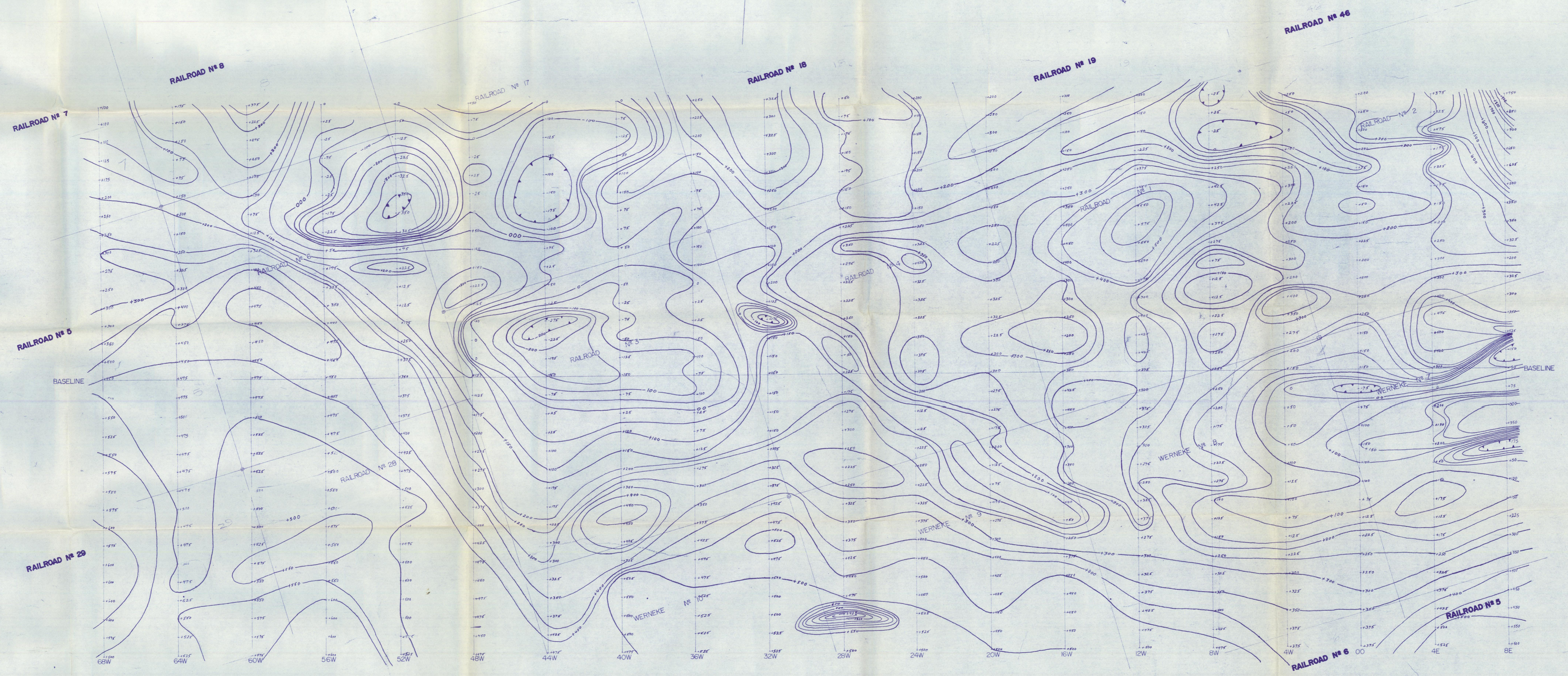
GEOCHEMICAL COMMENTS

- Geochemical lead anomaly showing contoured lead values in parts per million.
- Contour interval: 10pp.m.
- 10" Average sample depth.
- Analysis by hot acid extraction and atomic absorption technique.
- High lead area



CRO-MUR EXPLORATION
 RECONNAISSANCE
 GEOCHEMICAL SURVEY
 (LEAD PLOT)
 of the
 RAILROAD-WERNEKE GROUP
 MAYO MINING DISTRICT, Y.T.
 ACE R. PARKER & ASSOCIATES
 Mineral Industry Consultants & Contractors

DATE: SEPT. 6, 1968 SEAL
 SCALE: 1" = 200'
 DRAWN BY: *Rauy Jensen*
 DWG No:



