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CONSULTING MINING AND GEOLOGICAL ENGINEER

1947 WEST KING EDWARD AVENUE
VANCOUVER 9, BRITISH COLUMBIA

PROGRESS REPORT FOR 1967 AND
EXPLORATION RECOMMENDATIONS FOR 1968
for
YUKON ANTIMONY CORPORATION LTD. (N.P.L.)

by

Allan P. Fawley

105-D-3

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YUKON ANTIMONY CORPORATION LTD. (N.P.L.)

INTRODUCTION

Work was concentrated in 1967 on the copper deposit that was discovered in 1966 on Chieftan Hill, Yukon Territory. The work done here included road building, geophysical surveying and drilling; the geophysical surveying, using the induced polarization method, located two large anomalies, one of which has been drilled and the anomaly appears to have been caused by pyrite, the second anomaly has not yet been successfully drilled due to very deep overburden.

Additional geophysical surveying was carried out at Carbon Hill and discovered some anomalies that will require further investigation.

WORK COMPLETED IN 1967

The well-equipped camp of Yukon Antimony Corporation in the Wheaton River district of the Yukon was re-opened as early as weather conditions permitted; roads were constructed and improved to the top of Chieftan Hill; grid lines were surveyed and picketed and extensive induced polarization and resistivity geophysical surveys were

carried out by McPhar Geophysics Ltd. on Chieftain and Carbon Hills and also on the Mary Ann property; then the anomalies on Chieftain Hill were drilled.

RESULTS OF EXPLORATION WORK IN 1967

The induced polarization geophysical surveys located two large anomalies on Chieftain Hill and several smaller ones on Carbon Hill (see reports by McPhar Geophysics Ltd.). No significant induced polarization effects were found on the Mary Ann property.

The northern anomaly on Chieftain Hill was tested by two diamond drill holes, one to 750 ft. and the other to 100 ft. in depth. Both drill holes indicated that the anomaly was caused mainly by pyrite (iron sulphide) as only low copper values (0.35% Cu. or less) were obtained.

One hole was drilled on the southern anomaly. The intended depth for this hole was 750 ft., as recommended by McPhar Geophysics Limited, but at a depth of 190 ft. the hole was still in gravel and boulders and had to be abandoned.

RECOMMENDATIONS FOR 1968

The field season in the Yukon is fairly short and to take full advantage of the season, planning must be done well in advance. This is particularly true for companies with large holdings such as Yukon Antimony Corporation who hold about 200 mineral claims.

Once the snow leaves the lower slopes of the mountains, reconnaissance geochemical soil sampling and prospecting for copper, molybdenum and lead (to indicate both lead and silver) should be started. Geochemical soil sampling methods will not work successfully in talus or permafrost, but there are many areas within the Yukon Antimony claims where the method should work successfully. Where anomalous geochemical results are obtained, further geochemical sampling and detailed geological mapping should be carried out, to be followed by trenching or drilling where warranted.

When Chieftain and Carbon Hill are clear of snow, the anomalous geophysical zones should be carefully examined and geologically mapped and, in places, soil sampled to determine if further drilling is warranted on Chieftain Hill, and to determine the best methods to use for further exploration on Carbon Hill.

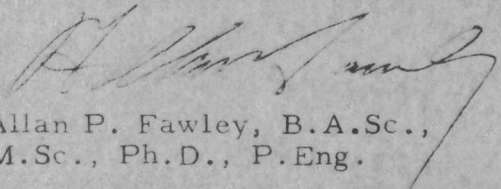
For the northern Chieftain Hill geophysical anomaly, it is probable that no further drilling is warranted, although it should be realized that although some sections of the anomaly are definitely caused by pyrite, other sections of the same anomaly may be caused by chalcopryrite or other copper-bearing minerals.

