

D. I. T. HOLDINGS LTD.

SUITE 102 2222 BELLEVUE AVENUE
WEST VANCOUVER, B.C.

PRELIMINARY REPORT

ON

A MAGNETOMETER SURVEY

OF PART OF THE

SLATE CLAIM GROUP 1-24, 29-40, 49-60 INCLUSIVE
GRANT NOS Y-69285-69308, Y69313-24, Y69333-44
MacMILLAN PASS AREA
MAYO MINING DISTRICT
YUKON TERRITORY

N. LAT. 63°-15'

W. LONG. 130°-15'

FOR

MR. S. BELZBERG
450 WEST GEORGIA STREET
VANCOUVER, B.C.

BY

DONALD W. TULLY, P.ENG.

7 DECEMBER 1973

WEST VANCOUVER, B.C.

WITH APPENDIX DATED DECEMBER 5, 1973

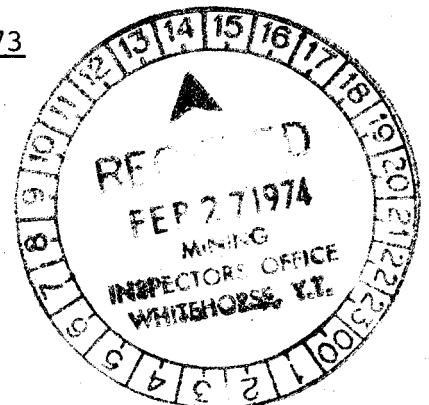
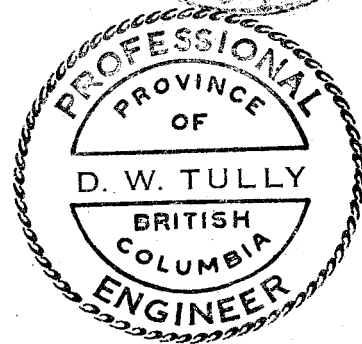
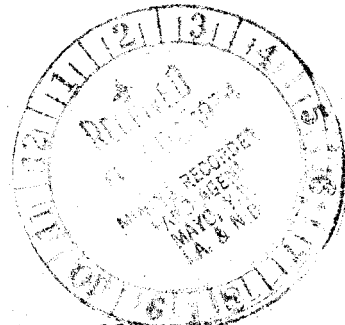
BY MR. UNO LEIS, B.Sc.
STRATO GEOLOGICAL LTD
19-448 SEYMOUR STREET
VANCOUVER 2, B.C.

This report has been examined by the Geological Evaluation Unit and is recommended to the Commissioner to be considered as representation work in the amount of \$ 2700

A.B. Craig
Resident Geologist or
~~Resident Mining Engineer~~

Considered as representation work under
Section 53 (4) Yukon Quartz Mining Act

Paul
Commissioner of Yukon Territory



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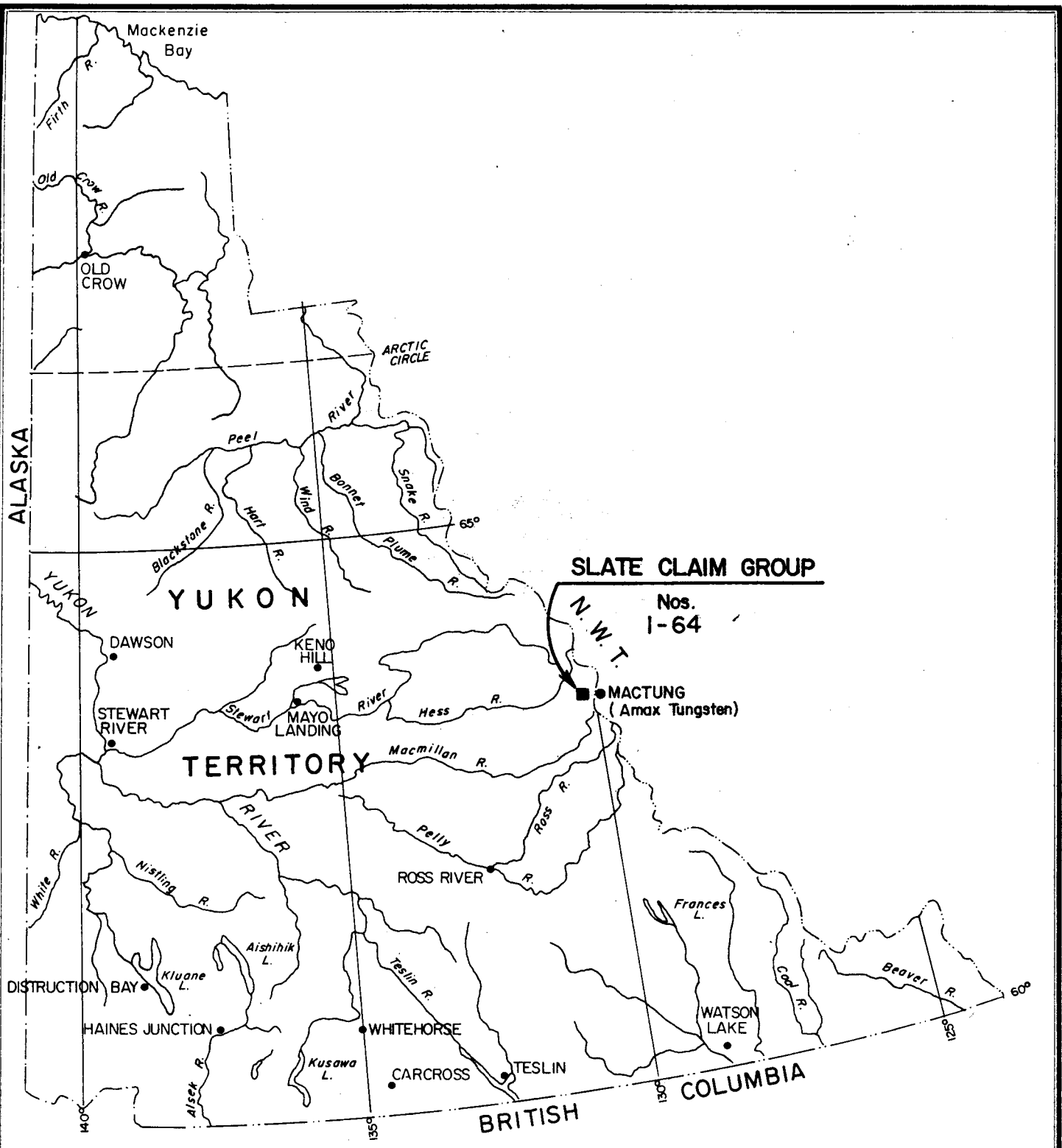
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APPENDIX

