

WELCOME NORTH MINES LTD. (INC. P.L.C.)

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ARCTIC RED PROJECT

GEOLOGICAL, GEOCHEMICAL AND DIAMOND DRILLING REPORT.

ON THE

AB MINERAL CLAIMS

Latitude 64° 59'N

Longitude 132° 17'W

MAYO MINING DISTRICT, Y.T.

AND

MACKENZIE MINING DISTRICT, N.W.T

N.T.S. 106-C-16, 106F-1

CANADA

Work Conducted: May 18, 1974 - December 31st, 1974

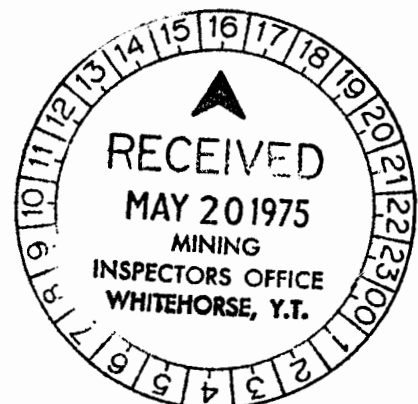
by

J.S. Brock

and

J.D. Guild, P.Eng.

December, 1974



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

\$ 7200.00

7200⁵⁰

D. B. Craig

Resident Geologist or
~~Professional Engineer~~

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

[Signature]

Commissioner of Yukon Territory



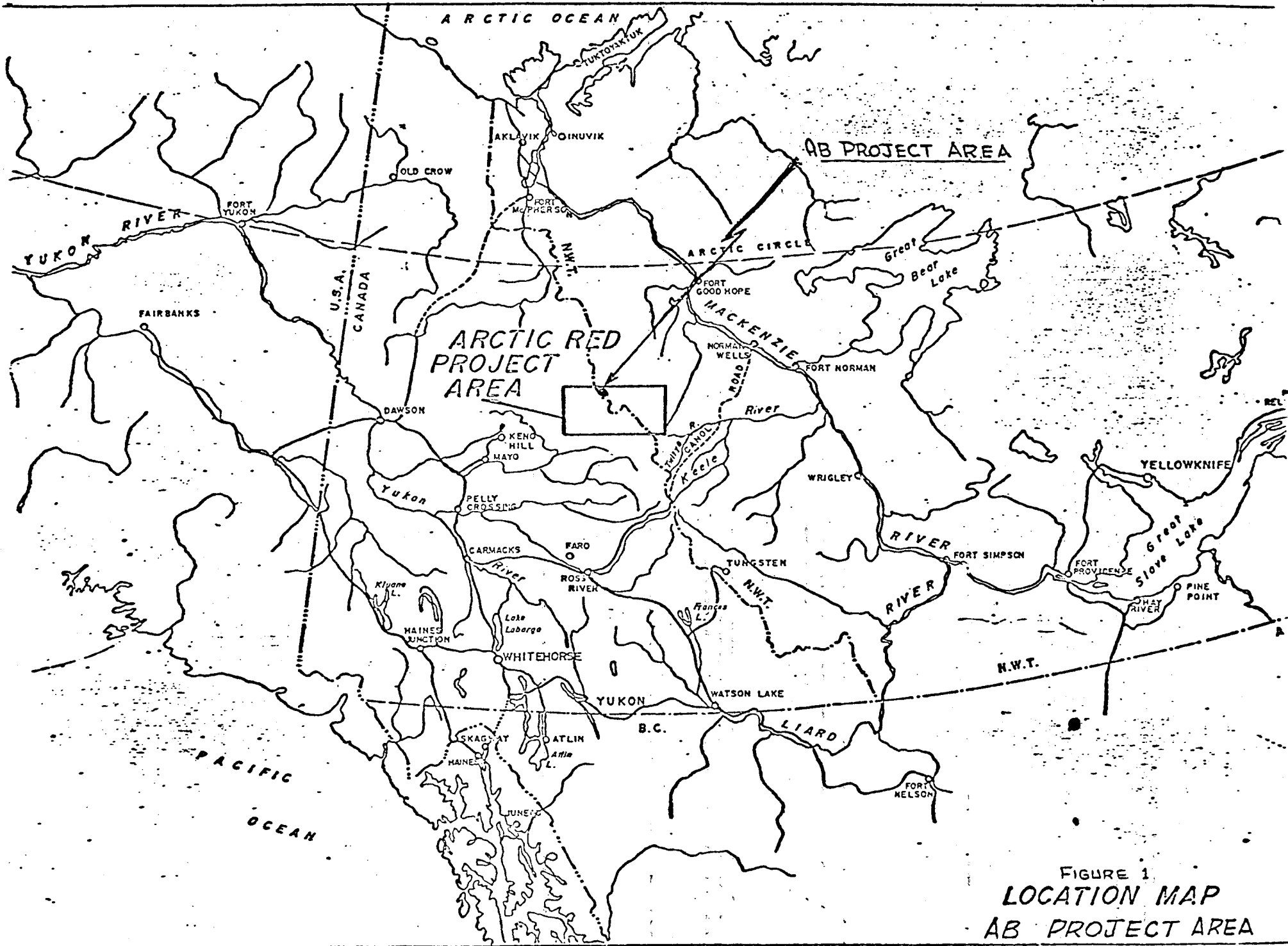


FIGURE 1
 LOCATION MAP
 AB PROJECT AREA

AB PROJECT AREA

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AB PROJECT AREAINTRODUCTION

The AB zinc-lead occurrences were discovered by Welcome North Mines Ltd. on behalf of the Arctic Red Joint Venture in May of 1974. Although the main mineralized zone is not well exposed, it was considered sufficiently attractive to form the core of the AB Project Area.

The main AB Zone was drilled in the fall of 1974 with inconclusive results. Mineral sections in the core do not appear to correspond in grade or width with those seen at the surface of the deposit.

Both the AB Mineral Zone and the AB Project Area are considered by the authors to fully warrant the further exploration programs recommended herein.

SUMMARY AND CONCLUSIONS

The main AB Mineral Zone was discovered in the course of reconnaissance prospecting in late May of 1974, by the Welcome North prospecting crew directed by Mr. Pete Risby.

The zone consists of zinc-rich, near "in-place" rubble which covers an area some 100 feet in apparent width and can be traced along strike-dip dimensions for approximately 800 feet. The zone is contained within and enclosed by Sekwi carbonate rocks. The geological character of the mineralized rubble and the available outcrop evidence indicates that a strataform zinc deposit of potential economic interest may be present.

After examination by a Management Committee representing the Arctic Red Joint Venture in July, 1974, the adjacent region was declared a "Project Area". The then existing AB claim group was increased in size to include tracts of adjacent ground known to be underlain by similar favourable rock units and to contain additional mineral occurrences. The original block of 6 mineral claims was expanded to the present total of 212 claims.

The AB Showing was examined by various project geologists and visiting government personnel during the 1974 field season and this report attempts to incorporate their various findings. The priority of ground acquisition and the on-going 1974 regional exploratory program necessitated the delegation of lower priorities to properties once discovered and staked. As a result, no concerted effort was made to geologically map the AB zone in detail, nor was the AB Project Area, apart from initial prospecting, the subject of further exploratory attention.

In September, 1974, three BQ diamond drill holes totalling in composite 866 feet were drilled on the AB Zone. This drilling while intersecting short sections of zinc-rich material did not encounter mineralized sections which can be equated to those indicated on surface. In hindsight and with the aid of recent geochemical interpretations it must be concluded that the drill program was premature in the light of the then insufficient knowledge of the surface showings.

A survey-controlled, detailed geological mapping and trenching program is recommended for the AB Zone in 1975. In addition, the AB Project Area should be the subject of further geologically controlled prospecting, geological mapping and geochemical surveys. Any contemplated future diamond drilling should remain contingent upon this more basic evaluation.

As of December 31, 1974, approximately \$75,500.00 has been spent on the AB mineral claim group, of which \$22,470.00 represents staking and acquisition costs. Assessment work will be filed during the spring of 1975 to hold all claims until the summer of 1977.

LOCATION AND ACCESS

The AB Project Area is located in the Mackenzie District of the Northwest Territories at latitude $64^{\circ}59'N$. and longitude $132^{\circ}17'W$; 144 miles to the northeast of Mayo, Yukon Territory (Figure 1).

Access to the property can best be gained by helicopter from Mayo. Topography on the property is such that convenient landing sites are present at or near most locations. Alternately, Guildersleeve Lake, at an elevation of 4,000 feet and suitable for fixed-wing aircraft, is situated 5 miles to the southwest of the property. This lake has an effective length of 2,000 feet and was ice free by the last week of June in 1974.

The AB Mineral Zone occurs at an elevation of 5,000 feet on a low ridge which forms the divide between two forks of an upper tributary of the Arctic Red River. Sidehill slopes over the showing range from 18 to 20 degrees while local stream gradients approximate 7 degrees. Talus forms a greater part of the slopes except at the creek margins where nivation has bared the rock and caused small steep gullies to form. Gullies in the vicinity which provide best prospecting access remain snowbound until mid June. The property is well above treeline, which occurs at 4,000 feet in the region. Creeks have ample runoff and good silt content. Frost shattering and subsequent weathering produces noticeable rust and hydrozincite staining of mineralized talus blocks. Rock exposure in the area is about 60% of which 30% is outcrop; however, outcrop on the main AB Zone is limited to less than 5%.

MINERAL CLAIMS

The AB Project Area consists of the following 250 contiguous located mineral claims in the Mackenzie Mining District of the Northwest Territories (Plate No. 1), and 40 claims located in the Mayo M.D., Yukon (Plate No. 1).

<u>CLAIMS</u>	<u>TAG NUMBERS</u>	<u>RECORDING DATE</u>
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MACKENZIE MINING DISTRICT, N.W.T.

AB 1- 6	A56737-A56742	July 8, 1974
AB 17- 42	A86141-A86166	Aug. 19, 1974
AB 43- 46	A86167-A86170	Aug. 19, 1974
AB 49- 54	A86173-A86178	Aug. 19, 1974
AB 57- 64	A86181-A86188	Aug. 19, 1974
AB 67- 70	A86191-A86194	Aug. 19, 1974
AB 73- 76	A86197-A86200	Aug. 19, 1974
AB 79- 96	A86203-A86220	Aug. 19, 1974
AB 97- 98	A86263-A86264	Aug. 19, 1974
AB 99-100	A65499-A65500	Sept. 4, 1974
AB 101-202	A90601-A90702	Sept. 4, 1974
AB 203-252	A90703-A90752	Sept. 6, 1974
AB 253-270	A86403-A86420	Dec. 23, 1974

TOTAL MACKENZIE M.D. 250 claims

MAYO MINING DISTRICT, Y.T.

AB 203-242	Y96276-Y96314	Aug. 22, 1974
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TOTAL MAYO M.D. 40 claims

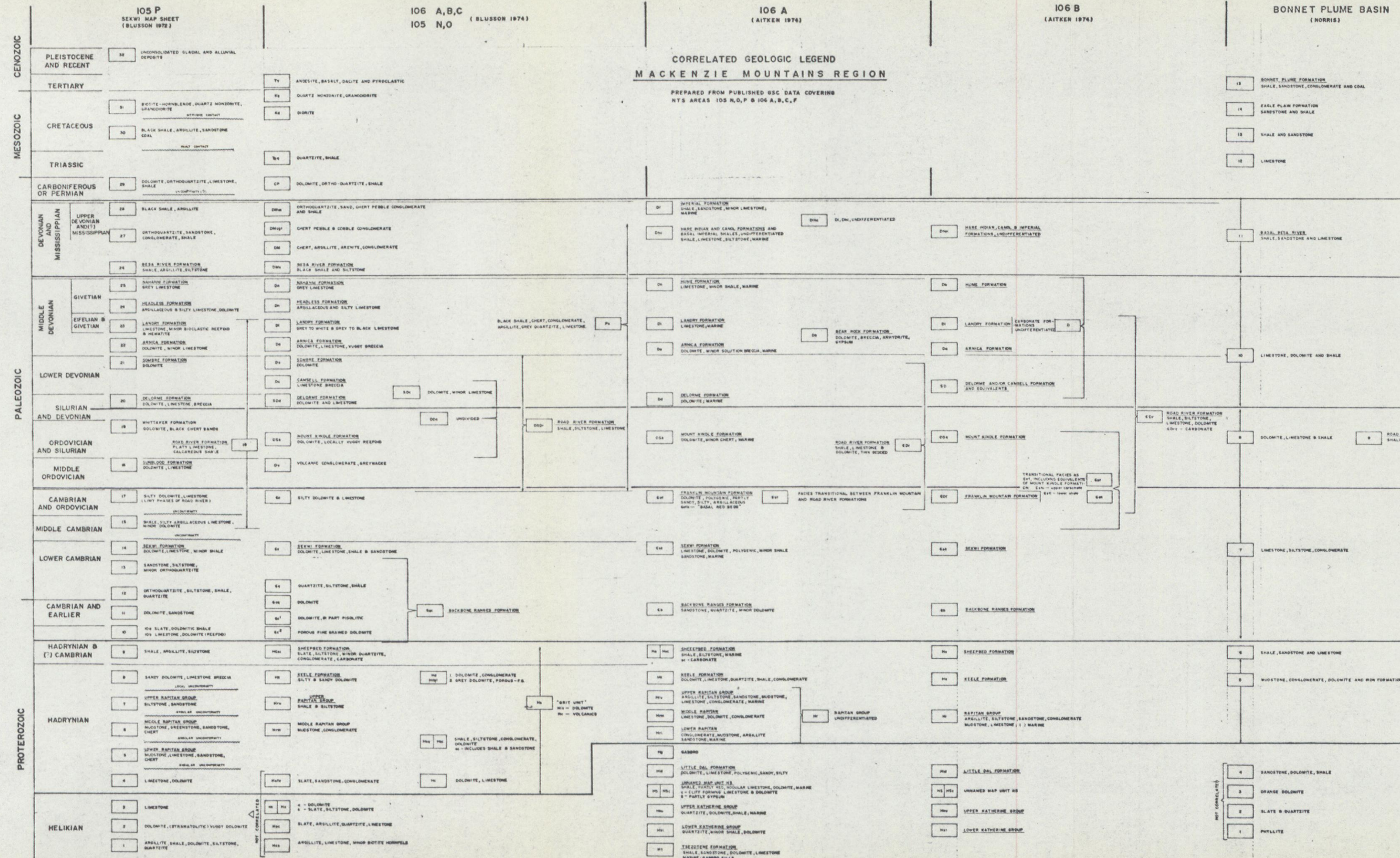
REGIONAL GEOLOGY

The AB Project Area is generally underlain by a discontinuous sequence of lower Cambrian to Devonian carbonates and some clastic equivalents. On a broad regional scale the AB group is situated at the northwestern extremity of the Mackenzie Arch, at which point the Cambro-Devonian sedimentation shows rapid time-facies distribution, equated to the Snake River facies changes (Aitken-personal communication, 1974). Paleo shorelines of Cambrian age are of an estuarian nature, and are at their northern limit here before reaching the margins of the Hadrynian grit units of the Peel Plateau.