For the southern Chieftain Hill geophysical anomaly, the induced polarization anomalous results are believed to be due to sulphides in bed-rock below the overburden, hence the 190 ft. deep drill hole entirely in overburden did not indicate whether the anomaly was, or was not, caused by copper bearing minerals. Dr. D. Smellie, geophysicist,

considers another hole should be drilled to test the anomaly provided a location can be found over part of the anomaly where the overburden is shallow or moderate in depth.

For the Carbon Hill geophysical anomalies, a careful surface examination should be made of the anomalous zones, including detailed geological mapping (to determine if there is correlation of the known mineralization with the induced polarization effects) and some geochemical sampling, to be followed by trenching and/or drilling if warranted.

Respectfully submitted,



Allan P. Fawley, B.A.Sc.,
M.Sc., Ph.D., P.Eng.

Consulting Mining and Geological
Engineer

Vancouver, B. C.

December 1, 1967

ALLAN P. FAWLEY, Ph.D., P.ENG.
CONSULTING MINING AND GEOLOGICAL ENGINEER

1947 WEST KING EDWARD AVENUE
VANCOUVER 9, BRITISH COLUMBIA

February 13, 1968

Yukon Antimony Corporation Ltd.
515 Stock Exchange Bldg.
Vancouver 1, B.C.

Dear Sirs:

Drill logs and assays of the three holes drilled in 1967 are enclosed.

I have superimposed the general geology of the area drilled and shown the location of the drill holes on the geophysical map prepared by McPhar Geophysics Ltd. The rocks of this area are such a complex mixture of various volcanic flows, tuffs and breccias with granitic intrusives, all with various stages of alteration, that a detailed map could only be prepared on a scale of about 1 inch to 50 feet or less; also, except for the cliffs the area is mostly covered with talus and scree below the cliffs and with a coating of soil, sand and broken rock in the plateau area above the cliffs. (For the geology on a scale of 1 inch to 1 mile, see Map 607A by D. D. Cairns, of the Geological Survey of Canada).

The I.P. (induced polarization) anomalies located by McPhar Geophysics Ltd. are probably due to pyrite, pyrrhotite or chalcopyrite, or to a mixture of all three. Where an anomaly was tested by drill hole no. 1 to a depth of 750 feet, as recommended by McPhar, only pyrite and a minor amount of pyrrhotite was found. Drill hole no. 2, on the edge of the same anomaly drilled by hole no. 1, penetrated a minor amount of chalcopyrite which was not sufficient to have caused the anomaly so a greater amount of sulphides may occur below the 100 feet depth reached by the drill hole. (Copper stained outcrops occur near this drill hole). Drill hole no. 3, in the southern anomaly, had to be abandoned at 190 feet while still in gravel and boulders so that the cause for the I.P. anomaly is not yet known. (Bedrock is not exposed near here, however malachite and azurite coat some of the andesite float nearby.)

Yours sincerely,



Allan P. Fawley
Consulting Mining and Geological Engineer

DRILL HOLE RECORD

YUKON ANTIMONY CORP.

DIP TEST			LEVEL	HOR. COM.	HOLE No. 1 BCL-450
FOOTAGE	ANGLE		LOCATION CHIEFTAIN HILL	VERT. COM.	SHEET No. 1
0	RECORDING	CORRECTED	ELEVATION 5600 FT. (APPROX)	BEARING	LOGGED BY C. D.
		VERTICAL	LATITUDE MAIN GRID	LENGTH 750 FT.	PURPOSE
			DEPARTURE 450 N 000 E	FINISHED	TOT. RECOVERY