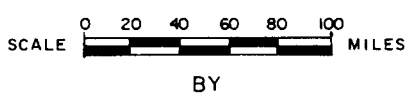
REPORT ON MAGNETOMETER SURVEY BY MR. UNO LEIS, B.Sc.
TIME - COST DISTRIBUTION

MAPS

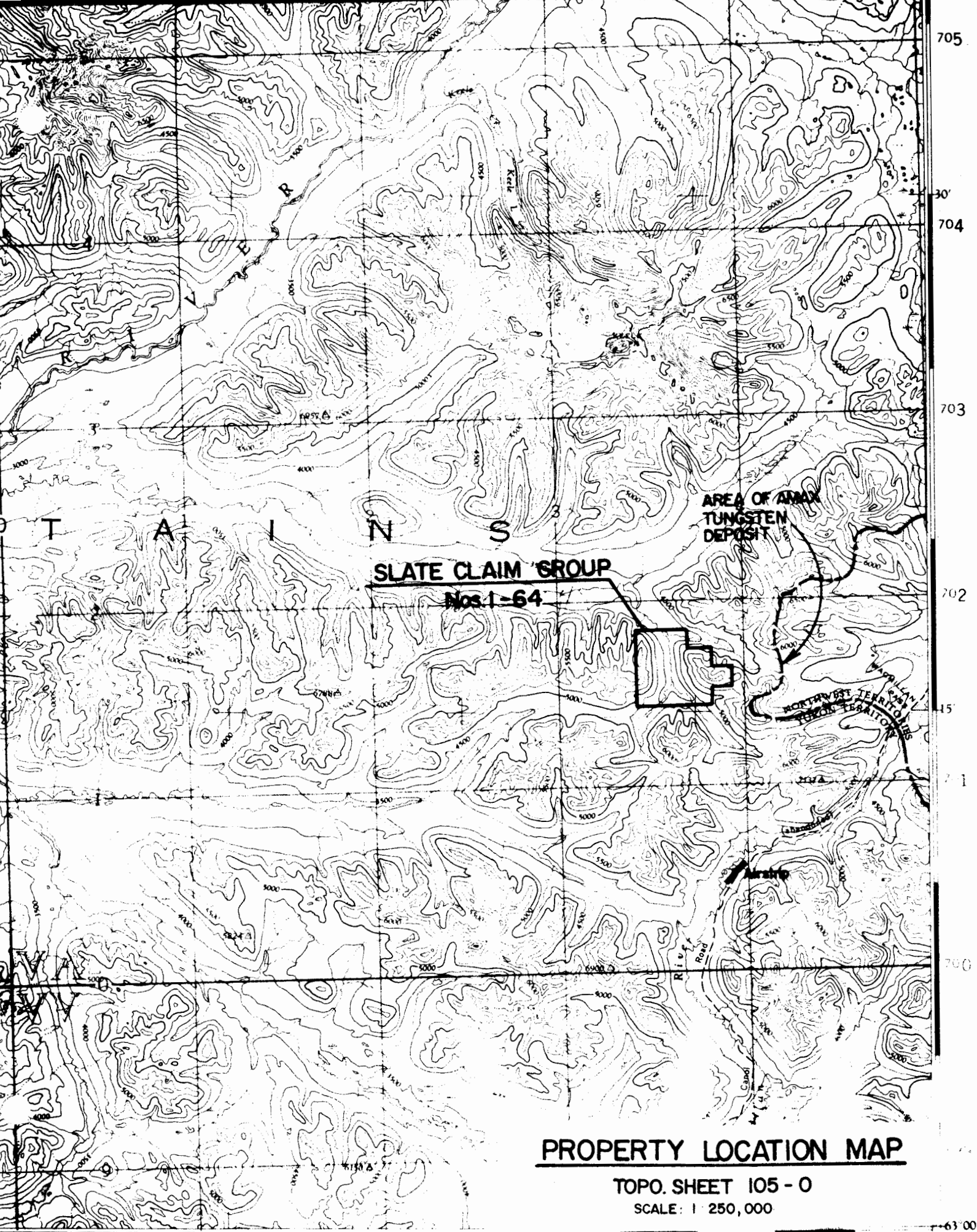
PROPERTY LOCATION.....	Frontispiece
CLAIM GROUP.....	Following Page 3
PLAN OF GENERAL GEOLOGY AND MAGNETOMETER SURVEY READINGS (1" = 600 feet).....	(In Pocket)
PLAN OF ISOMAGNETIC CONTOUR RESULTS (1" = 600 feet).....	(In Pocket)