Stratigraphic continuity is interrupted by regional tectonics and at least two unconformities (Cambro-Ordovician and Ordovician-Devonian). Regional reverse thrusting, to the northeast, has created a local series of sympathetic east-west trending normal(?) faults, north side down. Locally, one such fault system has placed Ordovician-Devonian carbonates in the north part of the claims against Sekwi, lower Cambrian to the south, an estimated displacement of some 1,500 feet.

Within the claims, the following units, as mapped by Blusson of the Geological Survey of Canada, have been recognized:

Attention is drawn to the correlated geologic legend (Figure 2) for stratigraphic positioning of the units described (ref. 106-A B C, Blusson, 1974.).



**CORRELATED GEOLOGIC LEGEND
MACKENZIE MOUNTAINS REGION**

PREPARED FROM PUBLISHED GSC DATA COVERING
NTS AREAS 105 N,O,P & 106 A,B,C,F

105 P
SEKW MAP SHEET
(BLUSSON 1972)

106 A,B,C
105 N,O
(BLUSSON 1974)

106 A
(AITKEN 1974)

106 B
(AITKEN 1974)

BONNET PLUME BASIN
(NORRIS)

CENOZOIC
MESOZOIC
PALEOZOIC
PROTEROZOIC

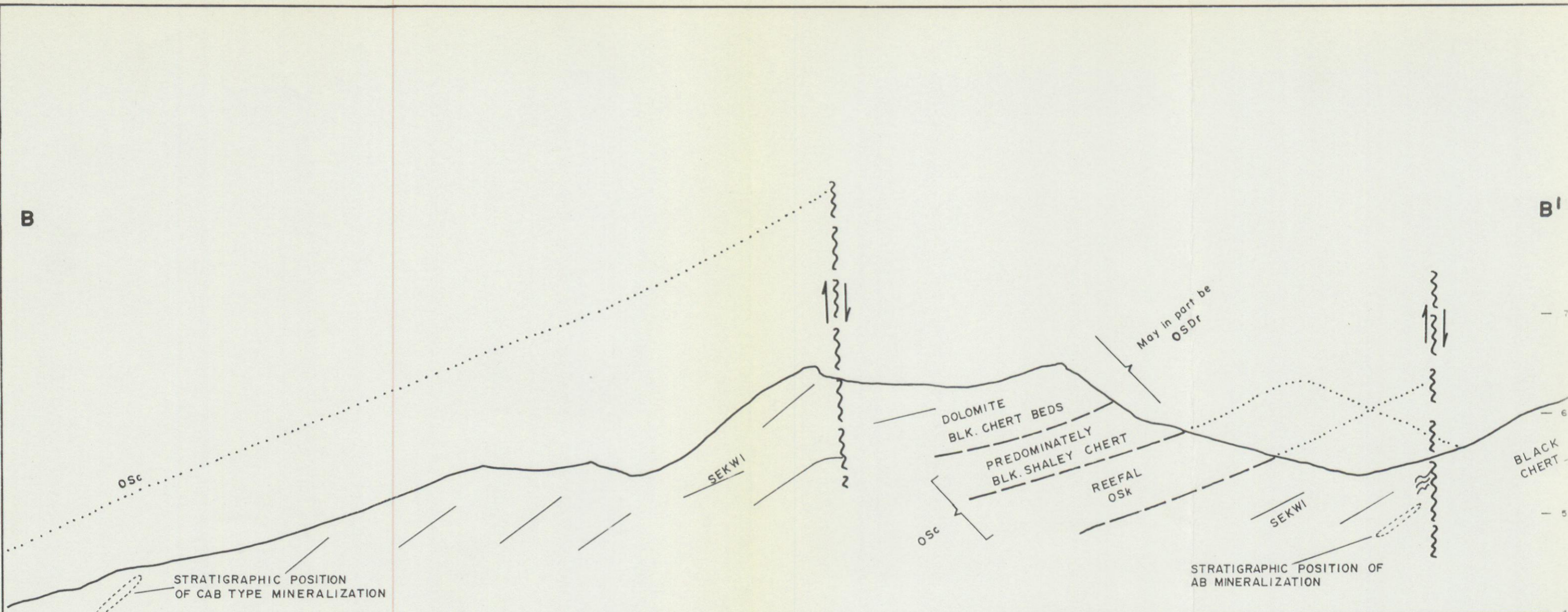
Period	105 P (SEKW)	106 A,B,C (Blusson)	106 A (Aitken)	106 B (Aitken)	Bonnet Plume Basin (Norris)	
CENOZOIC	PLEISTOCENE AND RECENT	32 UNCONFINED CLAYAL AND ALLUVIAL DEPOSITS				
	TERTIARY					
MESOZOIC	CRETACEOUS	31 BIOTITE-HORNBLende, QUARTZ MONZONITE, GRANODIORITE				
		30 BLACK SHALE, ARGILLITE, SANDSTONE, COAL				
	TRIASSIC					
PALEOZOIC	CARBONIFEROUS OR PERMIAN	29 DOLOMITE, ORTHOQUARTZITE, LIMESTONE, SHALE				
	DEVONIAN AND MISSISSIPPIAN	28 BLACK SHALE, ARGILLITE	DMH ORTHOQUARTZITE, SAND, CHERT PEBBLE CONGLOMERATE AND SHALE	DI IMPERIAL FORMATION SHALE, SANDSTONE, MINOR LIMESTONE, MARINE		
			27 ORTHOQUARTZITE, SANDSTONE, CONGLOMERATE, SHALE	DMH1 CHERT PEBBLE & COBBLE CONGLOMERATE	DH1 HARE INDIAN AND CAMB. FORMATIONS AND BASAL IMPERIAL SHALES, UNDIFFERENTIATED SHALE, LIMESTONE, SILTSTONE, MARINE	
			26 BESA RIVER FORMATION SHALE, ARGILLITE, SILTSTONE	DMH2 CHERT, ARGILLITE, ARENITE, CONGLOMERATE		
	MIDDLE DEVONIAN	GIVETIAN	25 NAHANN FORMATION GREY LIMESTONE	DMH3 BESA RIVER FORMATION BLACK SHALE AND SILTSTONE	DMH HARE INDIAN, CAMB. & IMPERIAL FORMATIONS, UNDIFFERENTIATED	
			24 HEADLESS FORMATION ARGILLACEOUS & SILTY LIMESTONE, DOLOMITE	DMH4 HEADLESS FORMATION ARGILLACEOUS AND SILTY LIMESTONE		
		EIFELIAN & GIVETIAN	23 LANDRY FORMATION LIMESTONE, MINOR BIOLASTIC REEFING & HEMATITE	DMH5 LANDRY FORMATION GREY TO WHITE & GREY TO BLACK LIMESTONE	DI LANDRY FORMATION LIMESTONE, MARINE	
			22 ARNICA FORMATION DOLOMITE, MINOR LIMESTONE	DMH6 ARNICA FORMATION DOLOMITE, LIMESTONE, VUGGY BRECCIA	DM ARNICA FORMATION DOLOMITE, MINOR SOLUTION BRECCIA, MARINE	
			21 SOMERE FORMATION DOLOMITE	DMH7 SOMERE FORMATION DOLOMITE	DM ARNICA FORMATION	
	LOWER DEVONIAN	20 DELORME FORMATION DOLOMITE, LIMESTONE, BRECCIA	DMH8 DELORME FORMATION DOLOMITE AND LIMESTONE	DM DELORME FORMATION DOLOMITE, MARINE		
	SILURIAN AND DEVONIAN	19 WHITTAKER FORMATION DOLOMITE, BLACK CHERT BANDS	DMH9 WHITTAKER FORMATION DOLOMITE, BLACK CHERT BANDS			
	ORDOVICIAN AND SILURIAN	18 ROAD RIVER FORMATION PLATE LIMESTONE, CALCAREOUS SHALE	DMH10 ROAD RIVER FORMATION SHALE, SILTSTONE, LIMESTONE	DMH11 ROAD RIVER FORMATION SHALE, SILTSTONE, LIMESTONE		
	MIDDLE ORDOVICIAN	17 SUNBLOOD FORMATION DOLOMITE, LIMESTONE	DMH12 SUNBLOOD FORMATION DOLOMITE, LIMESTONE			
	CAMBRIAN AND ORDOVICIAN	16 SILTY DOLOMITE, LIMESTONE (LIMIT PHASES OF ROAD RIVER)	DMH13 SILTY DOLOMITE & LIMESTONE	DMH14 FRANKLIN MOUNTAIN FORMATION DOLOMITE, POLYGENIC, MINOR SHALE SANDSTONE, SILTY, ARGILLACEOUS MARINE		
	MIDDLE CAMBRIAN	15 SHALE, SILTY ARGILLACEOUS LIMESTONE, MINOR DOLOMITE		DMH15 PHASES TRANSITIONAL BETWEEN FRANKLIN MOUNTAIN AND ROAD RIVER FORMATIONS		
LOWER CAMBRIAN	14 SEKW FORMATION DOLOMITE, LIMESTONE, MINOR SHALE	DMH16 SEKW FORMATION DOLOMITE, LIMESTONE, SHALE & SANDSTONE	DMH17 SEKW FORMATION LIMESTONE, DOLOMITE, POLYGENIC, MINOR SHALE SANDSTONE, MARINE			
CAMBRIAN AND EARLIER	13 SANDSTONE, SILTSTONE, MINOR ORTHOQUARTZITE	DMH18 QUARTZITE, SILTSTONE, SHALE	DMH19 BACKBONE RANGES FORMATION SANDSTONE, QUARTZITE, MINOR DOLOMITE			
	12 ORTHOQUARTZITE, SILTSTONE, SHALE, QUARTZITE	DMH20 DOLOMITE				
	11 DOLOMITE, SANDSTONE	DMH21 DOLOMITE, IN PART FISOLITIC				
	10 SLATE, DOLOMITIC SHALE (IN LIMESTONE, DOLOMITE (SELF-FORD))	DMH22 POROUS FINE GRAINED DOLOMITE				
HADRYNIAN & (?) CAMBRIAN	9 SHALE, ARGILLITE, SILTSTONE	DMH23 SHEEPBED FORMATION SLATE, SILTSTONE, MINOR QUARTZITE, CONGLOMERATE, CARBONATE	DMH24 SHEEPBED FORMATION SHALE, SILTSTONE, MARINE			
PROTEROZOIC	8 SANDY DOLOMITE, LIMESTONE BRECCIA	DMH25 KEELE FORMATION SILTY & SANDY DOLOMITE	DMH26 KEELE FORMATION DOLOMITE, LIMESTONE, QUARTZITE, SHALE, CONGLOMERATE			
	7 UPPER RAPITAN GROUP SILTSTONE, SANDSTONE	DMH27 UPPER RAPITAN GROUP SHALE & SILTSTONE	DMH28 UPPER RAPITAN GROUP ARGILLITE, SILTSTONE, SANDSTONE, MUDSTONE, LIMESTONE, CONGLOMERATE, MARINE			
	6 MIDDLE RAPITAN GROUP MUDSTONE, GREENSTONE, SANDSTONE, CHERT	DMH29 MIDDLE RAPITAN GROUP MUDSTONE, CONGLOMERATE	DMH30 MIDDLE RAPITAN LIMESTONE, DOLOMITE, CONGLOMERATE			
	5 LOWER RAPITAN GROUP MUDSTONE, LIMESTONE, SANDSTONE, CHERT	DMH31 LOWER RAPITAN GROUP MUDSTONE, CONGLOMERATE	DMH32 LOWER RAPITAN CONGLOMERATE, MUDSTONE, ARGILLITE SANDSTONE, MARINE			
	4 LIMESTONE, DOLOMITE	DMH33 SLATE, SANDSTONE, CONGLOMERATE	DMH34 GABRO			
	3 LIMESTONE	DMH34 SLATE, SANDSTONE, CONGLOMERATE	DMH35 LITTLE DAL FORMATION DOLOMITE, LIMESTONE, POLYGENIC, SANDY, SILTY			
2 DOLOMITE (STRATIGRAPHIC) VUGGY DOLOMITE	DMH35 DOLOMITE, LIMESTONE	DMH36 UNNAMED MAP UNIT 03 SHALE, PARTLY HELIOLAR LIMESTONE, DOLOMITE, MARINE				
1 ARGILLITE, SHALE, DOLOMITE, SILTSTONE, QUARTZITE	DMH36 DOLOMITE, LIMESTONE	DMH37 UPPER KATHERINE GROUP QUARTZITE, DOLOMITE, SHALE, MARINE				
	DMH37 SLATE, ARGILLITE, QUARTZITE, LIMESTONE	DMH38 LOWER KATHERINE GROUP QUARTZITE, MINOR SHALE, DOLOMITE				
	DMH38 ARGILLITE, LIMESTONE, MINOR BIOTITE HORNFELS	DMH39 THEZENE FORMATION SHALE, SANDSTONE, DOLOMITE, LIMESTONE MARINE, GABBRO SILLS				

NOT CORRELATED

- 15 BONNET PLUME FORMATION SHALE, SANDSTONE, CONGLOMERATE AND COAL
- 14 EAGLE PLAIN FORMATION SANDSTONE AND SHALE
- 13 SHALE AND SANDSTONE
- 12 LIMESTONE
- 11 BASAL BESA RIVER SHALE, SANDSTONE AND LIMESTONE
- 10 LIMESTONE, DOLOMITE AND SHALE
- 9 ROAD RIVER FORMATION SHALE AND LIMESTONE
- 8 DOLOMITE, LIMESTONE & SHALE
- 7 LIMESTONE, SILTSTONE, CONGLOMERATE
- 6 SHALE, SANDSTONE AND LIMESTONE
- 5 MUDSTONE, CONGLOMERATE, DOLOMITE AND IRON FORMATION
- 4 SANDSTONE, DOLOMITE, SHALE
- 3 ORANGE DOLOMITE
- 2 SLATE & QUARTZITE
- 1 PHYLLITE

- ODC - Undivided OSK (Mount Kindle) and SDd (Delorme buff to orange weathering brown and grey platy to thin bedded fine grained dolomite and limestone.
- OSK - Mount Kindle Formation, thick bedded, dark grey to black and minor light grey weathering dolomite, locally massive, vuggy and reefoid.
- OSDr - Road River Formation, black shale, siltstone commonly calcareous, minor argillaceous dark limestone, some chert, Cambro-Devonian clastic equivalent.
- Es - Sekwi Formation, brown and orange weathering thin bedded dolomite, grey and buff mottled limestone, brown shale and sandstone.
- Eq - Backbone Ranges Formation, varicoloured quartzite, siltstone and shale, minor silt and sandy dolomite.

