

REPORT ON THE

MAC 1-36, POL 1-36, JIM 1-24, SAM 1-8
MINERAL CLAIMS

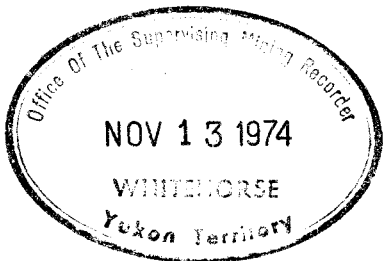
GRANT NOS. Y77590-77605, Y77846-53, Y77870-73,
Y77942-49, Y77874-77909, Y77838-45, Y77853-69

INCLUSIVE
MINTO AREA

WHITEHORSE MINING DISTRICT
YUKON TERRITORY

N.L. 62°-43'

W.L. 137°-15'



FOR

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 \$ 10,629.31

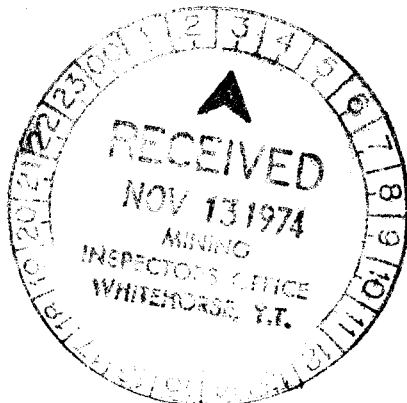
[Signature]
 Resident Geologist or
 Resident Mining Engineer

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

[Signature]
 Commissioner of Yukon Territory
 ADMINISTRATOR OF THE YUKON TERRITORY

GOLD VALLEY RESOURCES LTD.
SUITE 210 - 470 GRANVILLE STREET
VANCOUVER, BRITISH COLUMBIA

OCTOBER 15, 1974



R. H. SERAPHIM,
Ph.D., P.Eng.

R. H. SERAPHIM ENGINEERING LIMITED
GEOLOGICAL ENGINEERING

316 - 470 GRANVILLE STREET
VANCOUVER 2, B.C. V6C 1V5

INTRODUCTION

This report was requested by Gold Valley Resources Ltd., 210 - 470 Granville Street, Vancouver, B.C.

The work described herein was performed under contract by Strato Geological Ltd., 19 - 448 Seymour Street, Vancouver, B.C., and by Donald W. Tully, P.Eng.

The purpose of this preliminary field survey was to determine a broad picture of the mineral target potential of the property and, if one exists, prepare to make a detailed study of those areas of merit at a later date, using more precise survey control.

The writer did not field check the survey but does have knowledge of the terrain through field work on the 'Minto Creek' property of Asarco - Silver Standard which is located 6 miles to the south, and does have knowledge of and confidence in the personnel who completed the survey

SUMMARY AND CONCLUSIONS

A series of strong northeast-trending magnetic anomalies were roughly outlined over an area about three-quarters of a mile in diameter on the north side of the Yukon River during the period June 14 - July 9, 1974.

Total magnetic relief is approximately 6000 gammas.

Considerable rock outcrop of medium-grained gabbro grading to diorite was found in the area underlying the magnetic anomaly.

Five rock chip samples of the gabbro-diorite were analyzed for copper-zinc-silver. The results were not significant. Similarly, 355 geochemical soil samples were taken from the "B" horizon in a fluvial sediment of mostly fine sand composition. These also revealed no important accumulation of copper-zinc-silver from the underlying bedrock. No volcanic ash was encountered in the soil profile.

The interpretation of the magnetic anomaly area is probably accounted for by the presence of disseminated magnetite in the gabbro-diorite outcrops.

Some 55 claims of the group are covered with swamp land particularly the southeastern and southwestern areas of the property.

The regional geological maps do show that a

major fault zone probably is coincident with the valley of the Yukon River in the area of interest. The subject claim group has been indicated by the Gold Valley surveys to be on the opposite side of the suspected fault zone from Minto Creek and thus in a geological environment which is not yet known to be as favourable for copper deposits as the environment at Minto Creek.

Thus the favourable factor of the anomalous magnetics is outweighed by the unfavourable factors of low geochemical values and different geological environment than at the 'Minto Creek' property. No further work is recommended and the subject claims should be allowed to lapse.