LOCATION MAP



FIGURE



SLATE CLAIM GROUP
Nos 1-64

**AREA OF AMAX
TUNGSTEN
DEPOSIT**

NORTHWEST TERRITORIES

Arctic

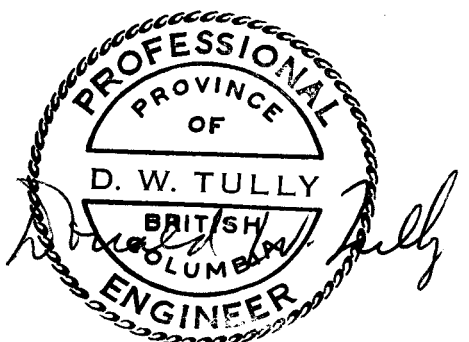
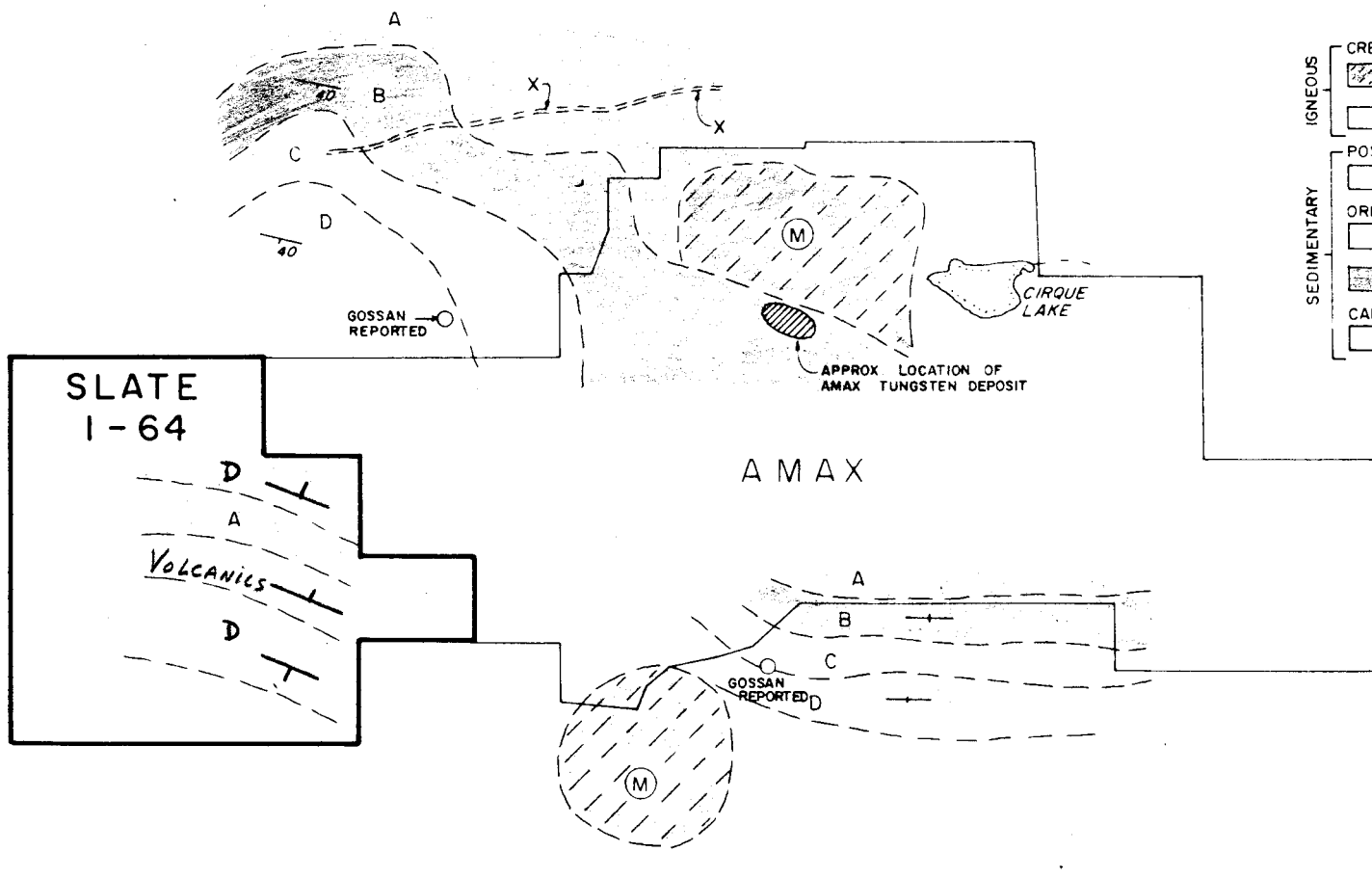
PROPERTY LOCATION MAP

TOPO. SHEET 105 - 0

SCALE: 1 250,000

LEGEND

IGNEOUS		CRETACEOUS QUARTZ MONZONITE STOCK, MEDIUM GRAINED TO PORPHYRITIC IN TEXTURE
		FINE GRAINED GRANITE DYKE
SEDIMENTARY		POST ORDOVICIAN BLACK SHALE
		ORDOVICIAN - ROAD RIVER FORMATION BLACK GRAPTOLITIC SHALE
		INTERBEDDED LIMESTONE AND SHALE
		CAMBRIAN AND PRE CAMBRIAN
		PHYLLITES, SHALE AND MICA SCHISTS



GENERAL GEOLOGICAL MAP
SHOWING THE
SLATE CLAIMS

SCALE: 1 inch = 1 mile (APPROXIMATE)

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SUMMARY AND CONCLUSIONS

The Slate claim group #1-64 is basically a tungsten property from the geologic environment. Lead-zinc deposits of considerable size also occur a short distance to the south of this property.

This favourably located group of mineral claims is an excellent exploration prospect. It is situated on the projected westward strike of the major Amax tungsten deposit situated about two miles to the east on the Yukon-Northwest Territories boundary near MacMillan Pass on the Canol Road.