The main AB Zone and the "east" AB Zone occur in lower Cambrian Sekwi Formation. Other scattered zinc occurrences are found within all other time-rock groups on the property.



(LOOKING WEST)

SECTION APPROXIMATELY ALONG WEST SIDE OF AB CREEK

FIG. 3
 WELCOME NORTH MINES LTD.
AB PROJECT AREA
 NTS 106 F/1, 106 C/16
SECTION B-B'

SCALE 1" = 1000 FEET

DEC. 1974

PROPERTY GEOLOGY

The AB Mineral Zone was discovered by Welcome North personnel by prospecting stream beds which cut through a southerly dipping section of Sekwi Formation with the Backbone Range of the Mackenzie Mountains. Subsequent, more detailed prospecting and reconnaissance geological mapping led to the location of other zinc occurrences in the locality within both the Sekwi rocks and the younger, more gently dipping carbonates juxtaposed to the north by regional faulting (Plate 2). The region is one of rugged topography with the elevations ranging from 4,000 to 6,000 feet. Talus covers much of the area and bedrock exposure is, in general, confined to creek bottoms and upper mountain ridges. Exploratory methods employed the prospecting of stream beds and talus slopes after aerial spotting of anomalous discolouration and/or structural complexities within favourable rock units.

Zinc is the principal metal found. Sphalerite, smithsonite and hydrozincite are common to all of the occurrences within the AB Project Area, with galena, barite, pyrite and fluorite being accessory minerals.

In common with many mineral deposits within the Mackenzie Mountains, surface exposures of the AB occurrences are poor. Mineral zones can rarely be observed in continuous outcrop over any distance. Mineralized float in talus or frost heave rubble in conjunction with structural guidelines derived from adjacent barren rock outcrops must, therefore, be utilized in determining the extent and, in many cases, the mode of occurrence of the deposits.

AB MINERAL ZONE

The AB Mineral Zone which is the principal occurrence of interest in the project area, lies on a low, gently sloping talus and/or rubble covered knoll. Outcrop in the vicinity is confined to the main creek banks, sidehill washes and occasional resistant crops within the loose material. Cover is believed to range from three to ten feet in thickness.

The zone consists of mineralized rubble lying in and, in part, rilling down the knoll. It measures some 100 feet in width and extends approximately 800 feet up the hill, at which point it is covered by talus from higher elevations (Plate 3). The mineralized rubble is believed to locally reflect a trace on the hill of an underlying mineral zone. This belief is substantiated by the few isolated zinc-rich outcrops which are found on the lower slopes. Local bedding attitudes determined from adjacent rock exposures range from N.40°W. to N.60°W. in strike with dips of 20° to 40° to the south.

The outline of the mineral zone appears to conform to the model of a tabular, conformable band which would produce the existing topographic trace and would reflect the presence of a stratabound deposit.

Referring to the AB Mineral Zone, R.F. McLoughlin, Geologist, Arctic Red Venture, in his report dated July 22, 1974, writes,

"The AB mineral property occurs in Sekwi Formation according to published available evidence. Locally the dips are 35° to the south-southwest, with individual dips ranging from 18° to 40°. Close to the fault margin the dips go to

80° NNE and are steeply overturned where drag folding occurs. The fault is a steeply dipping normal fault with downthrows to the north. Its trace is not simple, as the fault traces within the property appear to bifurcate at both ends, causing the formations to step down to the north. Upsection, in the Sekwi Formation on the property, the beds are contorted away from the general trend as a result of faulting movement. North of the fault, an undetermined sequence of cherts or argillitic mudstones and limestones with a blue-grey weathering colour, are noted (Unit 5, Figure 4). The Sekwi Formation is found south of the fault. On the property, the formations begin as a light grey weathering dolomitic limestone and dolomite occasionally pyritic and gossany. These grade upsection into a medium grey dolomitic limestone sequence with a 10-15 foot thickness of hard, grey dolomitic limestone containing richly disseminated sphalerite. Occasionally, the visible sphalerite content reaches 60% (ie., 40% zinc). More commonly, the unit contains 10% to 15% visible sphalerite (ie., 9% zinc). Galena is more abundant upsection in the mineralized unit. Hydrozincite is a common oxidation product. Smithsonite is occasionally present but not to a significant extent. A consistent gossan zone downsection from the mineralized unit may be associated with the latter. Some remobilizing action of sphalerite has occurred with secondary filling of fractures with calcite and sphalerite. An earlier barren fluid phase deposited calcite in fractures which were later cross cut by the mineralized fractures. The galena mineralization, mentioned previously, is almost sphalerite-free. Common associate of the galena is barite.


"The mineralized unit is immediately overlain by a soft, dark grey-green, easily fractured bed. This, in turn, grades upsection to a dark grey-buff weathering muddy limestone sequence with occasional gossan zones which appear as small lenses (Unit 3).

"Unit 4, as shown on Section A-A (Figure 4), is a sequence of medium brown and buff weathering coloured dolomitic limestones and sandstones, often flaggy and thinly parted, which form a low knoll 1,000 feet to the east of the main showing. This sequence is unmineralized."

S.C. CLASSIFICATION

ODC }
 Es }

SECTION NUMBER

5
 FAULT 
 4.
 3
 2
 1

DESCRIPTION

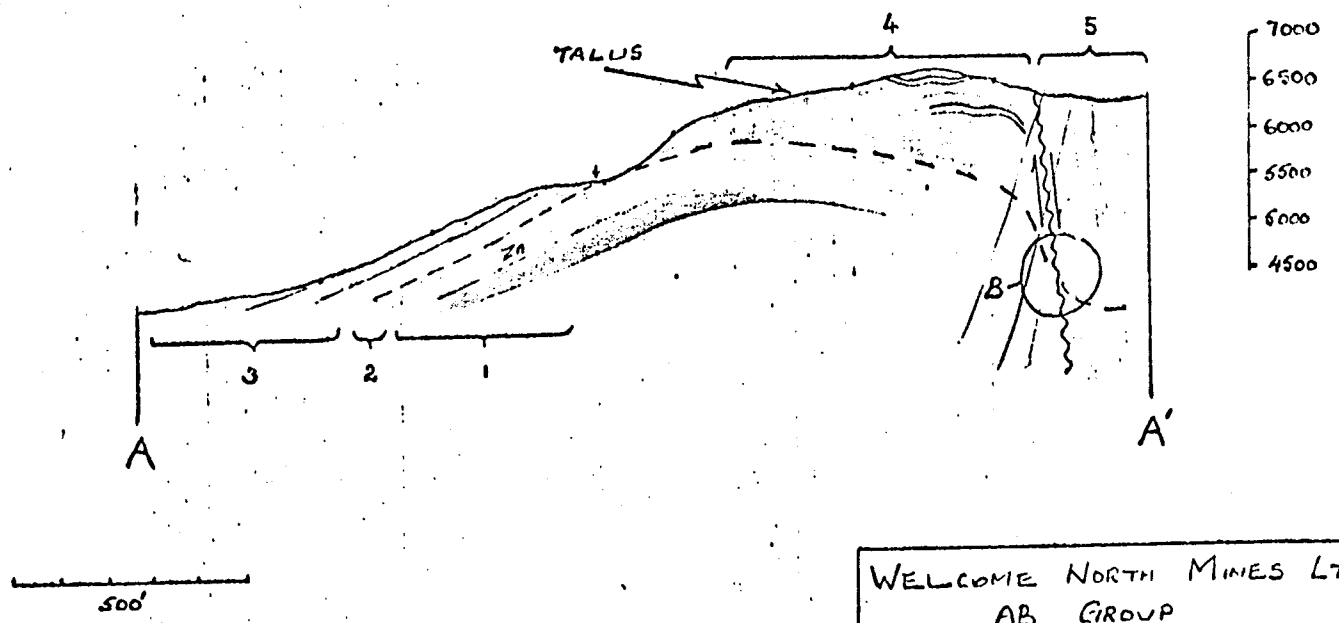
UNDETERMINED SEQUENCE OF CHERTS OR ARGILLITIC MUDSTONES AND LIMESTONES. BLUE GREY WEATHERING COLOUR.

MEDIUM BROWN AND BUFF COLOURED DOLOMITIC LIMESTONES, SANDSTONS AND LIMESTONES, OFTEN THINLY PARTED AND SHATTERING EASILY

DARK GREY-BUFF WEATHERING MUDDY LIMESTONE WITH OCCASIONAL GOSSAN ZONES IN BASE OF UNIT.

MEDIUM GRAY DOLOMITIC LST. BUFF WEATHERING SURFACE GOSSAN DOLOMITIC LIMESTONE BASAL UNIT. SPHALERITE OCCURS IN DISSEMINATIONS AND FRACTURE FILLINGS.

LIGHT GREY WEATHERING DOLOMITIC LIMESTONE. OCCASIONALLY PYRITIC AND HARD.



WELCOME NORTH MINES LTD
 AB GROUP
 SECTION A-A'
 JULY 1974 F.M.

FIG. (4)

The following surface samples were taken from the AB Mineral Zone (for locations the reader is referred to Plate 3):

Sample	Sample No.	Width	Type	Sample Interval	Pb %	Zn %	Comment
J	WN 11	"Specimen Sample"			79.3	2.4	"Steel" galena
K	WN 12	"	"		0.03	41.0	Clear sphalerite.
L	WN 13	"	"		0.03	18.9	Disseminated sphalerite and pyrite in dark carbonate.

The above three samples are selected specimens and represent some of the best possible values obtainable on the talus slope.

HI	WN 21	100'	Talus chip	Every 2 feet	1.03	8.64	Sub crop below
GH	WN 22	100'	" "	" "	0.01	0.65	" " " "
	(0029A	6'	o/c chip	Continuous	0.03	23.4)
	()
	(0030A	7'	Float chip	" " "	0.01	3.72)
	()
EF	(0031A	17'	o/c chip	" " "	0.03	8.52)
	()
	(0032A	4'	o/c chip	" " "	0.01	18.5)
	()
	(0033A	7'	o/c chip	" " "	0.01	4.50)
	()
CD	0039A	20'	o/c chip	Every foot	0.01	1.28) Trench true thickness 12'
AB	WN 23	400'	Float	Every 5 ft.	0.01	1.06)

Samples HI & GH: These samples were taken from talus blocks and frost heaved blocks which were assumed to be almost in place. Chips were taken every two feet from the nearest available large boulder, irrespective of type or visible Zn oxidation products.

Samples EF Series: These samples were taken from mineralized rock in place. Continuous chip sampling over 41 feet of mineralized rock was divided up as shown on the table.

GEOCHEMICAL SURVEYS

Silt and soil surveys were conducted in the vicinity of the main AB showing as an orientation effort to test the effectiveness of geochemical response to known mineralization in the area, as well as an exploration aid toward location of extensions to known mineralization. Reference should be made to Plates 4, 5 and 6.

All samples were analyzed by Acme Analytical Laboratories who maintain laboratory facilities at Ross River, Yukon. Samples are dried and sieved to -80 mesh, the fines being retained for analysis, 0.5 grams of sample are digested in a hot aqua-regia attack and element determinations made by atomic absorption.

Silt Sample Survey

An arbitrary threshold was determined for lead (80 ppm) and zinc (500 ppm). It is recognized that broader geochemical coverage is required to effectively determine true threshold values for anomalous lead and zinc in silts from the AB area.

Lead and zinc do not appear to be spatially related. The main stream, below the main showing, is considered to be anomalous in zinc. Anomalous zinc values can be expected from the tributary draining the AB 3 mineral claim. Of particular interest are anomalous leads (104 ppm) from the southern tributary (AB 5 mineral claim) and the area of AB 4 mineral claim.

Soil Sample Survey

A geochemical soil survey with samples collected on lines spaced 200 feet apart and at 100 foot intervals along the lines was conducted over the known AB Mineral Zone and short distances into the adjoining terraine.

Soil development is generally poor, with the B horizon profile usually absent because of the active erosion layer and development of talus within the area.