PROPERTY - LOCATION, ACCESS, TOPOGRAPHY

The property comprises 104 mineral claims and is located about twelve miles northwest of the Minto airstrip on the north-northeast side of the Yukon River.

Access is fastest by helicopter. A four-wheel drive truck road trends westward from the Carmacks-Stewart Crossing highway at a point about a mile north of the Minto airstrip and provides good land access. Power-boat travel on the Yukon River is a pleasant and interesting experience.

Elevations vary between 1500 and 2300 feet above sea-level.

About 50 per cent of the claim group is

swamp covered, some of which was waist deep in water at the time of the field examination.

CLAIM GROUP

Examination of the Form B's for the property supplies the following data:

<u>CLAIM NAME</u>	<u>GRANT NUMBER</u>	<u>STAKER</u>	<u>DATE RECORDED</u>	<u>RECORDED HOLDER</u>
MAC #1 to 8 incl.	Y77590- Y77597	A. Arsenault	Oct. 22/73	A. Arsenault
MAC #9 to 16 incl.	Y77598- Y77605	P. Versluce	Oct. 27/73	P. Versluce
MAC #17 to 24 incl.	Y77846- Y77853	Terry Miller	Nov. 5/73	Terry Miller
MAC #25 to 28 incl.	Y77870- Y77873	Chris Henry	Nov. 5/73	Chris Henry
MAC #29 to 36 incl.	Y77942- Y77949	Steve Serali	Nov. 5/73	Steve Serali
POL #1 to 8 incl.	Y77874- Y77881	Leo F. Wood	Nov. 5/73	Leo F. Wood
POL #9 to 12 incl.	Y77882- Y77885	Chris Henry	Nov. 5/73	Chris Henry
POL #13 to 20 incl.	Y77886- Y77893	John McGundy	Nov. 5/73	John McGundy
POL #21 to 28 incl.	Y77894- Y77901	Danny Roberts	Nov. 5/73	Danny Roberts
POL #29 to 36 incl.	Y77902- Y77909	Peter Isaac	Nov. 5/73	Peter Isaac
JIM #1 to 8 incl.	Y77854- Y77861	Johnnie Charlie	Nov. 5/73	Johnnie Charlie

..... continued

<u>CLAIM NAME</u>	<u>GRANT NUMBER</u>	<u>STAKER</u>	<u>DATE RECORDED</u>	<u>RECORDED HOLDER</u>
JIM #9 to 16 incl.	Y77838- Y77845	Emma Shorty	Nov. 5/73	Emma Shorty
JIM #17 to 24 incl.	Y77862- Y77869	George Shorty	Nov. 5/73	George Shorty
SAM #1 to 8 incl.	Y79342- Y79349	Uno Leis	July 2/74	Uno Leis

HISTORY - PREVIOUS DEVELOPMENT - REFERENCES

The MAC, POL, JIM ninety-six claim group was staked in late October, 1973. The SAM group of eight claims was acquired in June, 1974.

Gold Valley Resources Ltd. acquired a 50 per cent interest in these claims in May, 1974 and proceeded with a field examination shortly thereafter.

Evidence of previous exploration in the form of line cutting and induced polarization electrode pot-holes can be found in the area of POL 9, 11, 35-36 and MAC 27-28 mineral claims.

Some useful references pertaining to the claims are as follows:

- N.T.S. Topographic Sheet - Dark Creek 115-I-11, Scale 1-50,000
- N.T.S. " " - Carmacks 115-I, Scale 1-250,000
- G.S.C. Memoir 189 and Map 340A
- G.S.C. Map 115-I, Open File #200, April, 1974 by
D. J. Tempelman-Kluit
- G.S.C. Geophysics Paper 3314G - Dark Creek, Scale 1" = 1 mile
- Report by A. F. Roberts, P.Eng. - MAC 1-36, POL 1-36,
JIM 1-24 Mineral Claims, Minto Area, Yukon, dated
February 4, 1974

GENERAL GEOLOGY

Brown, augite-basalt lavas are exposed on the south-facing gentle slopes on POL 7, 8, 11 and MAC 25 mineral claims. They probably belong to the Selkirk Series of late geologic (Cenozoic) time. Gabbro grading to diorite is common in poorly exposed outcrops in the area immediately south-southwest of the Selkirk basalts. Intrusive relationships were not recognized in the field to establish age relationships but the gabbro-diorite is considered to be much older than the basalt.