A preliminary magnetometer survey in late November, 1973 revealed a series of magnetic "low" areas following a north-south trend in an inter-montane valley from Slate #58 at the south end of the property through Slate #8 in the north part of the claim group. These magnetic "lows" have two possible interpretations, first a fault zone may occupy the valley floor, or secondly, magnetic "lows" are known to occur over some high temperature tungsten deposits in other metallogenetic areas. It is concluded that more magnetometer surveying as well as a geological mapping program and a geochemical soil survey is needed before any interpretations of merit can be made.

A recommended work program costing an estimated \$52,540.00 is proposed.

INTRODUCTION

Strato Geological Ltd carried out a preliminary magnetometer survey pursuant to instructions from Mr. S. Belzberg. The writer was a member of the field crew.

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The period of the survey was November 22nd through November 26th, 1973.

Magnetometer survey procedure is described in the Appendix at the end of this report, by Mr. Uno Leis, Manager, Strato Geological Ltd, 19-448 Seymour Street, Vancouver 2, British Columbia.

PROPERTY - LOCATION, ACCESS, TOPOGRAPHY

The Slate claim group is located about 150 miles northeast of Ross River near MacMillan Pass on the Canol Road.

The property is situated at the headwaters of a small north-flowing creek just west of the Yukon-Northwest Territories boundary and about ten miles south of Keele Peak, the highest topographic feature in this part of Northern Canada. MacTung is an airstrip at the Canol Road some six miles south of the Slate claim group. American Metal Climax (Amax) have a tungsten deposit under development about two miles east of the claim group on the Jill, Judy and Gloria claims.

Elevations vary between 3800 feet in the valley floor through the centre of the claim group to some 6000 feet above sea-level on the north-trending mountain ridges flanking the east and west boundaries of the property. Topography is rugged with rock-slides common on both sides of the valley floor.

Access is best by helicopter. No roads exist in the claim area and the topography is rugged.

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CLAIMS

The Slate mining claims are recorded at Mayo, Department of Indian Affairs and Northern Development, in the Mayo Mining District, as follows:

<u>Claim Name</u>	<u>Grant No.</u>	<u>Staker</u>	<u>Date Staked</u>	<u>Date Recorded</u>
Slate # 1- 8	Y69285-92	Jim Lutz	May 14/72	May 18/73
9-16	Y69293-69300	Brad McCarthur	"	"
17-24	Y69301-08	Ian Tillie	"	"
25-32	Y69309-16	Robert Nelson	"	"
33-40	Y69317-24	Cal Miller	"	"
41-48	Y69325-32	John Miller	"	"
49-56	Y69333-40	Ray Davies	"	"
57-64	Y69341-48	Wallace Rich	"	"

The recorded holder of the Slate claims #1-60 inclusive is S. Belzberg.

The writer observed claim posts in the field on the property.

HISTORY - REFERENCES

The Amax tungsten deposit was discovered by employees working for Southwest Potash Corporation in 1962.

No general geological map is available for this area. The most detailed topographic map is Yukon claim sheet 105-O-8. Topographic map 105-O (Niddery Lake) is a good general area map. Reference to this area is made in the following publications:

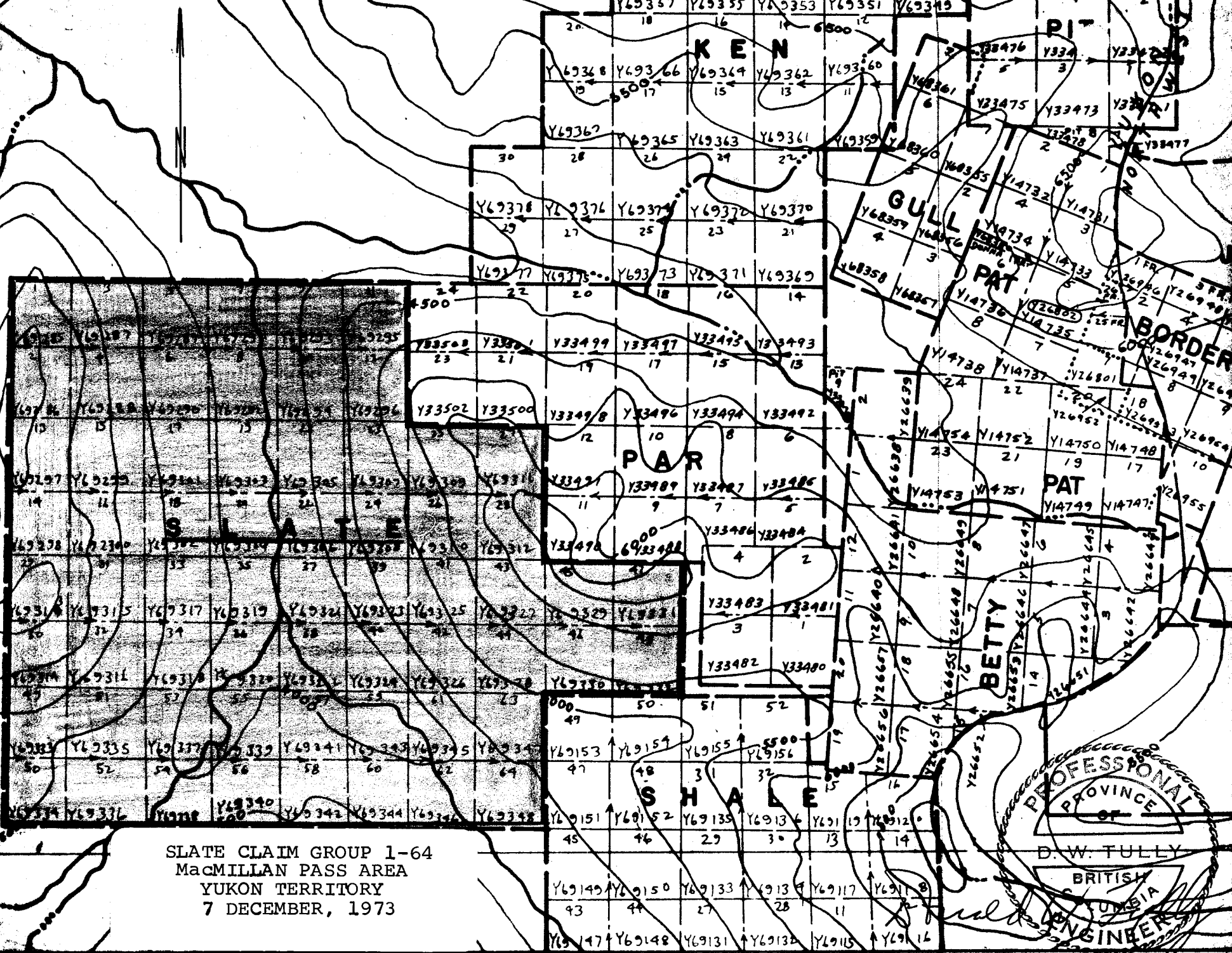
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1. Geological Survey of Canada Paper 45-16, 1945
Canol Geological Investigations in the MacKenzie
River Area, Northwest Territories and Yukon -
G.S. Hume and T.A. Link.
2. Geological Survey of Canada Paper 45-21, 1946
Geological Reconnaissance along the Canol Road
from Teslin River to MacMillan Pass, Yukon -
E.D. Kindle.
3. Geological Survey of Canada Paper 50-14
Potential Mineral Resources of Yukon Territory -
H.S. Bostock.
4. Summary Report No. 1097 (1910) for G.S.C.
Reconnaissance along the MacKenzie Mountains on the
Pelly, Ross and Gravel Rivers, Yukon and Northwest
Territories - Joseph Keele, and
G.S.C. Memoir 284 - H.S. Bostock.
5. Mining Industry in the Northwest Territories -
Reports by the Geological Survey of Canada for the
years 1967, 1968, 1971 and 1972.
6. Yukon Claim Map 105-0-8, Scale 2" = 1 mile.
7. N.T.S. Topographic Map - Niddery Lake, Scale 1" =
4 miles.
8. The MacMillan Tungsten Property - Amax Exploration,
Fourth Northern Resource Conference, Whitehorse, Y.T.
J. F. Allan and A. R. Findlay, April, 1972.