Statistical analysis of lead and zinc in soils has not been attempted; arbitrary threshold values of 200 ppm for zinc and 100 ppm for lead have been chosen as a base contourable value.

Both the soil and silt sampling indicate the anomalous zinc and lead values known to be present at the surface of the AB deposit. In addition, relative values in both zinc and lead to the west of the main AB Creek can be interpreted to reflect projected traces of the zone in this direction. Possible projections of the zone to east are not geochemically indicated but probably masked by active talus cover which inhibits diagnostic geochemical results. Higher values to the north and northwest of the zone may indicate mineralization coincident with the regional fault which traverses this section of the property.

It is concluded that the usefulness of both silt and soil geochemistry in the area has been amply demonstrated by the results obtained and that these exploratory tools should be utilized in on-going evaluation of the project area. It is also concluded that extension of the AB Zone may be represented by geochemically anomalous areas west of AB Creek, and that these zones should be further explored.

DIAMOND DRILLING - AB MINERAL ZONE

966

During the period September 6th to 11th, 1974, 866 feet of BQ diamond drilling, in three holes, was conducted on the AB Mineral Zone. A description and the results of this drilling are tabulated below and illustrated on the accompanying drawings (Figure No's. 5, 6 and 7 and Plate No. 3). The drill logs are appended hereto.

Diamond Drill Hole Locations

Hole No.	Length	Lat.	Long.	Brg.	Dip	Elev. Relative to DDH AB#2	Location From CP #1 AB #6 M.C.
AB #1	333'	64°59'	132°17'	036°	-61°	4696	637' Brg. 250½°
AB #2	258'	64°59'	132°17'	030°	-60½°	4945	231' Brg. 186°
AB #3	275'	64°59'	132°17'	030°	-55°	4853	379' Brg. 219°

Significant Diamond Drill Hole Assays

Hole No.	From	To	Interval	Av. Assay % Zinc
AB #1	25'	35'	10'	1.55
AB #2	13'	50'	37'	0.63
	70'	85'	15'	8.66
	13'	85'	72'	2.14
	135'	145'	10'	1.02
AB #3	47.5'	85'	32.5'	0.88

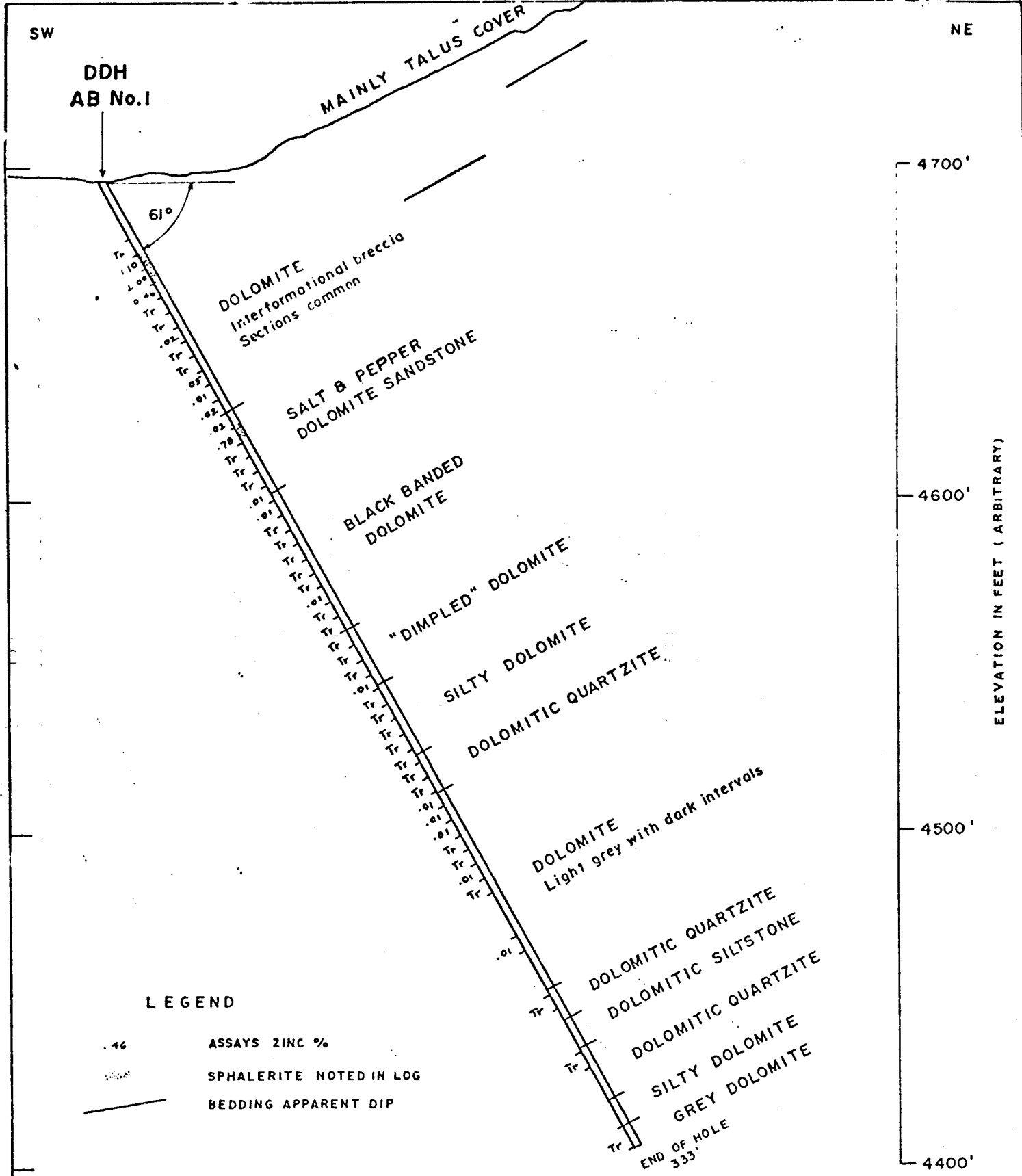
Of the three holes drilled, AB No. 1 appears to have collared and drilled in the barren dolomites which lie in the footwall of the mineral zone. Hole No's. AB 2 and 3 drilled through the projection of the mineral zone and each intersected concentrations of zinc which can be said to correlate geometrically with corresponding zones at the surface. The widths and particularly the grades of zinc intersections in the drill holes, however, do not appear to correlate with those seen at the surface. Unfortunately, due to the overburden cover and to the insufficient detailed surface mapping, correlation between lithologic units logged in the drill core and those which may be apparent at the surface cannot be satisfactorily carried out.

It can be concluded that the preponderance of high grade zinc material at the surface of the AB Zone is due either to:


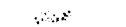

1. Some erosional or gravitational phenomenon which concentrates zinc mineralization beyond that which would appear in true outcrop,
2. or a geological complexity much greater than previously surmised.

In the latter case, which is favoured by the authors, one must resort to sedimentary "channel runs" or structurally controlled shoots to explain the drill results. In either case, the AB Zone remains a very attractive, albeit somewhat tarnished, surface prospect which amply justifies further exploration.

The zone and adjacent area should be geologically mapped at a scale of 1" = 40', with close survey control and, in addition, selectively trenched or ground sluiced to increase exposure. Geochemistry should be utilized to delimit possible extensions. No further diamond drilling should be conducted until all details of the surface showing and the present drilling have clearly been spacially and geologically related. Any possible future drilling should await the completion of the above program and should, in addition, proceed cautiously away from the firmly established geological facts to test future concepts.



LEGEND

-  ASSAYS ZINC %
-  SPHALERITE NOTED IN LOG
-  BEDDING APPARENT DIP

WELCOME NORTH MINES LTD.

ARCTIC RED PROJECT
AB PROJECT AREA
 NTS 106 C/16

VERTICAL CROSS SECTION
DDH-AB No. 1 (BEARING 036°)

SCALE 1" = 40'	DATE DEC. 1974	FIG. 5
-------------------	-------------------	-----------

SW

NE

BROWN SANDY SHALE TALUS

Mineralized rubble appearing near in place

High grade sphal. rubble in shallow pit.

DDH AB No.2

1.03% Pb, 8.64% Zn

TALUS

60 1/2°

MUDDY DOLOMITE
Wavy mud bands

DOLOMITE
Sandy beds

POSSIBLE LOWER MARGIN OF
MINERALIZED ZONE

MUDDY DOLOMITE

INTERFORMATIONAL
BRECCIA

BANDED GREY
DOLOMITE

BANDED BLACK
DOLOMITE

AB #6 M.Claim
84'

174'
AB #5 MC.

LEGEND

- .46 ASSAYS ZINC %
- SPHALERITE NOTED IN LOG
- BEDDING APPARENT DIP

5000'
4900'
4800'

ELEVATION IN FEET. (ARBITRARY)

END OF HOLE
258'

WELCOME NORTH MINES LTD.

ARCTIC RED PROJECT
AB PROJECT AREA
NTS 106 C/16

VERTICAL CROSS SECTION

DDH - AB No. 2 (BEARING 030°)

SCALE
1" = 40'

DATE
DEC. 1974

FIG. 6

SW

NE

DDH AB No.3

Grab sample "J"
79.3% Pb, 2.4% Zn

4900'

MINERALIZED RUBBLE

Grab sample "L"
0.03% Pb
18.9% Zn

APPARENT ZONE OF
ZINC CONCENTRATION

DOLOMITE
Light grey

MUDDY DOLOMITE

DOLOMITE

DOLOMITE
Light Grey

SALT & PEPPER
DOLOMITIC SANDSTONE

BLACK BANDED
DOLOMITE

DIMPLED DOLOMITE

SILTY DOLOMITE

QUARTZITE

END OF HOLE 275'

55°
01
.02
.01
.02
.07
.01
4.42
.33
.60
.74
.69
.17
.98
.35
Tr
.01
.01
.32
.01
.07
.02
.26
Tr
.01
.01
Tr
.47

LEGEND

.46

ASSAYS ZINC %

XXXXXX

SPHALERITE NOTED IN LOG

BEDDING APPARENT DIP

4800'
4700'
4600'

ELEVATION IN FEET (ARBITRARY)

WELCOME NORTH MINES LTD.

ARCTIC RED PROJECT
AB PROJECT AREA

NTS 106 C/16

VERTICAL CROSS SECTION

DDH - AB No.3

(BEARING 030°)

SCALE

1" = 40'

DATE

DEC. 1974

FIG.

7

OTHER SHOWINGS - AB PROJECT AREA

In addition to the AB Mineral Zone described above, other zones of zinc concentration exist within the AB Project Area. These zones, while having been assigned degrees of lesser importance than the main AB Zone, are nevertheless considered by the authors to warrant further exploratory attention, especially in the context of future geological mapping programs.

The following descriptions are extracts from field notes compiled during the 1974 field season. Many of the descriptions are those of the initial finder, while others were made after an examination by one of the project geologists. The showing locations are illustrated on the accompanying AB Project Area Geology (Plate 2). The showings are further discussed under part "A" of the report, "Regional Exploration", in sections 106-C-16 and 106-F-1 under the appropriate showing numbers.

Zinc Occurrences in Mount Kindle Formation

Many of the zinc occurrences noted within the limits of the AB Project Area occur within Mount Kindle Formation which contains pervasive zinc mineralization and locally zinc concentrations approaching economic tenor. These types of occurrences, with more detailed descriptions and suggested exploration techniques, are discussed in the "Geological Report on the BB-DAB Project Area"; a report included herein.

The project boundaries between the AB and BB-DAB Areas have been rather arbitrarily chosen and are not based upon geologic divisions. Proposed exploration programs in the Mount Kindle Formation within the BB-DAB Area should logically carry over to similar geologic areas within the AB Project Area.

F-1 #7

Location - exposed in side-cliffs of a small easterly flowing side creek, approximate elevation 5,800 feet.

Minerals - sphalerite, locally colloform, fine grained galena and barite in a grey weathering vuggy dolomite; essentially flat-lying.

Type - shattered, brecciated beds recemented with calcite-barite and accompanying lead-zinc.

Exposure - mineralization can be traced over an area 300 feet in length in a bed 40 feet thick. Talus covers outside of these dimensions.

Sphalerite with lesser galena in association with calcite and barite stringers, blebs and vug fillings. This type of mineral assemblage is common to the rocks in this area where the zinc mineralization is widespread and sparse. At the point indicated showing (7) the mineralization is more extensive and locally approaches economic tenor due to a more intense breakage of the dolomitic host rock.

Same general locality - down valley, same side, approximately 500' talus rills of reefoid Mount Kindle - silicified fossils - some chunks containing 5% subtle clear sphalerite (flagged).

<u>Assay No.</u>	<u>Pb %</u>	<u>Zn %</u>	
0074	0.18	25.3	Selected specimen.

Specimen - filed Vancouver Office.

Interesting occurrences worthy of some geochemistry in adjacent soils. Present exposure appears too low grade, ie. about 1%-3% zinc overall.

F-1 #15

Occurs at juncture of small westerly flowing side creek with main creek, some 3,000 feet to the south of #7, above.

: Pieces of nearly massive pyrite containing large calcite blebs and very subtle fine grained greyish sphalerite.

Source of float unknown - seems anomalous to immediate area - probably came from up the small side creek but may have come down main creek where highly ferruginous zone occurs up stream. (The latter was not recognized to contain zinc.)

<u>Assay No.</u>	<u>Pb %</u>	<u>Zn %</u>
0038	0.05	11.3 Specimen of float.

Specimen - filed Vancouver Office.

Float should be followed to its source.