Magnetite is a common accessory mineral of the gabbro-diorite constituting at least five per cent in the hand specimens.

MINERALIZATION

There is no known mineralization other than magnetite on the claim group.

MAGNETOMETER SURVEY

The preliminary magnetic survey was carried out in the field in the period June 14 - 23, 1974 and July 6 - 9, 1974, inclusive. Four men, Lloyd Tourangeau, William Lawrence, Uno Leis and Donald Tully were employed. The instrument used was Coni-Mag magnetometer serial #00134. This instrument provides digital readout on a total gamma reading. It is manufactured by Coniagas Research Inc., Toronto, Ontario.

Useful map survey control was provided by

airphoto enlargement to scale 1 inch equals 400 feet. Ground control was established by compass and chain along a 22,800-foot baseline extending northwest through the property. Points on the baseline were established every 200 feet and tied to topographic features.

A flagged chain and compass sub-baseline (BLO) was established southward along the location lines between POL #3-4, 5-6, 7-8, 9-10, 11-12 and also (BLN) MAC #21-22, 23-24, 25-26, 27-28 and POL #35-36.

Pace and compass lines were traversed from the main baseline and sub-baselines and tied where possible to previously established points or topographic features as shown on the plan accompanying this report.

Magnetometer readings were taken at each of the flagged points on the control lines. Geochemical soil samples were also taken excepting in the eastern part of the claim group which is swamp covered.

GEOCHEMICAL SURVEY

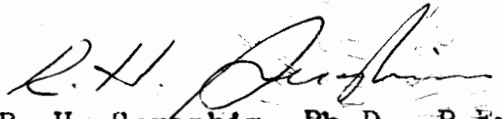
355 soil samples were taken approximately eight inches below the soil surface from the "B" soil horizon where possible. Generally the humus layer was only 1-1½ inches in depth.

The soil samples were analyzed by Chemex Labs Ltd., North Vancouver, British Columbia.

The results were as follows:

<u>Number of Soil Samples</u>	<u>Copper (ppm)</u>	<u>Zinc (ppm)</u>	<u>Silver (ppm)</u>
228	0-10		
110	11-20		
12	21-30		
5	31+		
304		0-100	
50		101-200	
1		201+	
355			0.5
<u>Rock Chip</u>			
5 samples	42-88 range	36-95 range	0.5-2.5 range

These results are plotted along with the magnetic data on the accompanying map.


R. H. Seraphim, Ph.D., P.Eng.

October 15, 1974

R. H. SERAPHIM ENGINEERING LIMITED
GEOLOGICAL ENGINEERING


316 -- 470 GRANVILLE STREET
VANCOUVER 2, B.C. V6C 1V5

CERTIFICATION

I, Dr. R. H. Seraphim, of the City of Vancouver, Province of British Columbia, hereby certify as follows:

1. I am a geological engineer residing at 4636 West 3rd Ave., Vancouver, B. C., and with office at 316-470 Granville St., Vancouver, B. C.
2. I am a registered Professional Engineer of British Columbia. I graduated from the University of British Columbia in 1947, and from Massachusetts Institute of Technology in 1951.
3. I have practiced my profession for 25 years.
4. I have no interest, direct or indirect, in the MAC-POL-JIM-etc. group of claims, or in the securities of Gold Valley Resources Ltd. or its affiliates, and I do not expect to receive any.
5. The accompanying report is based on my personal analysis of the data supplied by D. W. Tully, P.Eng., of Gold Valley Resources, and Geological Survey of Canada reports, and from field work on the neighboring 'Minto Creek' property of Silver Standard et al. I did not visit the subject claims.
5. I consent to the use of this report in a 'Statement of Material Facts' with the Vancouver Stock Exchange, or with government agencies.

Dated at Vancouver, B.C. this 15th day of October, 1974.