There is no public record of previous work on the
Slate claim group. However, the writer did encounter a flag
marker on Slate claim #38 marked "129" suggesting previous geo-
chemical reconnaissance in this area.

To the east Amax have been carrying out exploration
work on the MacMillan Tungsten deposit (MacTung). Diamond drill
programs have been carried out in 1966, 69, 71, 72 and under-
ground development work was done in 1973.



SLATE CLAIM GROUP 1-64
 MacMILLAN PASS AREA
 YUKON TERRITORY
 7 DECEMBER, 1973

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GENERAL GEOLOGY - MINERALIZATION

The Amax tungsten orezone is a series of large flat-lying tabular scheelite deposits. In composite the deposits represent a huge resource of tungsten. It is learned that recent underground developments in 1973 have established the existence of many ore-bearing horizons and indicate the need for an expanded program of underground development to determine the potential of the total orezone.

The Amax deposit strikes north-south generally and dips gently, probably less than 20 degrees eastward. The elevation of the known zones ranges between 4800 and 6000 feet and covers a lateral area at least 3000 by 3000 feet. The location is on the Judy, Jill Gloria and Border claim groups mostly within a few hundred feet of the Northwest Territories - Yukon common boundary and about 2 miles by trail west-northwestward from the Canol Road.

The Slate claim group is favourably situated with respect to the Amax tungsten deposit. Geologic structures observed on the Slate group project eastward into the area of the Amax orezone.

Outcrops of shale and slate (Road River formation?) occur on the claims on Y69303, Y69305 along the main northflowing creek. Similar rocks occur on Y69320 on the south side of a tributary creek. Strikes are generally east-west with much drag-folding.

In regional setting the formations on the Slate claim group are part of the Selwyn Basin and are probably Ordovician in age. Along this basin structure the favourable geologic horizon

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is the Road River formation of shale. This formation carries the scheelite as a replacement in certain stratigraphic horizons that appear to be influenced by intrusions of Cretaceous age granodiorite and monzonite on the Amax property. Actually the stratigraphic rock units grade from early (Precambrian?) phyllites and mica schists through late Paleozoic shales and slates.

The granitic intrusives have tended to "arch" and "dome" the host rocks and developing skarn (tactite) and hornfels with accompanying pyrrhotite.

A geologic sketch showing the spatial relationship of the Slate Claim Group to the Amax property follows the frontispiece in this report.

A preliminary geological plan showing general geological features accompanies this report.

MAGNETOMETER SURVEY RESULTS

Survey control and procedure is described in the Appendix at the end of this report by Mr. Uno Leis, Manager, Strato Geological Ltd. The work was performed in the field between November 22nd through 26th, 1973. Two McPhar M700 magnetometers were used on the survey.

A series of magnetic "lows" were outlined trending northward through the valley floor of the property on claims Y69342, Y69320 and Y69322, Y69303, 04, 05, 06, 19

A magnetic "high" on Y69319 may be coupled with the extreme "low" in the northwest corner of Y69322.

It is concluded these magnetic "lows" are probably indicating a geologic feature such as a strong fault zone

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occupying the valley bottom in this area.

More detailed magnetometer work is proposed to further delineate the indicated anomalous zones.

A plan on scale one inch equals 600 feet accompanies this report.

RECOMMENDATIONS

1. The claims should be topographically located by a location line survey and the posts erected and mounded.
2. Erect a control grid on scale 1 inch equals 400 feet over the total claim group.
3. A geological survey controlled by a grid on scale 1 inch equals 400 feet is proposed.
4. Geochemical soil sampling is recommended over the same grid.
5. Additional detailed magnetometer work is proposed on scale 1 inch equals 400 feet.