Bak Zone

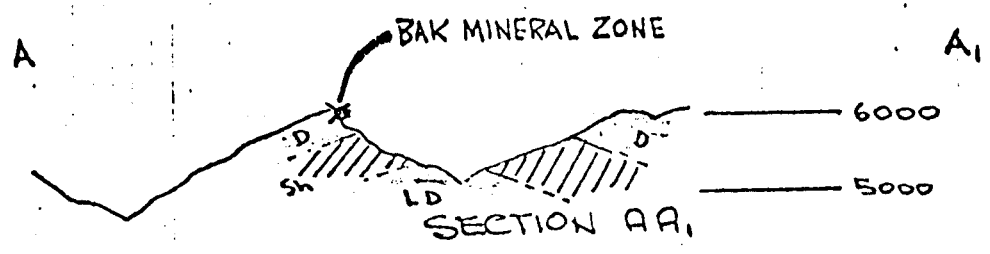
The mineralized bed in the Bak Zone consists of a thick succession of vuggy dolomites at least 300 feet thick (Figure 8 and 10). The rock is to varying degrees shot through with irregular webs and veinlets of white, fine grained calcite which locally acts as a matrix to fragments of the grey-brown dolomite. The flat-lying dolomite is, in general, blocky and coarsely bedded. Interstices, voids and coarse vugs in the rock are filled with a brown-rusty iron carbonate, or possibly smithsonite. No sphalerite was observed within the stratum. The degree of calcite and rusty carbonate mineralization varies from bed to bed within the sequence, and locally calcite with accompanying rust makes up to 40% of the rock mass.

The rock, to a consistent degree, gives a positive zinc reaction when tested with "dope", although this reaction may be explained by the interference of elements other than zinc.

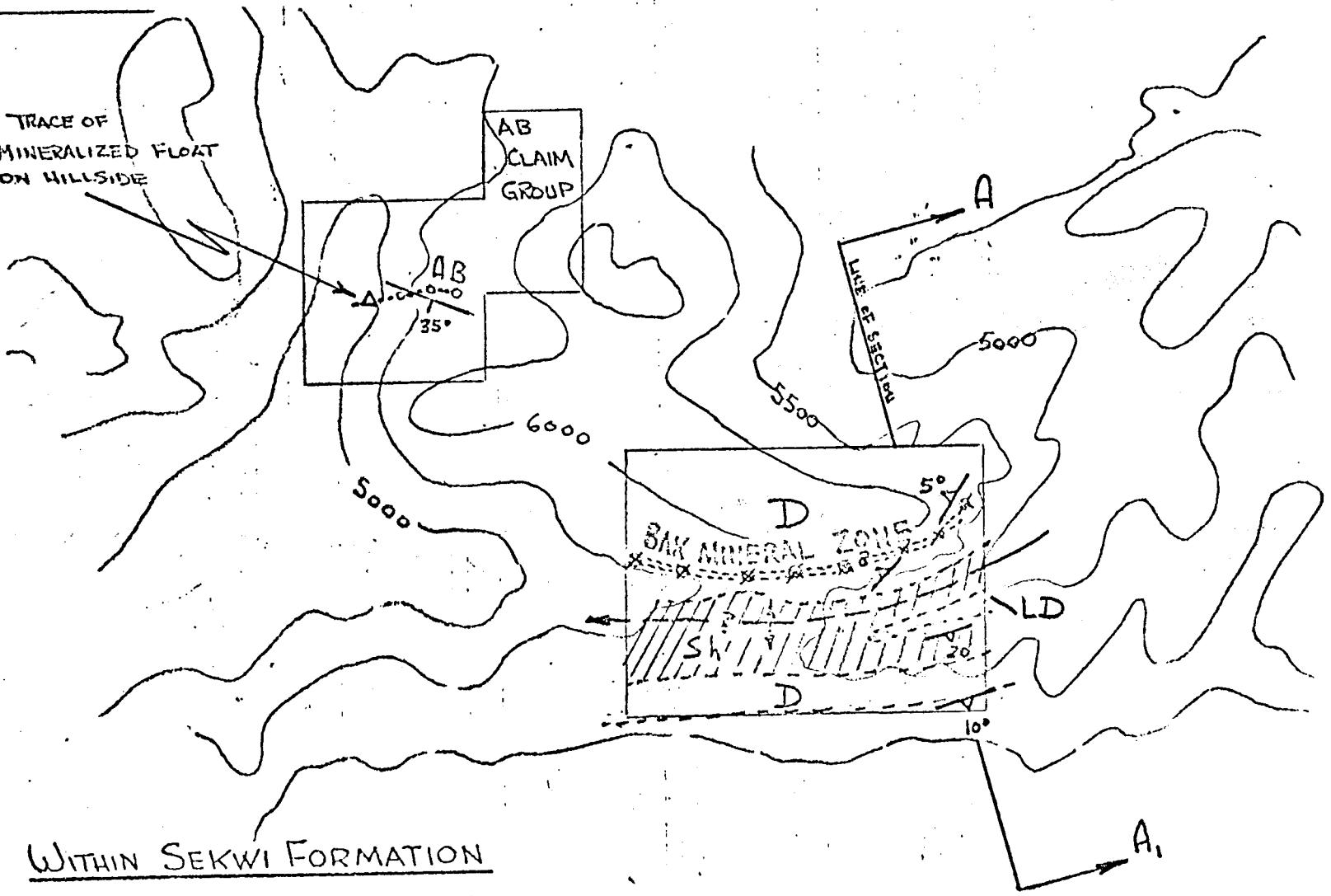
The abovementioned mineralized band appears to lie on the north limb of an anticline, illustrated in Section AA (Figure 8). The same bed is repeated on the south side of the local valley which traverses the property. The band on the south side of the valley was snow covered and was not examined.

The pertinent samples are listed below and illustrated on the accompanying sketch (Figure 9):

<u>Sample No.</u>	<u>Thickness Represented</u>	<u>Pb %</u>	<u>Zn %</u>
WN #1	36.0'	Tr	0.34
WN #2	40.0'	Tr	0.50
WN #3	60.0'	Tr	0.42
WN #4	100.0'	0.01	0.48
WN #5	30.0'	Tr	1.60
WN #6	50.0'	Tr	0.16
WN #7	Specimen	Tr	5.64
WN #8	Specimen	Tr	4.44



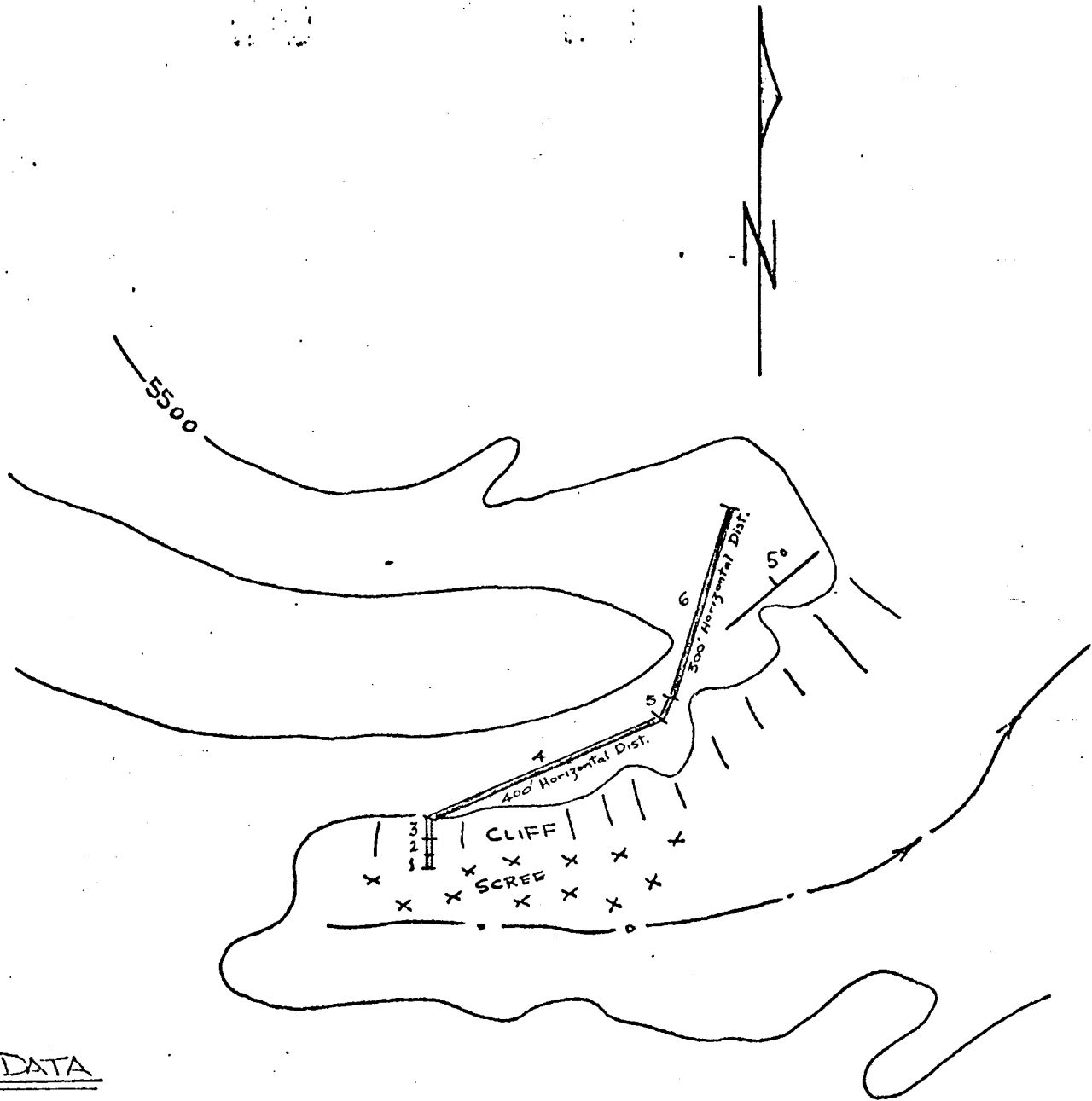
65°00'



WITHIN SEKWI FORMATION

- D UPPER DOLOMITE HOST ROCK
- Sh BROWN WEATHERING SHALEY CARBONATE, SANDY INTERBEDS
- LD LOWER DOLOMITE
- MINERAL OCCURRENCE

MINERAL OCCURRENCE LOCATION
BAK MINERAL ZONE
 N.T.S. 106C-16
 1" = 1/2 MILE SUNG 7/71



ASSAY DATA

<u>SAMPLE No.</u>	<u>THICKNESS REPRESENTED</u>	<u>% LEAD</u>	<u>% ZINC</u>
WN 1	36'	Tr	0.34
2	40'	Tr	0.50
3	60'	Tr	0.42
4	100'	0.01	0.48
5	30'	Tr	1.60
6	50'	Tr	0.16

ARCTIC RED PROJECT
 AB PROJECT AREA
 N.T.S. 106C-16
 BAK MINERAL ZONE
 SAMPLE SKETCH
 NOT TO SCALE

FIGURE NO 2

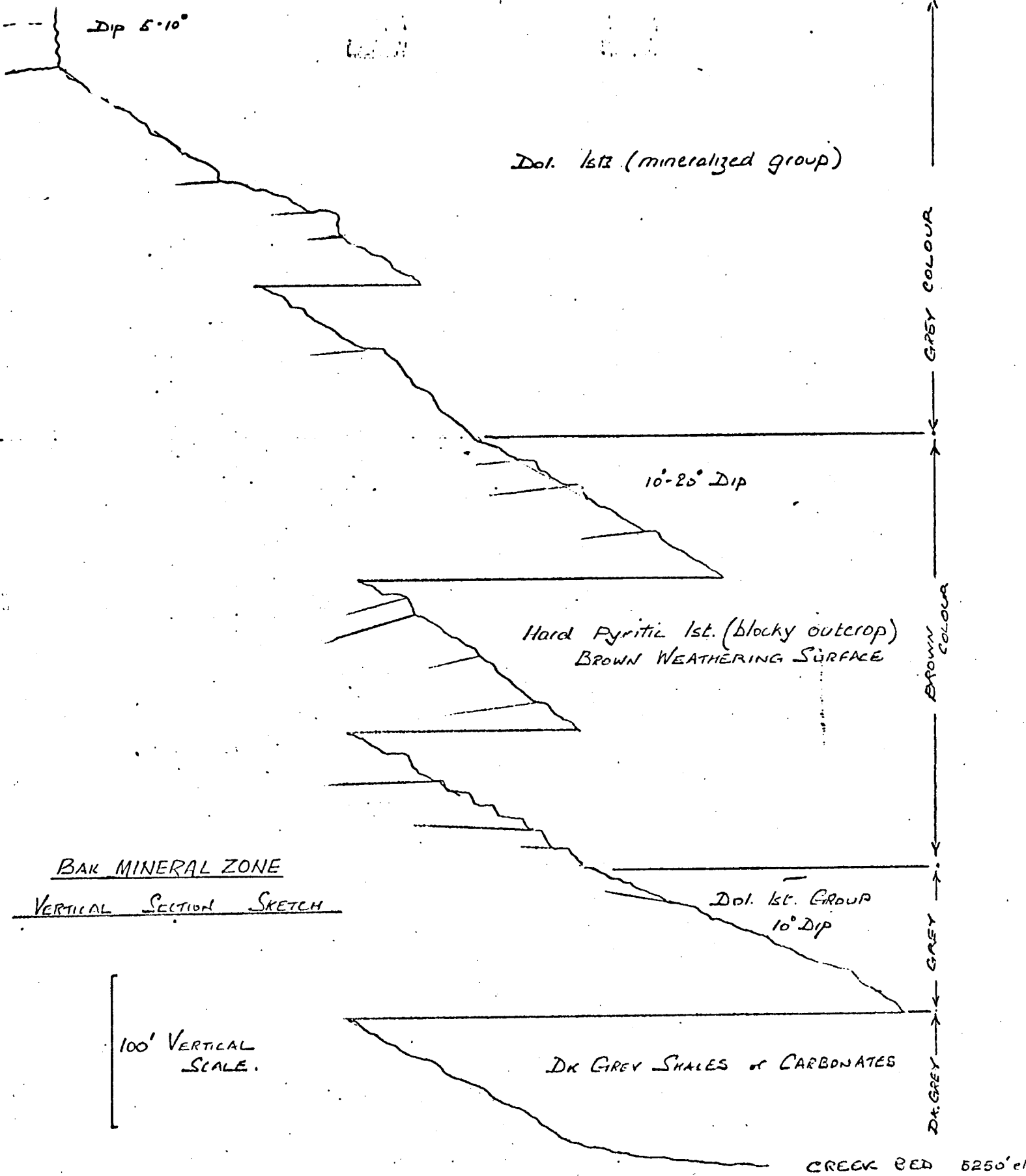


FIGURE NO 10

The first six samples are representative chips (chip taken every 2 feet), mainly from outcrop, but locally from near "in-place" rubble.