R. H. Seraphim, Ph.D., P.Eng.

STATEMENT OF EXPENDITURES

YUKON

MAC, JIM, POL CLAIMS

<u>PAID BY</u>	<u>DETAIL</u>	<u>CHEQUE #</u>	<u>DATE</u>	<u>AMOUNT</u>
Gold Valley	D.I.T. Holdings Ltd - field sketch, drafting, maps, stenographic services	1	Feb. 8/74	\$ 117.11 ✓
"	Pacific Survey Corp. - air photo enlargement (1" = 400')	9	May 31/74	\$ 326.52 ✓
"	D.I.T. Holdings Ltd - field sketch, drafting, travel expenses and field supplies	13	June 5/74	\$ 504.98 ✓
"	Don Tully Engineering Ltd - field supplies and travel expenses	19	June 30/74	\$ 1,557.40 ✓
"	Don Tully Engineering Ltd - engineering, field work - supervision (Period - June 10-28, 1974)	22	June 30/74	\$ 2,100.00 ✓
"	Don Tully Engineering Ltd - field expenses and travel expenses	23	July 12/74	\$ 193.52 ✓
"	Mayo Helicopters Ltd - travel (invoices 2759 and 2707)	28	July 31/74	\$ 1,020.00 ✓
"	Strato Geological Ltd - labour contract and supplies	30	Aug. 8/74	\$ 1,250.00 ✓
"	Don Tully Engineering Ltd - drafting and supplies	31	July 31/74	\$ 71.12 ✓
"	Chemex Labs Ltd - assaying (invoices 11725, 11605 and 12135)	34	Aug. 14/74	\$ 764.58 ✓

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<u>PAID BY</u>	<u>DETAIL</u>	<u>CHEQUE #</u>	<u>DATE</u>	<u>AMOUNT</u>
Gold Valley	Don Tully Engineering Ltd - engineering, field work - supervision (Period - July 6-9, 1974)	35	July 12/74	\$ 750.00 ✓
"	Don Tully Engineering Ltd - magnetometer rental	42	Sept. 30/74	\$ 150.00 ✓
"	Don Tully Engineering Ltd - data compilation, map drafting, printing, wages for William Lawrence	44	Oct. 10/74	\$ 959.78
"	Mayo Helicopters Ltd. - transportation June 21/74 (invoice #2762 and balance on #2759)	45	Oct. 10/74	\$ 514.30
"	Dr. R.H. Seraphim, P.Eng. - report dated October 1974	46	Oct. 10/74	\$ 350.00
			TOTAL:	\$10,629.31 =====

STATUTORY DECLARATION:

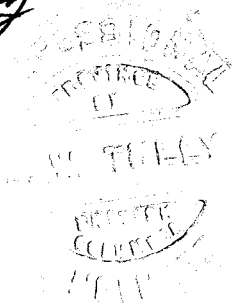
And I make this solemn declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath and by virtue of the "Canada Evidence Act".