FOOTAGE		MINERALIZATION	DESCRIPTION	ASSAYS											RECOVERY	
FROM	TO			SAMPLE NO.	FROM	TO	WIDTH	AU	AG	% CU	WG	AVGE	% ZN	WG	AVGE	RUN
			[The following log is a summary, a detailed log is available in Whitehorse.]													
			The rocks throughout the hole are very complex in detail but are mostly mainly composed for the first 500 feet, then become mainly granitic.													
0	433		Various dacite and rhyolite flow rocks and breccias with some intercalated andesites and trachyte tuffs and agglomerates.	2775	223	233										
			Fine grained pyrites and some pyrrhotite, mass. of 2% sulfides between 223 & 283 ft.	2777	242	253										
				2779	263	273										
A33	A48		Fine grained siliceous intrusive													
A48	A77		Massive rhyolite flow rock													
A77	519		Material of the breccias and agglomerates becoming granitic in appearance with fine grained	2781	477	487										
			recrystallized crystals of feldspar and quartz containing fine grained pyrites and some pyrrhotite.	2784	497	505										
519	750		Rocks gradually becoming more homogeneous and more granitic in appearance towards 750 ft.													
			End of hole @ 750 ft.													

M. J. [Signature]

EX CORE

DRILL HOLE RECORD

YUKON ANTIMONY CORP.

DIP TEST		LEVEL	HOR. COM.	HOLE No. 2 YUX/67
FOOTAGE	ANGLE		VERT. COM.	SHEET No.
	RECORDING	CORRECTED	BEARING	LOGGED BY C. B.
0	VERTICAL		LENGTH 100 FT	PURPOSE
		ELEVATION 5300 FT. (APPROX)	FINISHED	TOT. RECOVERY
		LOCATION CHIEFTAIN HILL		
		LATITUDE MAIN GRID		
		DEPARTURE 450 S 900 E		

FOOTAGE		MINERALIZATION	DESCRIPTION	ASSAYS											RECOVERY	
FROM	TO			SAMPLE No.	FROM	TO	WIDTH	AU	AG	% CU	WG	AVGE	% ZN	WG	AVGE	RUN
			This hole appears to have been drilled at an irregular contact zone between volcanic and intrusives.													
0	50		Hybrid siliceous type of volcanic material.													
50	100		Granitic rock type, low in mafic material.													
			The hole is irregularly mineralized with chalcopyrite throughout the entire hole.													
			End of hole @ 100 ft.													
			<i>H. H. ...</i>													

See attached sheet for assays.
Sample nos. 2751 - 2771.

PROVINCIAL ASSAYERS

580 NELSON STREET

RECEIVED
 SEP 11 1967

VANCOUVER 2, B.C. September 7th 19 67

RESULTS of Assays made on samples of ore submitted by: YUKON ANTIMONY MINES LTD.

MARK	Copper %	DEPTH	Mark	DEPTH	Copper %
2751	0.35	0-5 FT	2769	75-80 FT.	0.04
2752	0.05	5-10	2770	80-85	0.02
2753	0.10	10-15	2771	85-88	0.01
2754	0.17	15-18	2772	88-92	0.01
2755	0.07	18-22	2773	92-95	0.01
2756	Trace	22-25	2774	95-100	0.04
2757	0.09	25-30			
2758	0.15	30-35			
2759	0.05	35-40			
2760	0.20	40-44			
2761	0.09	44-47			
2762	0.05	47-50			
2763	0.02	50-55			
2764	Trace	55-60			
2765	0.09	60-64			
2766	0.04	64-67 1/2			
2767	0.04	67 1/2-73			
2768	0.03	73-75			