Specimens - on file Vancouver Office.

Mineralization discovered to date in the Bak area has been too low grade to be of economic interest. The area, however, lends itself to soil geochemistry, a tool which may indicate higher zinc concentrations within the demonstrated hospitable geologic environment.

AB East Zone

The AB East Zone was examined by Welcome North prospectors early in the spring of 1974. Partial snow cover at the time caused the showing to be passed over as local high grade veinlets not worthy of follow up.

Personnel from Cordilleran Engineering examined the showing which lay within staked ground, later in the summer and were of the opinion that the showing was a worthy one. This information was not available to Welcome North until after the end of the field season.

The showing should be re-examined in 1975.

RECOMMENDED EXPLORATION - 1975

Further exploration of the property should involve an estimated one month program of geochemical surveys, trenching and mapping. This would require an exploration crew consisting of:

- 1 - Party Chief/Geologist
- 1 - Assistant
- 1 - Blaster/Labourer.
- 1 - Labourer
- 1 - Cook

A camp would be established in the vicinity of the AB No. 1 Showing, logistical support would be by helicopter from the outside exploration (prospecting) camp. Some consideration may have to be given to temporarily basing a second helicopter at the property to aid in daily crew movements. This will depend on the availability of such a machine on a casual charter basis.

Details concerning the emphasis to be given specific target areas will be decided by the Venturers, however recommended priorities are:

- 1) Detailed mapping (1" = 40') of the main and East AB showings.
- 2) Trenching of the Main AB and East AB showings.
- 3) Geochemical grid (soils) between Main AB and East AB.
- 4) Contingent short-hole drilling.

PROPOSED BUDGET - AB MINERAL CLAIMS

(See overall Arctic Red '75 Budget for details)

Period: 1 Month - May 15 to June 15, 1975

Geology

Property Geologist - Wages	\$1,296	
Field Supplies	100	
Maps/ Prints/Drafting	200	
Assays	200	\$ 1,796.00

Geochemistry

Field Assistant - Wages	\$1,080	
Maps/Prints/Drafting	200	
Assays/Analysis - say, 2,000 samples	3,200	\$ 4,480.00

Trenching

1 month	\$5,320	\$ 5,320.00
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Drilling (Contingent on Results)

Say, 10 short holes, or 500 feet	\$8,800	\$ 8,800.00
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Freight & Transportation

Assume 20% of overall budget	\$5,000	\$ 5,000.00
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Camp Operation

5 men x 30 days @ \$27/day	\$4,050	\$ 4,050.00
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Sub-Total		\$29,446.00
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Admin

@ 5%		1,473.00
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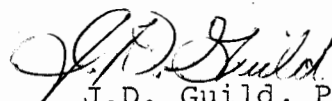
Total		\$30,919.00
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Say,		<u>\$31,000.00</u>
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Respectfully submitted



John S. Brock
Vice-President Exploration



J.D. Guild, P.Eng.
Geologist

Occasional transitional phases between sphalerite and smithsonite can be seen. Fresh sphalerite is best preserved at showing 106-F-2 #13, where a more concentrated zinc section 55 feet thick can be seen in a stream cut (Figure 11). The fine red sphalerite, in company with fine grained galena, occurs as irregular and discontinuous hairline veinlets and smears along fracture and bedding planes within the silica rock.

The band has been somewhat randomly prospected and sampled throughout its known length. The grade of lead and zinc indicated to date appears well below levels of economic interest with maximums in selected specimen of 3.08% lead and 9.36% zinc (for details of sampling, the reader is referred to Plate 2). The persistence of mineralization, however, remains intriguing.

It is recommended that the band be further prospected in an effort to outline zones of mineral concentration. The band enters an area of thin overburden cover in the valley floor on the western end. A geochemical soil survey in this area could indicate zones of higher grade. The question of whether surface showings present only a "leached cap" which may mask better grade at depth could be resolved by either short diamond drill holes, or blasted pits.

106-C-16 #5

The showing is exposed in a small outcrop but is indicated by a trace of mineralized float in the valley floor to extend along strike for approximately 10,000 feet from the main river in the west to Cab Creek in the east.

The zone consists of a sphalerite mineralized band of dark grey to black silica rock which occupies approximately the same stratigraphic position as Robert's Silica Band, described above. The band follows the regional strike and dips at 50° to the south. The only mineralized outcrop is on a dip slope so that the true thickness cannot be accurately measured; the band, however, appears to be at least 30 feet thick and possibly as much as 100 feet. The stronger mineralization occurs in the footwall of the band which becomes more shaley and barren towards the hanging wall.

Zinc mineralization consists of very subtle, fine grained dark chocolate brown sphalerite "eyes" which appear to form an integral part of the host rock.

<u>Assay No.</u>	<u>Pb %</u>	<u>Zn %</u>	<u>Comments</u>
41	0.01	0.49	Specimen
42	0.01	0.46	Specimen
0012	0.03	6.60	Specimen
J.B.	-	5.40	Specimen
Specimen - filed Vancouver Office.			

A geochemical soil survey was conducted in the overburden filled valley bottoms which cover the strike projections of the zone. The survey covered an area 6,500' x 1,000' to the west of the showing and an area 10,500' x 1,500' to the east.

Anomalous lead and zinc values, indicated in the survey and illustrated on the accompanying Plates 4, 5, and 6, suggest a continuity of mineralization within the outline surveyed. It appears, however, that the area has been subject to marked down-hill dispersion of both zinc and lead ions and that the source may not have been directly covered.

It is recommended, therefore, that the geochem soils survey be extended, throughout its length, for an additional 1,000 feet to the north prior to any contemplated trench or drill programs.

DRILL HOLE LOG

BETHLEHEM COPPER CORPORATION LTD.

Horiz. Dist. 160'

SHEET No.

Property AB GROUP-ARCTIC RED J.V.Hole No. AB #1 Bearing 036 Elevation 4696' relative AB #2 Logged by D. A. LYMAN
 District MACKENZIE, N.W.T. Length 333' Dip -61° Overburden 0-20', cased to 20' Date 11 Sept. 1974
 Commenced 6 Sept. 1974 Latitude 64° 59'N Location: 637' on bearing Recovery
 Completed 7 Sept. 1974 Departure Longitude: 132°17'W : 250.5° from #1 post, AB #6 Purpose Test gossan zone below creek level

DESCRIPTION	SULPHIDES	OXIDES	FAULTS	FROM	TO	SAMPLE No.	% Pb.	% Zn.	Oz Au	Oz Ag	FE
Overburden: cased to 20'				0	20	NS					
Dolomite (20'-80') Light grey, very fine grain, highly variable weak banding, interformational breccia intervals common and often with blurred appearance	some very weak to trace very fine grain py. throughout bed	light Fe.Ox. stains on frags. to 74'		20	25	14183		Tr			
26' - 1' strongly broken				25	30	14184		1.10			
28'-40' Brecciated interval, thin dark grey fragments in very fine grain light grey matrix, minor white dolomite vug filling	28-38' with mod. very fine-med. gr. tan sph in			30	35	14185		2.00			
40'-65' Wavy banded interval, medium grey weak thin bands, much white dolomite along bedding and in very weak hairline veinlets 30° to core axis	dk. dolo. bands and in thin random frags.			35	40	14186		.46			
				40	45	14187		Tr			
				45	50	14188		Tr			
66' - 2' Breccia with flattened irregular fragments, weak pyrite in matrix	38-45' very weak fine gr. sph. dis- appears with depth			50	55	14189		.02			
72'-78' Increasing intervals of fine grain dolomite saddlestone alternating with very fine grain weakly banded dolomite				55	60	14190		Tr			
				60	65	14191		Tr			
				65	70	14192		.05			
75' Medium grain pyrite in 1/2" vugs common locally				70	75	14193		.01			
78'-80' Gossan into dolomite sand and pyrite				75	80	14194		.08			

Property AB GROUP-ARCTIC RED J.V.Hole No. AB #1

Logged by D. A. LYMAN

Date 11 Sept. 1974

DESCRIPTION	SULPHIDES	OXIDES	OTHERS	FROM	TO	SAMPLE No.	% Pb.	% Zn.	Oz Au.	Oz Ag.	% RECOVER.
alt and Pepper" Dolomite Sandstone (80'-108') Med.-dark grey overall color, fine-very fine grain dark grey dolomite sand with white-light grey dolomite matrix				80	85	14195		.02			100
	85-88 med. brown coarse sph.			85	90	14196		.78			100
87' Sphalerite veinlets cut by 20° white dolomite-filled 1/8" fractures	in 1/8" uneven frags. 0-20°, minor py.			90	95	14197		Tr			100
				95	100	14198		Tr			100
ack Banded Dolomite (108'-155') Dark grey-black, very fine gr. blaceous 1/16" or smaller black banding (70-80°) is generally planar, but some wavy and thin stylitized banding with carbon trace occurs, white dolomite fills hairline low angle gash fractures and sparse vugs, scattered barite	weak very fine gr.py. along black bands, also in small vugs			100	105	14199		Tr			100
113' - Locally sparse thin barite(?) needles on weak 20° fractures, also 8" broken zone with black very fine grain matrix and 1/8" pyrite rims around fragments				105	110	14200		.01			100
				110	115	14201		.01			100
				115	120	14202		Tr			100
121'-125' Fine grain dolomite sandstone lens				120	125	14203		Tr			100
				125	130	14204		Tr			100
				130	135	14205		Tr			100
138'-152' Black very fine grain dolomite with high carbon content, fine pyrite in blebs along bedding, bed contains thin dolomite sandstone lenses				135	140	14206		Tr			100
				140	145	14207		.01			100

Property AB GROUP-ARCTIC RED J.V. Hole No.

AB #1

Logged by

D. A. LYMAN

Date 11 Sept. 1974

DESCRIPTION	SULPHIDES	OXIDES	OTHERS	FROM	TO	SAMPLE No.	% Pb.	% Zn.	Oz Au.	Oz Ag.	% REE
151' - 1/2" very fine pyrite band, 75°				145	150	14208		Tr			10
Dimpled Dolomite (155'-164') Medium-dark grey, fine-very fine grain, 1/3" dimpled ripple pattern forms comma-or pollywog-shaped structures in cross section, dimples define 1/8"-1/4" laminae, 70-80°, some carbon(?) in dimples	weak fine gr. pyrite in small vugs and in			150	155	14209		Tr			10
	dimple structures			155	160	14210		Tr			10
161' - Very fine grain pyrite replacing dimples				160	165	14211		Tr			10
				165	170	14212		Tr			10
Silty Dolomite (164'-198') Light grey, very fine grain, variable quartz silt content, weak erratic stylitized banding with thin carbon trace	very weak spotty vugs of fine gr. pyrite along bedding			170	175	14213		.01			10
164'-168' - 4' transition from darker very fine grain dolomite to light grey dolomite with no apparent textural differences				175	180	14214		Tr			10
164'-175' - Locally much white dolomite filling irregular vugs along bedding and lesser low angle fractures.				180	185	14215		Tr			10
				185	190	14216		Tr			10
193' - Irregular low angle fractures with minor bluish chalky calcite				190	195	14217		Tr			10
				195	200	14218		Tr			10
Dolomitic Quartzite (193'-211') Light grey, very fine-fine rounded clear quartzite sand, with light grey dolomite matrix, bed grades from very fine quartzite sand at top to fine grain quartzite at 208', 1' of dolomite pebble-conglomerate at 210' with 1/3" or smaller rounded light grey dolomite pebbles	weak fine gr. dissem. py. through-out			200	205	14219		Tr			10
				205	210	14220		Tr			9

Property AB GROUP-ARCTIC RED J.V. Hole No. AB #1

Logged by D. A. LYMAN

Date 11 Sept. 1974

DESCRIPTION	SULPHIDES	OXIDES	OTHERS	FROM	TO	SAMPLE No.	% Pb.	% Zn.	Oz Au.	Oz Ag.	% REC.
ssy Silty dolomite - (211'-278') Light grey with 2' dark grey intervals,	scattered			210	215	14221		.01			1
very fine grain, white dolomite in 1/2" or smaller irregular vugs along 1/3" or less banded intervals, many vugs have earlier rims of clear to white very fine grain to crystal-line quartz; this quartz introduction may account for the silty texture and hardness, erratic very fine to medium grain pyrite postdates white dolomite fillings and in many cases occupies the bottom of vugs especially around 265', minor 1/8" or less open vugs common throughout. Also around 265' dark fine grain dolomite occupies vug bottoms; some barite may be present but no crystal forms were positively identified	fine grain pyrite in vugs and fractures throughout			215	220	14222		.01			1
				220	225	14223		.01			1
				225	230	14224		Tr			10
				230	235	14225		Tr			10
				235	240	14226		.01			10
				240	245	14227		Tr			10
				245	250	NS					5
				250	255	NS					5
255' - Chalky calcite in 10° hairline fracture				255	260	NS					5
				260	265	14228		.01			10
				265	270	NS					10
				270	275	NS					10

WELL HOLE LOG

BETHLEHEM COPPER CORPORATION LTD.

SHEET No. 5

Party AB GROUP-ARCTIC RED J.V. Hole No.