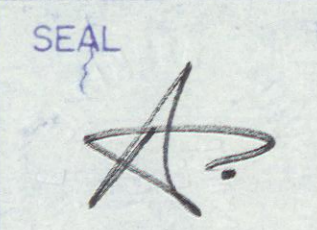
GEOPHYSICAL COMMENTS

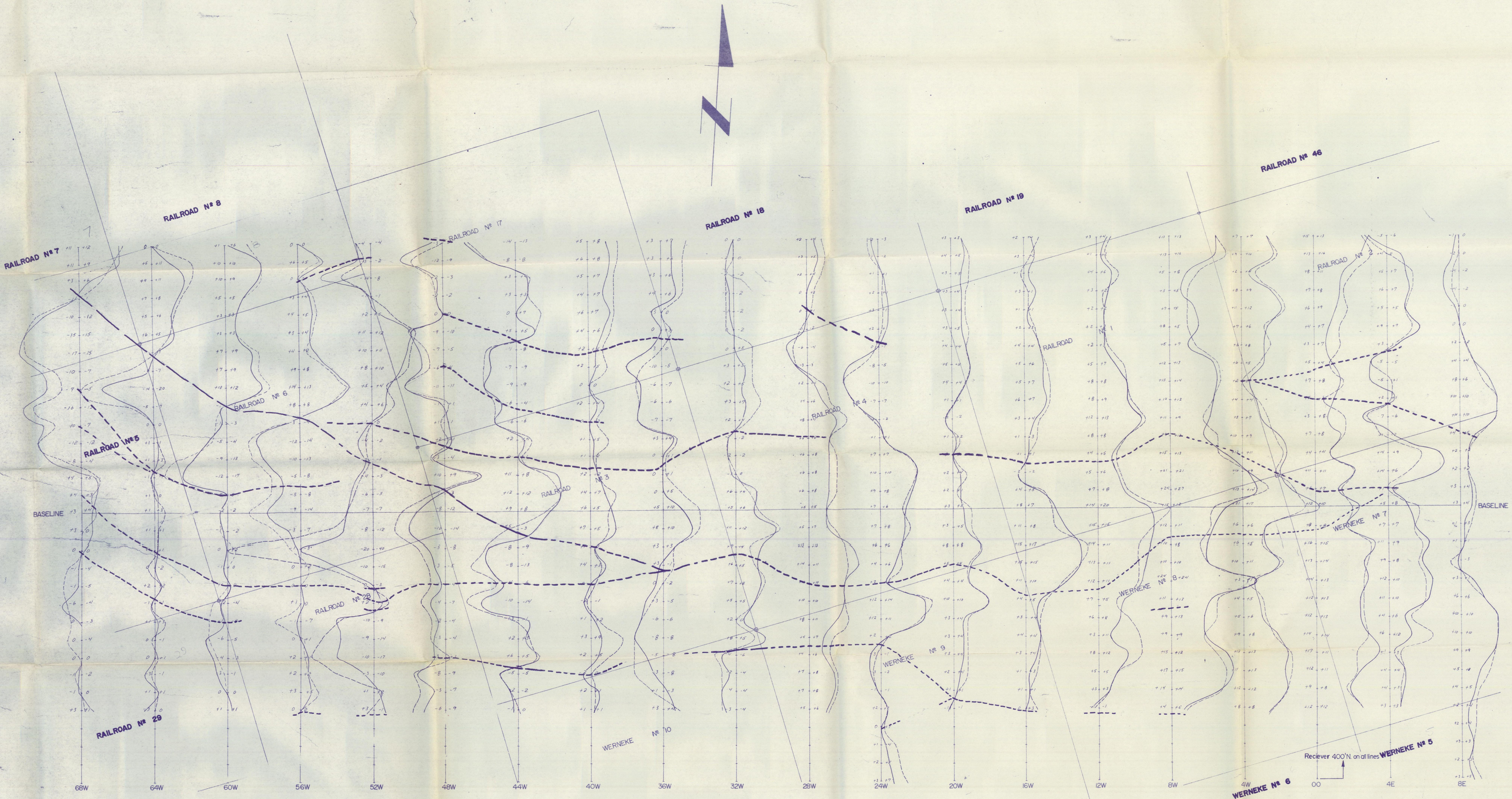
- Instruments JALANDER # W505 (Moving Coil)
- Contour interval: 50 gammas
- Magnetic Depression:

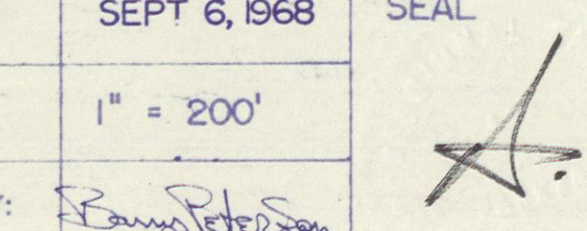
CRO-MUR EXPLORATION
**RECONNAISSANCE MAG.
 GEOPHYSICAL SURVEY**
 of the
RAILROAD-WERNEKE GROUP
 MAYO MINING DISTRICT, Y.T.

ACE R. PARKER & ASSOCIATES
 Mineral Industry Consultants & Contractors

DATE: SEPT. 6, 1968
 SCALE: 1" = 200'
 DRAWN BY: *Randy Parker*
 DWG NO:





GEOPHYSICAL COMMENTS.		
— Instrument: SHARPE SE-300		
— High frequency (readings left of line) ———		
— Low frequency (readings right of line) - - - - -		
— Scale: 1" = 10'		
— Conductive Zones		
- - - - - Inferred		
— Indicated		
CRO-MUR EXPLORATION LTD		
RECONNAISSANCE E.M.		
GEOPHYSICAL SURVEY		
of the		
RAILROAD - WERNEKE GROUP		
MAYO MINING DISTRICT		
ACE R. PARKER & ASSOCIATES		
Mineral Industry Consultants & Contractors		
DATE:	SEPT 6, 1968	SEAL
SCALE:	1" = 200'	
DRAWN BY:	Larry Peterson	
DWG NO.:		