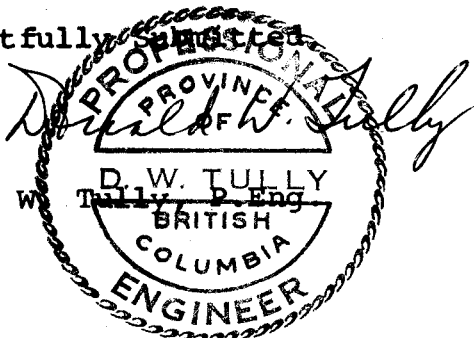
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ESTIMATED COSTS

1.	Establish camp for 10 men for 6 weeks	\$ 2,400.00
2.	Location line survey (12 line-miles x \$600/line-mile)	7,200.00
3.	Establish control survey grid at 1" = 400 feet (64 line-miles x \$150/line-mile)	9,600.00
4.	Geochemical soil survey at 1" = 400 feet (832 samples x \$5.00/sample)	4,160.00
5.	Geological survey (64 claims x \$100/claim)	6,400.00
6.	Magnetometer work (64 line-miles x \$90/line-mile)	5,760.00
7.	Truck costs from Whitehorse vis Ross River to MacTung (\$0.50/mile x probably 1000 road-miles)	500.00
8.	Helicopter costs (Ferry from Ross River and weekly camp supply) (2½ hours x \$260 x 15 trips)	9,750.00
9.	Engineering and administration	2,000.00
10.	Contingency at 10%	4,770.00
	TOTAL:	\$52,540.00 =====

Respectfully submitted



December 7, 1973

Donald W.

D. I. T. HOLDINGS LTD.

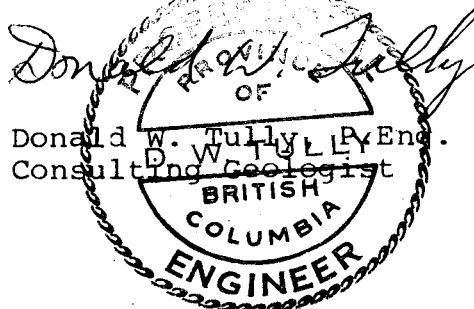
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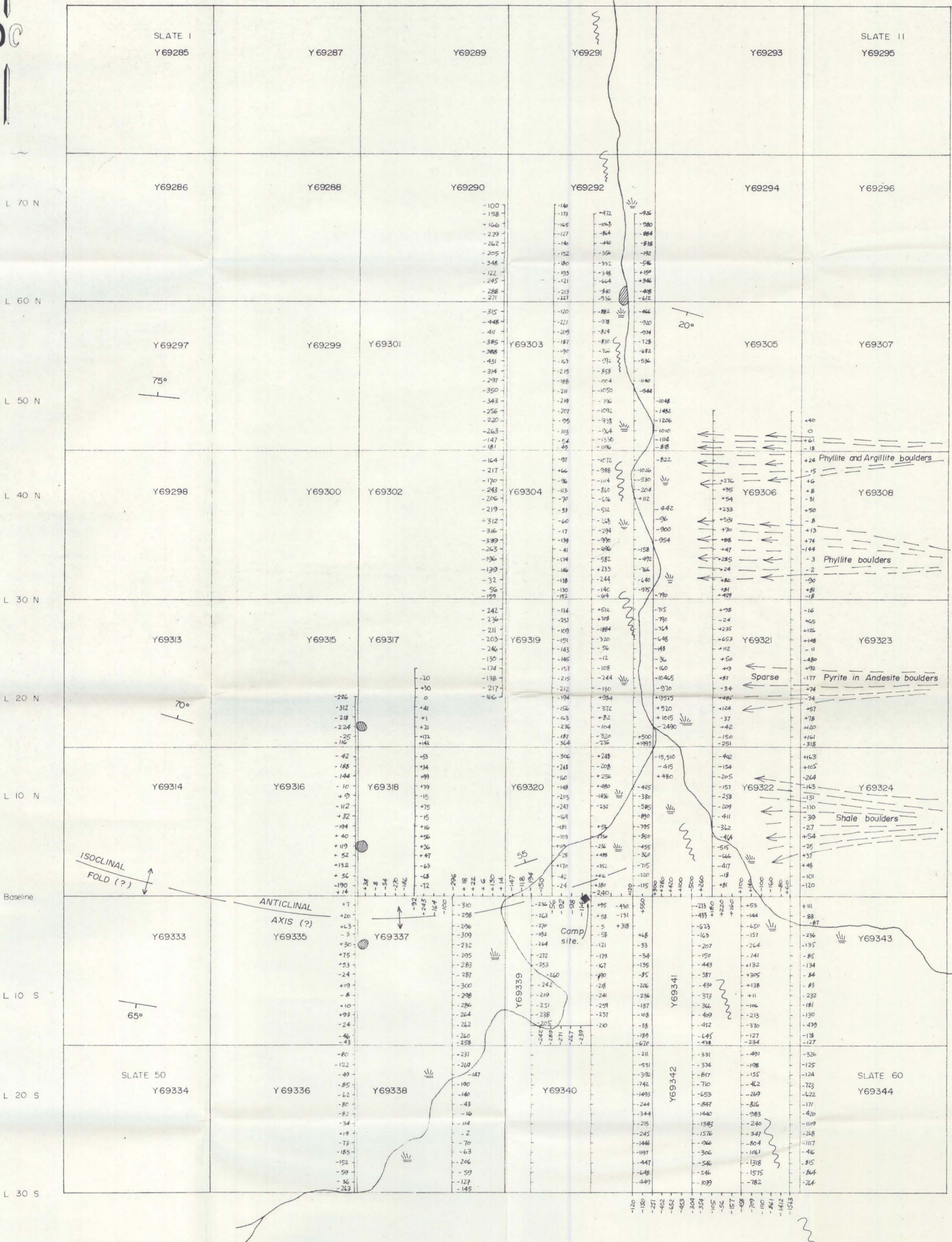
CERTIFICATE