AB #1

Logged by D. A. LYMAN

Date 11 Sept. 1974

DESCRIPTION	SULPHIDES	OXIDES	OTHERS	FROM	TO	SAMPLE No.	% Pb.	% Zn.	Oz Au.	Oz Ag.	% RECC
<u>quartzite</u> (278'-288') Light grey, very fine grain rounded quartz sand with dolomite matrix, no bedding features, weak white dolomite gash fractures, 10°				275	280	NS					100
				280	285	14229		Tr			100
<u>quartzite</u> (288'-298') Light grey-medium grey mottling elongate along bedding plane, 75°, quartz silt to very fine grain sand with light grey dolomite matrix				285	290	NS					100
	292-fine gr.			290	295	NS					100
<u>quartzite</u> (298'-316') As above, light medium grey, weakly banded 80°, fine grain quartz sand	pyrite along weak stylitized frac. 150			295	300	NS					100
				300	305	14230		Tr			100
				305	310	NS					100
				310	315	NS					100
<u>quartzite</u> (316'-325') Light grey, very fine grain, erratic stylitized banding with very thin carbon trace (or dark dolomite?), much white dolomite filling small vugs, gash fractures and bedding fractures				315	320	NS					100
				320	325	NS					100
<u>quartzite</u> (325'-333') Similar silty dolomite above, but no silt and having dark grey color				325	333	14231		Tr			100
						EOH					

HOLE LOG

BETHLEHEM COPPER CORPORATION LTD.

HK 3500

Heavy Dist. 125'

SHEET No. 1

Group	AS GROUP-ARCTIC RED J.V. Hole No.	AB #2	Bearing	030	Elevation	4945' approx.	Logged by	D. A. LYMAN	
Operator	MACKENZIE, N.W.T.	Length	258'	Dip	-60½	Overburden	11', casing to 13'	Date	10 Sept. 1974
Drilled	8 Sept. 1974	Latitude	64° 59'N	Location:	231' on bearing	Recovery			
Completed	9 Sept. 1974	Departure	Longitude - 132° 17'W		186° from #1 post, AB #6.	Purpose	Test upper sulfide showings		

DESCRIPTION	SULPHIDES	OXIDES	FAULTS	FROM	TO	SAMPLE No.	% Pb.	% Zn	Oz Au	Oz Ag	% RECOVERY
Overburden (0'-11')				0	11	NS					0
Pyrite (11'-13') Overburden boulder?, light grey, very fine grain, partly silicified, stylitized bedding 1-2" with thin carbon trace, 1/8" thick pyrite blebs along bedding.	3% py. in thin blebs	py. partly oxidized along fracs. to 25'	small faults 70 to 90° to core axis at 13', 15', 17', 18-19'	11	13	2667		.21			70
Dolomite (13-15') Dark grey, very fine grain argillaceous irregular wavy bedding				13	15	2668		.89			50
Pyrite (15-17') Light grey, broken irregularly and healed with black very fine grain dolomite				15	20	2669		.50			55
Dolomite (17'-57') Dark grey-black, very fine grain irregular wavy bedding 50-90° to core axis with zones of breccia and flattened mud roll and flow structures, spotty sphalerite throughout along bedding structures and in matrix of brecciated zones, weak barite needles on fractures	17'-57' straw-coloured		moderately broken with some movement to 23'	20	25	2670		.43			80
	sph. aggregates occurring			25	30	2671		.86			90
	along bedding cracks primarily, also in related fracturing and vugs		31'-minor left lateral movement on fracs parallel core axis	30	35	2672		.48			90
30'-1' sphalerite concentration along 45° bedding structures				35	40	2673		.04			95
				40	45	2674		1.02			95
45'-1' sphalerite concentration with 1/16" galena blebs having very fine grain pyrite rims	45' mod. galena dissem. in blebs to 1/8" locally	48' minor Fe. Ox. in broken zone		45	50	2675		1.00			95
56' - 4" fault, 80°, partly dolomite healed			56'-4", 80°	50	55	2676		.01			98
Dolomite (57'-67') Light grey, fine grain, 1/16" or smaller laminations, 70-90°, above 64' banded with darker grey partings, some very fine grain pyrite disseminated common, also minor pyrite in fractures and on bedding planes, some very fine	<<1% py.	minor Ox. of dissem. Py.		55	57	2677		.02			95
				57	60	2678		.01			98

Party AB GROUP-ARCTIC RED J.V. Hole No. AB #2

Logged by D. A. LYMAN

Date 13 Sept. 1974

DESCRIPTION	SULPHIDES	OXIDES	FAULTS	FROM	TO	SAMPLE No.	% Pb.	% Zn.	Oz Au.	Oz Ag.	% RECO.
				125	130	2692		.10			10
Light Grey Dolomite (130'-221') Light grey, very fine grain, hairline dark grey wavy banding, stylitized bedding with thick carbon common below 165', moderate-strong silt content (silicification?) below 150', flaky appearance on core cut surface	rare py.			130	135	2693		.02			10
137' - 1' muddy breccia interval, some fine sphalerite disseminated				135	140	2694		1.42			95
				140	145	2695		.62			98
				145	150	2696		.04			98
				150	155	2697		.01			98
				155	160	NS		-			100
				160	165	NS					100
				165	170	NS					100
cut by weak white dolomite filled fractures 20°, 75° (bedding)			174' 18" fault zone 20-30°	170	175	2698		.01			95
				175	180	NS					100
				180	185	NS					100
				185	190	NS					100

Party AB GROUP-ARCTIC RED J.V. Hole No.

AB #2

Logged by D. A. LYMAN

Date 13 Sept. 1974

DESCRIPTION	SULPHIDES	OXIDES	FAULTS	FROM	TO	SAMPLE No.	% Pb.	% Zn.	Oz Au.	Oz Ag.		% RECO.
bedded Light Grey Dolomite (130'-221') as above				190	195	2699		.08				100
				195	200	NS						100
205' - bedding slump resulting in stacking of dark grey 1/2" band				200	205	NS						100
206' - 18" coarse angular breccia, dark grey matrix				205	210	NS						100
				210	215	2700		.01				95
				215	220	NS						95
bedded Black (221'-258') dolomite dark grey-black, very fine grain, 1/32" to 4" banding, very thin bands are black partings, thicker bands have rounded, flattened mud balls (1/16"-1") with black very fine grain matrix above 235'; below 235' thicker (1"-6") bands are 1/16" rounded dolomite fragments and debris piles with white dolomite matrix	very weak very fine grain,			220	225	NS						100
	dissem. Py. and elongate Py. blebs			225	230	NS						100
	along bedding throughout bed			230	235	8351		.02				100
230' - NOTE change in sample numbers				235	240	NS						100
below 234' - low angle 0-40° gash fractures filled with white dolomite common, also along bedding plane fractures 80°				240	245	NS						100
				245	250	NS						100
				250	255	8352		.01				100

Urburgen Dist 157'

BETHLEHEM COPPER CORPORATION LTD.

MILL HOLE LOG

Party AS GROUP-ARCTIC RED J.V. Hole No. AB #3 Bearing 030 Elevation 4853' relative to AB#2 Logged by D. A. LYMAN
 Loc MACKENZIE, N.W.T. Length 275' Dip -55° Overburden 0-9', casing to 12' Date 11 Sept. 1974
 commenced 10 Sept. 1974 Latitude 64°59'N Location: 379' on bearing Recovery
 completed 11 Sept. 1974 Longitude 132°17'W 219° from #1 post, AB #6 Purpose

DESCRIPTION	SULPHIDES	OXIDES	OTHERS	FROM	TO	SAMPLE No.	% Pb.	% Zn.	Oz Au.	Oz Ag	% RECOV.
Overburden (0-9')				0	9	NS					0
Dolomite (9'-40') Light-medium grey, fine grain, sugary texture, some light silicification, very fine grain disseminated pyrite common, white dolomite and later pyrite to 1/3" thick in blebs subparallel bedding, also in vugs in broken zones and hairline veinlets, laminated bedding trace above 20' at 45-75° to core axis, very thin irregular bedding below 20' with some carbon (pyrobitumen) stylitized trace, weak-moderate irregular fracturing throughout, weak 1/16" white dolomite veinlets below 23'.	very fine	Py. lightly oxidized to 40'		9	15	14232		.01			80
18'-25' - moderate fracture, with irregular broken zones partly healed with white dolomite and pyrite, some open vugs remaining	dissem. Py. < 2%, also Py. blebs			15	20	14233		.01			85
23' & 28' - 1" faults with gouge 70° to core axis	and veins to 10% locally			20	25	14234		.02			90
29' - 8" highly broken (fault?)				25	30	14235		.01			95
40' - 45' - Laminated bedding with very thin white dolomite bands and sparse pyrite, 70°				30	35	14236		.02			95
45' - 47.5' - elongate dolomite blebs shingled parallel bedding, some straight lamination, and lesser mud dikes and interformational breccia, some white dolomite mostly as blebs and veinlets parallel bedding, also in gash fractures 45° some disseminated sphalerite throughout.				35	40	14237		.07			85
47.5' - 50' - 4' - 3" wedge-shaped mud dike	weak very fine grain pyrite plus variable			40	45	14238		.01			98
50' - 55' - 5- 68' - muddy beds with mud balls common, lesser wavy lamination having very fine grain pyrite in thin wisps and very weak disseminated, straw and tan colored sphalerite disseminated along bedding trace 65-75°	fine grain sphalerite			45	47.5	14239		.01			95
	48-50' locally 10% straw-colored sphalerite as oatmeal appearing crystal aggregates dissem.			47.5	50	14240		4.44			95
	along bedding with			50	55	14241		.33			98
				55	60	14242		.60			95
				60	65	14243		.74			93

Party AB GROUP-ARCTIC RED J.V. Hole No. AB #3

Logged by D. A. LYMAN

Date '11 Sept. 1974

DESCRIPTION	SULPHIDES	OXIDES	OTHERS	FROM	TO	SAMPLE No.	% Pb.	% Zn.	Oz Au.	Oz Ag.	% RECOV.
65'-68' - interformational breccia, 20% fragments of overlying light grey dolomite consisting of bent pieces of bedding	3-5% dissem. tan sphalerite in			65	70	14244		.69			95
laminar and rounded irregular fragments, dark grey-black muddy, very fine grain matrix containing some dark grey round mud pebbles, disseminated sphalerite in matrix as 1/16" crystal aggregates	breccia with med. very fine grain Py. later			70	75	14245		.17			98
68' - 8" rubble (fault?) Dolomite (68-70') Light grey, fine grain, sparse white-dolomite filled vugs, indistinct wavy bedding	sphalerite dissem. in breccia matrix and			75	80	14246		.98			98
med. Dolomite (70-79') Interformational breccia as above, disseminated sphalerite in black matrix and surrounding fragments, more rarely in fragments Dark Grey dolomite (79'-158')	along bedding features below 79' -			80	85	14247		.01			98
Light-medium grey, fine grain sugary texture; wavy, irregular indistinct bedding, 65-70°, thin carbon stylitized trace common, white dolomite healing small irregular vugs and hair-line gash fractures, 20°, no mineralization apparent, some 1' intervals dark grey sugary dolomite	minor Py. along bedding mod. Sph. dissem. in 10" brecciated, zone			85	90	14248		.35			98
75' - Light grey dolomite with no dark grey partings present, increased white Dolomite healing of zones fractured mostly parallel bedding, 50'-65°		96' - minor Fe.Ox. and siderite in 8" broken zone		90	95	14249		.01			98
				95	100	14250		Tr			95
NOTE: SAMPLE # CHANGE				100	105	2651		.01			98
				105	110	2652		.01			95
113-115' and 116-117' - Dark grey sugary dolomite intervals, closely fractured along bedding and some earlier formational brecciation, white dolomite healed apparently after (?) sphalerite mineralization	113-115 and 116-117			110	115	2653		.32			95
	fine-med. gr. sparse dissem. tan			115	120	2654		.32			98
	Sph. lesser very fine gr. dissem.			120	125	NS					98
125-130' - formational breccia with small angular fragments, white dolomite healed, tight with no sphalerite	Py.			125	130	NS					98

Party AB GROUP-ARCTIC RED J.V. Hole No. AB #3

Logged by D. A. LYMAN

Date 13 Sept. 1974

DESCRIPTION	SULPHIDES	OXIDES	OTHERS	FROM	TO	SAMPLE No.	% Pb.	% Zn.	Oz Au.	Oz Ag.	% RECOV.
30' - Formation slumps cause breaking and sliding of laminae 1/8" or smaller alternating light grey and dark grey bands to 140'	very weak fine grain dissem. Py throughout			130	135	2655		.01			
0'-158' - 1" to 1' irregular bedding separated by hairline stylitized carbon trace				135	140	NS					
				140	145	2656		.07			100
				145	150	NS					100
0'-180' - Hairline white-dolomite filled fractures, 0-20°				150	155	2657		.02			100
Salt and Pepper Dolomite Sandstone (158'-188') Medium-dark grey homogeneous fine grain salt and pepper texture due to fine dark grey irregular grains surrounded by light grey to white matrix as visible on core cut; this texture is not apparent	very weak, very fine grain dissem. Py throughout			155	160	2658		.01			80
Fresh broken rock; carbon stylitized trace separates 1" to 1/16" tan Sph veinlets 30°	dissem. Py throughout			160	165	2659		.26			85
beds; very fine grain pyrite disseminated in trace amounts	1/16" tan Sph veinlets 30°			165	170	2660		Tr			95
	cut white dolo. veinlets, weak very fine			170	175	NS					90
	gr. Py. in vugs and veinlets			175	180	NS					90
	occurs after Py.			180	185	2661		.01			90
Block Banded Dolomite (188'-229') Black, very fine grain, siliceous 1/16" to 3" planar and wavy banded bedding with 1-2" brecciated intervals healed with dark very fine grain matrix; banding has some light grey fine-medium grey inter-	Sparse very fine gr. Py. in breccia matrix and in rare			185	190	NS					98
beds to 2" overlying very fine grain bands with irregular (partly eroded) surfaces	1/32" low grade pyrite			190	195	NS					98

Party AB GROUP-ARCTIC RED J.V.Hole No.