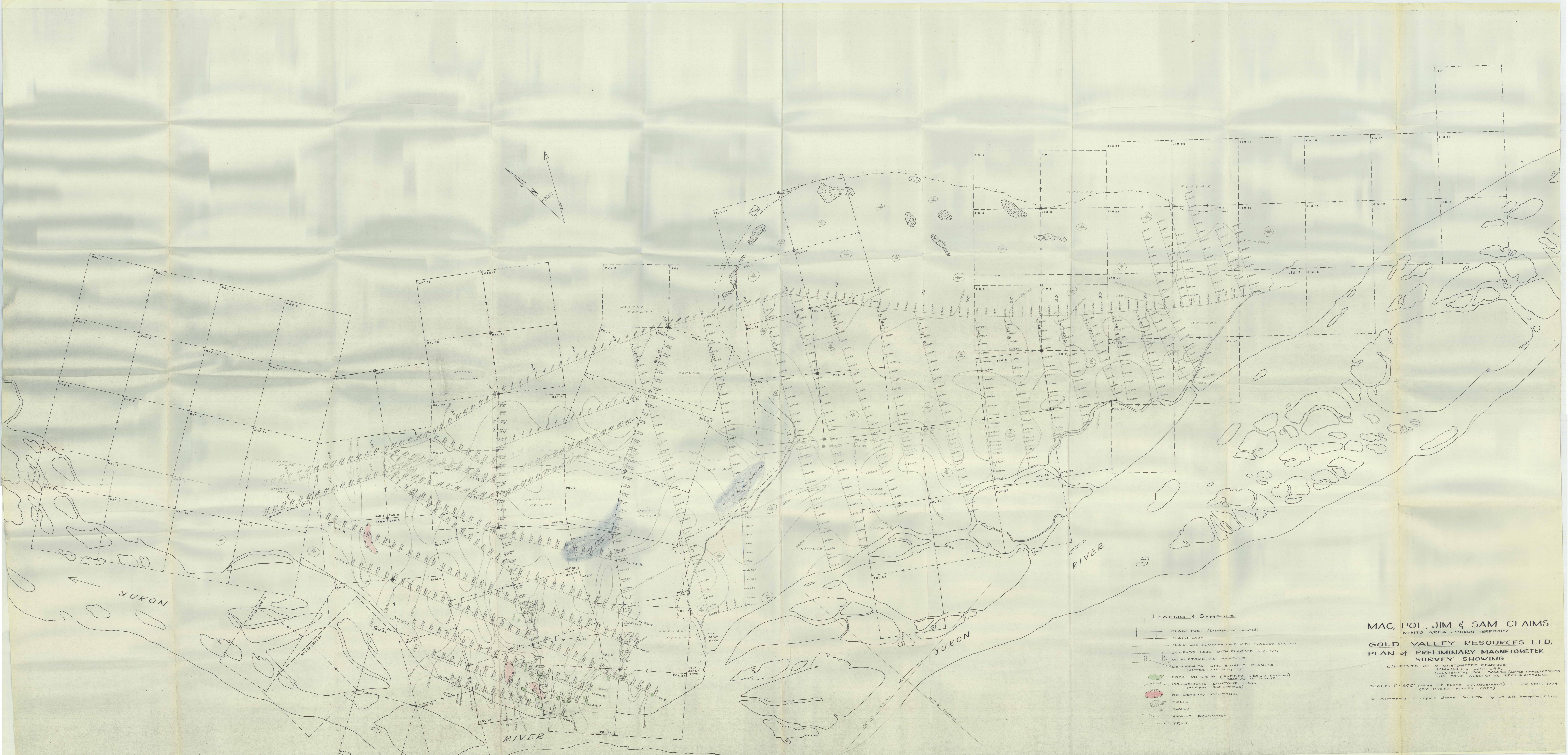
DECLARED before me at the *City*)
of *Vancouver* in the)
Province of *British Columbia*)
this *17th* day of October, 1974)

Ann S. Hamer

Commissioner for taking Affidavits
for British Columbia

Donald W. Tully





- Legend & Symbols**
- +--- CLAIM POST (Located, Not Located)
 - - - - CLAIM LINE
 - - - - CHAIN AND COMPASS LINE WITH FLAGGED STATION
 - - - - COMPASS LINE WITH FLAGGED STATION
 - - - - MAGNETOMETER READING
 - GEOCHEMICAL SOIL SAMPLE RESULTS (CONCENTRATION IN P.P.M.)
 - ISOMAGNETIC CONTOUR LINE (INTERVAL 500 GAMMAS)
 - DEPRESSION CONTOUR
 - POND
 - SWAMP
 - SWAMP BOUNDARY
 - TRAIL

MAC, POL, JIM & SAM CLAIMS
 MINTO AREA - YUKON TERRITORY

GOLD VALLEY RESOURCES LTD.
PLAN of PRELIMINARY MAGNETOMETER SURVEY SHOWING
 COMPOSITE OF MAGNETOMETER READINGS, ISOMAGNETIC CONTOURS, GEOCHEMICAL SOIL SAMPLE RESULTS AND SOME GEOLOGICAL RECONNAISSANCE

SCALE: 1" = 400' (FROM AIR PHOTO ENLARGEMENT) 30, SEPT. 1974
 (BY PACIFIC SURVEY CO.)

To Accompany a report dated 04/2/74 by Dr. E.H. Scraphin, P.Eng.