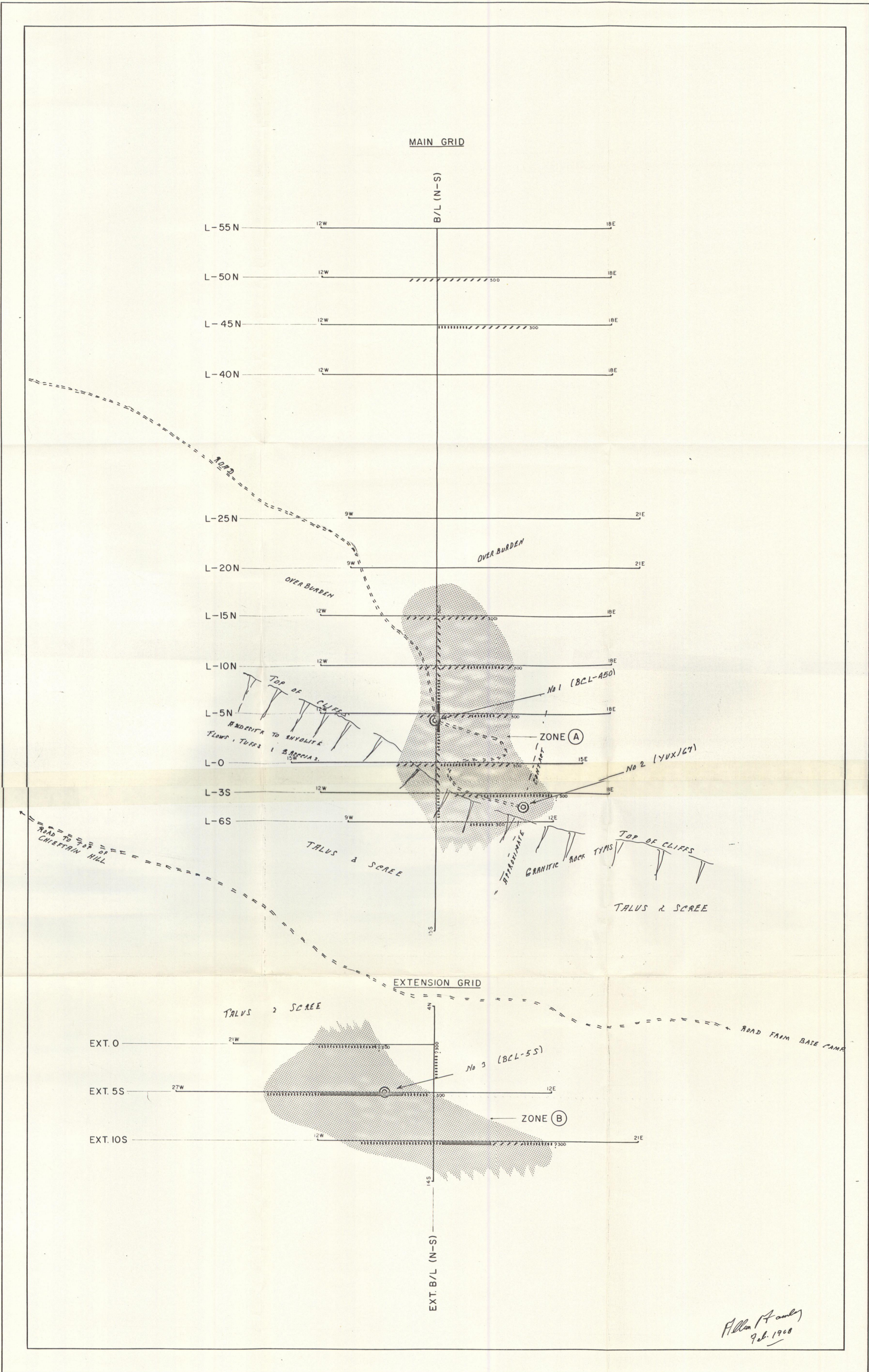
End of hole @ 100 ft. depth

Assays made by

J. Moore

DWG. MISC. 3268

McPHAR GEOPHYSICS LIMITED
INDUCED POLARIZATION AND RESISTIVITY SURVEY
PLAN MAP



SURFACE PROJECTION OF ANOMALOUS ZONES

DEFINITE

PROBABLE

POSSIBLE

Numbers at the end of the anomalies indicate spread used.

YUKON ANTIMONY CORPORATION LTD. (N.P.L.)

SKUKUM CREEK PROPERTY, YUKON TERRITORY.

(PHIL CLAIMS) — (JOY CLAIMS)

SCALE

ONE INCH EQUALS FIVE HUNDRED FEET

ANOMALOUS I.P. ZONE

DRILL HOLE LOCATION

DRAWN: P.C.

DATE: AUGUST, 1967

APPROVED:

DATE: 11/8/67

DWG. MISC. 3268