I, DONALD WILLIAM TULLY, of the Municipality of West Vancouver, in the Province of British Columbia, hereby certify as follows:

1. I am a Consulting Geologist with an office at Suite 102, 2222 Bellevue Avenue, West Vancouver, British Columbia.
2. I am a registered Professional Engineer in the Provinces of British Columbia and Ontario.
3. I graduated with a degree of Bachelor of Science, Honours Geology, from McGill University in 1943.
4. I have practiced my profession for twenty-eight years.
5. I have no direct, indirect or contingent interest in the SLATE claims, nor do I intend to receive any interest.
6. This report dated December 7, 1973, is based on a study of the available published data on this particular area of the Yukon Territory, information gathered from personal communications and a personal examination in the field on November 22, 23, 24, 25 and 26, 1973.

DATED at West Vancouver, British Columbia, this 7th Day of December, 1973.





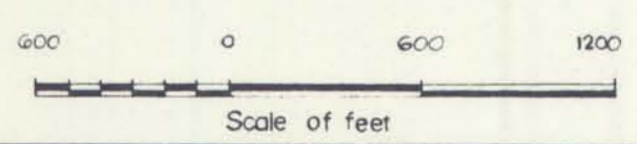
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2	4	6	8	10	12				
13	15	17	19	21	23	25	27		
14	16	18	20	22	24	26	28		
29	31	33	35	37	39	41	43	45	47
30	32	34	36	38	40	42	44	46	48
49	51	53	55	57	59	61	63		
50	52	54	56	58	60	62	64		

KEY PLAN: SLATE CLAIMS

- Legend
- Creek
 - Outcrops of shale
 - Claim line
 - Grid Station-reading in gammas
 - Strike and dip of bedding
 - Swamp
 - Slide area
 - Inferred fault



To accompany a report dated December 7th, 1973.
By
Dec 5/73 U. L.

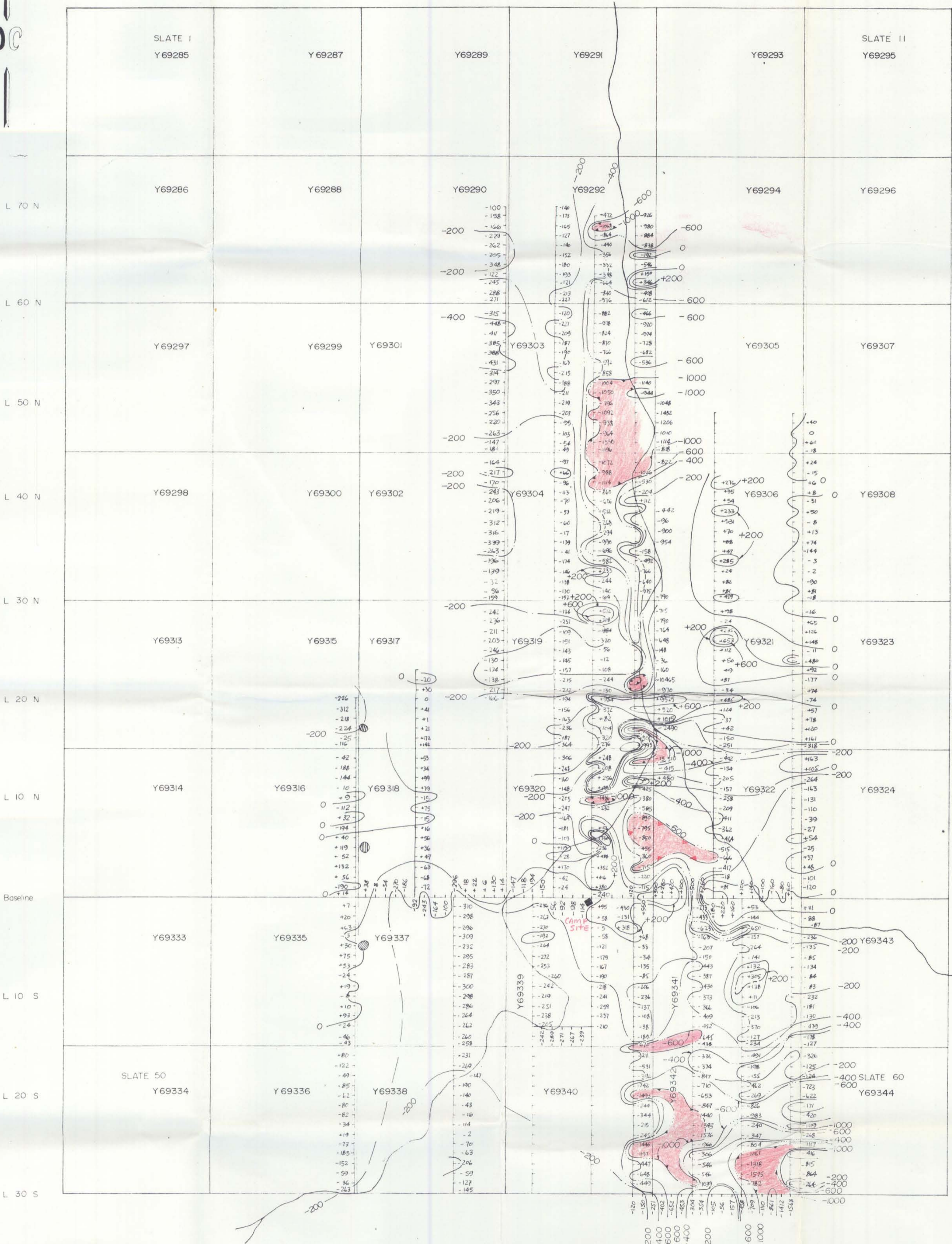


GENERAL GEOLOGY PLAN
and **MAGNETOMETER SURVEY** readings.

SLATE 1-64
MAYO MINING DISTRICT
YUKON TERRITORY

Instrument used: Magnetometer McPhar M700. November 1973.

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VANCOUVER, B.C.



1	3	5	7	9	11				
2	4	6	8	10	12				
13	15	17	19	21	23	25	27		
14	16	18	20	22	24	26	28		
29	31	33	35	37	39	41	43	45	47
30	32	34	36	38	40	42	44	46	48
49	51	53	55	57	59	61	63		
50	52	54	56	58	60	62	64		

KEY PLAN: SLATE CLAIMS

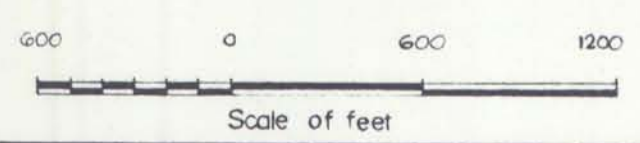


Legend

- Campsite
- Creek
- Rock Outcrops
- Claim line
- Grid Station-reading in gammas

Isomagnetic contour interval: -1000, -600, -400, -200, 0, +200, +600

Isomagnetic depression area:



PRELIMINARY

MAGNETOMETER SURVEY

SLATE 1-64

MAYO MINING DISTRICT

YUKON TERRITORY

Instrument used: Magnetometer McPhar M700. November 1973.

STRATO GEOLOGICAL LTD.
19-448 SEYMOUR STREET
VANCOUVER, B.C.

To accompany a report dated December 7th, 1973. By: *U. Fein*
Donald W. Tully

GEOPHYSICAL REPORT
ON
MAGNETOMETER SURVEY
OVER THE
SLATE 1-64 MINERAL CLAIMS
Y69285 - Y69348
MAYO MINING DISTRICT
Map 105-0-8
Lat. $63^{\circ}16'$ Long. $130^{\circ}15'$

By
STRATO GEOLOGICAL LTD.

For
MR. S. BELZBERG
450 West Georgia Street
Vancouver 3, B. C.

December 5, 1973

MINERAL EXPLORERS

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* * * * *

SUMMARY AND CONCLUSIONS

A magnetometer survey was carried out by Strato Geological Ltd. over a portion of the Slate 1-64 Mineral Claims registered in the name of Syd Belzberg. These claims are adjacent to the tungsten property held by Amax Exploration Inc., where extensive exploration has been carried out to date. The results of the survey indicate four general areas of magnetic low anomalies within the area surveyed. The significance of these anomalies cannot be ascertained at this stage, and this can be determined by follow-up geochemical sampling, and other surveys.

INTRODUCTION

At the request of Mr. Syd Belzberg, Strato Geological Ltd. carried out a reconnaissance magnetometer survey over a portion of the Slate 1-64 mineral claims. The objectives of this survey were to assist interpretation of the geology in relation to that of the adjoining Amax property, and to establish targets for further detail work. The property is a tungsten prospect.

PROPERTY

This property is located close to the Yukon-Northwest Territories border, approximately six miles north of the Mac-Tung airstrip. The claims straddle a valley, with high mountain peaks on the eastern and western sides of the claim block. During the summer months, the Mac-Tung road from Ross River is available for ground transport to the Mac-Tung airstrip from which point helicopter transport

Diurnal corrections were applied to the readings, such that the plotted data represents corrected results.

The instruments used were self-levelling, self-orienting McPhar M700 magnetometers. Readout is directly in gammas with scale ranges of 1,000, 3,000, 10,000, 30,000 and 100,000 gammas. Readability is ± 5 gammas on the 1,000 scale.

COSTS

The costs for the survey are outlined below:

Labour	\$ 2,070.00
Mobilization	4,600.68
Transport	,866.90
Room & Board	816.52
Field Equipment	696.44
Engineering	350.00
Drafting & Assimilation	230.00
Miscellaneous	133.00
	<hr/>
	\$ <u>9,763.54</u>

RESULTS

The magnetic relief is high in the southeastern and central portions of the area surveyed, besides two significant anomalies in the northern end of the grid on lines 100W and 96W.

The low reading was -15, 510 and the high reading was +9, 525.

The possibility of the main creek reflecting a fault is evidenced by the magnetometric variance seen in that area.

COMMENTS

The proximity of this group of claims with relation to the Amax property, which shows excellent potential for developing into an operating tungsten mine, makes this property a good prospect which should be examined in more detail. A program covering the rest of the claims, including magnetometer, geochemistry, and geology would be necessary in order to delineate more targets and establish possible geological features similar to those of the Amax mineral deposits.

CERTIFICATE

I, Uno Leis, do HEREBY CERTIFY THAT:

- [1] I am Manager of Strato Geological Ltd., with offices at #19-448 Seymour Street, Vancouver 2, B. C.
- [2] I am a graduate of Carleton University, 1969, with the Degree of Bachelor of Science.
- [3] I am not a registered engineer in the Province of British Columbia or of any province.
- [4] I have been engaged in geological exploration for four and one-half years throughout British Columbia, parts of Yukon Territory, parts of Saskatchewan, and parts of the U.S.A.
- [5] I have no direct, indirect or contingent interest in the properties covered in this report, nor do I intend to receive any interest.
- [6] This report is based on examination of the data obtained as a result of this survey and personal field observations.

DATED at Vancouver, British Columbia, this 5th day of December, 1973.

SIGNED: U. Leis
Uno Leis, B.Sc.