AB #3

Logged by D. A. LYMAN.

Date 13 Sept. 1974

DESCRIPTION	SULPHIDES	OXIDES	OTHERS	FROM	TO	SAMPLE No.	% Pb.	% Zn.	Oz Au	Oz Ag.	% RECOV.
Black Banded Dolomite (188'-229') black, very fine grain, argillaceous, as above				195	200	NS					95
				200	205	2662		.01			100
				205	210	NS					100
				210	215	NS					100
				215	220	NS					98
				220	225	2663		.01			98
				225	230	NS					100
Spotted Dolomite (229'-239') Dark grey, very fine grain, very thin 1/16"-1/2" bedding defined by 1/3" comma-shaped (in cross-section) traces. When viewed in plan section the commas are carbon-filled dimples spaced irregularly 1/3-1/2' apart, minor white dolomite filled seams and vugs along bedding 75°.				230	235	NS					98
	very sparse			235	240	NS					100
Light Dolomite (239'-271') Light grey, crypto to very fine grain, some weak medium grey banding and irregular stylitized bedding trace, 70-80°, rounded vugs elongate along bedding plane and filled with white dolomite common throughout bed. Weak silicification towards bottom of bed, white flaky appearance on core cut is characteristic of silica-rich zones, tight rock except for fractures	very fine gr. Py. in small vugs			240	245	2664		Tr			100
	and along bedding trace			245	250	2665		.47			100
	247' - 1" bleb of tan crystalline			250	255	NS					100
	Sph. in vug partly filled with			255	260	NS					100

APPENDIX II

ARCTIC RED PROJECT

CLAIM SUMMARY AS AT DECEMBER, 1974
YUKON TERRITORIES

<u>N.T.S. AREA</u>	<u>CLAIMS</u>	<u>GRANT NUMBERS</u>	<u>RECORDING DATE</u>
106F-1	AB 203-242	Y96275-Y96314	Aug. 22, 1974
	TOTAL	40 Mineral Claims	

APPLICATION FOR CERTIFICATES OF WORK - MAYO MINING DISTRICT

In accordance with the provisions of the Quartz Mining Act in the Yukon Territory, we the recorded owners of the mineral claims listed below, hereby apply for the following certificates of work, as per Appendix IV of this report, "Statement of Costs" attached hereto:

TOTAL REPRESENTATION WORK - As per Appendix IV \$7,279.00

ALLOCATION OF REPRESENTATION WORK

AB CLAIM GROUP

AB 203-234	Y96275-Y96306		
	32 claims - 2 years each	\$6,400.00	
AB 235-242	Y96307-Y96314		
	8 claims - 1 year each	<u>800.00</u>	
	TOTAL AB- 40 claims	\$7,200.00	<u>\$7,200.00</u>
	Balance Unapplied		\$ 79.00

APPENDIX III

PERSONNEL AND DATES WORKED

The following pages tabulate the personnel and dates worked on the AP Mineral Claims.

Please note that "Camp Operation" and "Expediting" wages have been pro-rated and are included in the costs for individual claim groups - under camp costs (see Appendix IV "STATEMENT OF COSTS").

Also the OEX (Outside Exploration) costs have been pro-rated to individual claim groups as shown in Appendix IV.

AB GROUP

PERSONNEL AND DATES WORKED

1974 FIELD SEASON

C.L. (Pete) Risby,
Ross River, Y.T.

Aug. 29.
Dec. 8, 9, 10.

Chief Prospector,
\$1200/month

Harold Barker,
c/o General Delivery,
Whitehorse, Y.T.

June 24.
July 2, 15.
Sept. 5.

Field Assistant
\$800/month

Richard F. McLoughlin,
c/o # 1010,
2055 St. Matthew St.,
Montreal, PQ.

June 5-6, 8, 13, 19-20, 23-24.
July 2, 4, 15-16, 23, 25.
Aug. 4-5, 10-11, 17.

Geologist,
\$1200/month

John D. Guild,
13291 Woodcrest Drive,
White Rock, B.C.

June 4, 8, 18, 21.
July 17.
Sept. 6, 9.
Dec. 4-9, 12, 18-20, 23, 24, 30.

Party Chief,
\$65/day

John S. Brock,
3029 Procter Avenue,
West Vancouver, B.C.

June 9-11.
July 23-24.
Aug. 29.
Sept. 12.

Field Supervisor
\$71/day

Joan Stickney,
c/o General Delivery,
Whitehorse, Y.T.

Duration of Program.
Wages pro-rated to
all projects - under
camp costs.

Cook,
\$900/month

OEX

PERSONNEL AND DATES WORKED

1974 FIELD SEASON

Harold Barker,
c/o General Delivery,
Whitehorse, Y.T.

Field Assistant
\$800/month

May 15-26.
June 25, 30.

Richard F. McLoughlin,
c/o #1010,
2055 St. Matthew St.,
Montreal, PQ.

Geologist
\$1200/month

May 15-26.
June 2-4, 10, 14, 22, 25, 30.
July 1, 19, 20, 24, 31.
Aug. 22, 31.
Sept. 3, 23-27, 30.
Oct. 1-4.

John D. Guild,
13291 Woodcrest Dr.,
White Rock, B.C.

Party Chief,
\$65/day

March 26-29.
April 1-5, 8-12.
May 7-10, 13-17, 20-26.
June 3, 5, 9-11, 19, 20, 22-30.
July 1-4, 8, 10-11, 14-15, 19-21,
23-36, 30, 31.
Aug. 6, 8, 10, 14-15, 18, 20,
23, 30-31.
Sept. 3, 4, 5, 7, 10-17.
Dec. 10, 11, 13.

John S. Brock,
3029 Procter Ave.,
West Vancouver, B.C.

Field Supervisor,
\$71/day

Jan. 3-5, 16-18, 21-22.
Feb. 18, 21, 25-28.
March 14-16, 21-22, 25-26, 29-30.
April 1-5, 22-26.
May 6-10, 13, 29, 31.
June 3-4, 9-12, 25, 31, 22.
Aug. 1-2, 8, 13-14, 17-18, 20-21.
Sept. 3-4, 10, 13, 16, 23, 24-25.
Oct. 1, 3, 4, 13, 16, 23, 27, 28, 29, 31.

CAMP OPERATION

PERSONNEL AND DATES WORKED

1974 FIELD SEASON

Joan Stickney, c/o General Delivery, Whitehorse, Y.T. Cook <u>\$900/month</u>	May 13-31. June 1-16, 21-30. July 1-19, 25-31. Aug. 1-6, 13-31. Sept. 1.
C.L. (Pete) Risby, Ross River, Y.T. <u>\$1200/month</u>	May 19, 29. July 27.
Arthur John, Ross River, Y.T. <u>\$1100/month</u>	July 26, 27.
Robert Etzel, Ross River, Y.T. <u>\$1100/month</u>	July 1, 26, 27.
Esau Dick, Ross River, Y.T. <u>\$800/month</u>	July 1, 26, 27.
Walter Etzel, Ross River, Y.T. <u>\$800/month</u>	July 1, 26, 27.
Harold Barker, c/o General Delivery, Whitehorse, Y.T. <u>\$800/month</u>	June 2-8, 11-23. July 1, 4, 13, 16, 22-25, 31. Aug. 1, 3, 5-7, 13-20, 22.
Richard McLoughlin, c/o #1010, 2055 St. Matthew St., Montreal, PQ. <u>\$1200/month</u>	July 26, 27.

N.B. Wages pro-rated to all projects worked under
1974 program - under camp costs.

EXPEDITING

PERSONNEL AND DATES WORKED

1974 FIELD SEASON

C.L. (Pete) Risby,
Ross River, Y.T.

Aug. 20-24.
Sept. 7-8.

\$1200/month

N.B. Wages prorated to projects worked.

APPENDIX IV

AB CLAIM GROUP

STATEMENT OF COSTS

The following pages show a distribution of the total costs incurred by Welcome North Mines Ltd. (N.P.L.), on behalf of the Arctic Ped Joint Venture in carrying out exploration work on the AB claims during the 1974 field season. These costs can be invoice supported or in the case of internal costs documented.

The costs can be summarized as follows:

<u>Claim Group</u>	<u>Direct Property Cost</u>	<u>Outside Exploration Cost Related to Property</u>	<u>Total</u>
AB	\$3,094.20	\$4,184.80	<u>\$7,279.00</u>

NOTE: The allocation of these costs for purposes of representation work is shown in Appendix II

Total Representation Work Applied for \$7,200.00
Balance Unapplied \$ 79.00

ARCTIC RED PROJECT - 1974

GROUP: AB

EXPENDITURES - AB GROUP

	<u>GEOLOGY/ GEOCHEM</u>	<u>PROSPECTING</u>	<u>DRILLING</u>	<u>STAKING & ACQ.</u>	<u>PROPERTY MAINT.</u>	<u>CAMP OP.</u>	<u>EXPEDI- TING</u>	<u>ADMIN</u>	<u>SUB- TOTAL</u>	<u>GRAND TOTAL</u>
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
SALARIES										
Wages	1,980.90	82.30	30.80	1,069.61	-	534.54	20.45	-	3,718.60	}
Finder Fees	-	-	-	1,000.00	-	-	-	-	1,000.00	
CONTRACT PAYMENTS	-	-	15,852.96	19,770.00	-	-	158.48	680.67		36,462.11
FIELD & MISC. EXP.	-	-	-	630.34	-	1,096.58	118.89	49.38		1,895.19
MAPS/PRINTS/ DRAFTING	109.77	-	-	-	-	-	-	-		109.77
ASSAYS/ ANALYSES	482.57	-	697.50	-	-	-	-	-		1,180.07
FREIGHT/ TRANSPORT										
Helicopter	15,233.23	-	6,701.28	-	-	-	-	-	21,934.51	}
Fixed Wing	2,030.95	-	6,588.47	-	-	336.38	-	-	8,955.80	
Major Transp.	-	-	-	-	-	129.93	-	-	129.93	}
Misc. Freight	-	-	-	-	-	117.97	-	-	117.97	
TOTAL	\$ 19,837.42	82.30	29,871.01	22,469.95	-	2,215.40	297.82	730.05		75,503.95

AB CLAIMS - Y.T. - 40 CLAIMS
 AB CLAIMS N.W.T. - 250 CLAIMS
 TOTAL AB 290 CLAIMS

LESS: TOTAL COSTS NOT ALLOWED (STAKING/ACQ & ADMIN) = \$23,200.00
 DRILLING COSTS TO BE APPLIED AT LATER DATE = 29,871.01 - 53,071.01
 BALANCE OF APPLICABLE DIRECT COSTS \$ 22,432.94

PORTION APPLICABLE TO YUKON CLAIMS
 = $\frac{40}{290} \times \$ 22,432.94 = \$ 3,094.20$

PLUS: PRO-RATED PORTION OF OEX COST (SUMMARY ATTACHED) = 4,184.80
TOTAL TO BE APPLIED AS REPRESENTATION WORK - Y.T. \$ 7,279.00

Costs related to properties - distributed among 400 Yukon Claims as follows:

AXE-NEST CLAIMS	= 46 Claims	x \$104.62	\$ 4,812.52
CAB CLAIMS	= 314 "	x \$104.62	\$ 32,850.68
AB CLAIMS	= 40 "	x \$104.62	\$ 4,184.80
			<u>\$ 41,848.00</u>

ARCTIC RED PROJECT - 1974

GROUP: OEX

EXPENDITURES - OEX

	<u>GEOLOGY/ GEOCHEM</u>	<u>PROSPECTING</u>	<u>DRILLING</u>	<u>STAKING & ACQ.</u>	<u>PROPERTY MAINT.</u>	<u>CAMP OP.</u>	<u>EXPEDI- TING</u>	<u>ADMIN</u>	<u>SUB- TOTAL</u>	<u>GRAND TOTAL</u>
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
SALARIES										
Wages	14,027.52	19,615.39	-	-	-	6,721.34	257.11	-	40,621.36	} 40,621.36
Finder Fees	-	-	-	-	-	-	-	-	-	
CONTRACT PAYMENTS	-	-	-	-	-	-	1,992.81	8,558.80	-	10,551.61
FIELD & MISC. EXP.	-	-	-	-	-	13,789.15	1,495.01	621.02	-	15,905.18
MAPS/PRINTS/ DRAFTING	3,487.29	-	-	-	-	-	-	-	-	3,487.29
ASSAYS/ ANALYSES	595.81	-	-	-	-	-	-	-	-	595.81
FREIGHT/ TRANSPORT										
Helicopter	30,971.30	-	-	-	-	-	-	-	30,971.30	} 9,178.29
Fixed Wing	4,948.59	-	-	-	-	4,229.70	-	-	-	
Major Transp.	-	-	-	-	-	1,633.86	-	-	1,633.86	} 1,483.37
Misc. Freight	-	-	-	-	-	1,483.37	-	-	-	
TOTAL	<u>\$ 54,030.51</u>	<u>19,615.39</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,857.42</u>	<u>3,744.93</u>	<u>9,179.82</u>	<u>-</u>	<u>114,428.07</u>

Less: Total Costs not allowed (Admin Costs) - 9,179.82
 BALANCE APPLICABLE AS REPRESENTATION WORK \$ 105,248.25

Note: Costs related to properties distributed on pro-rata basis among
 400 Yukon Mineral Claims and 606 N.W.T. claims = $\frac{\$105,248.25}{1006 \text{ claims}}$ = \$104.62052 per claim

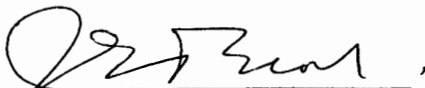


WELCOME NORTH MINES LTD. (N.P.L.)

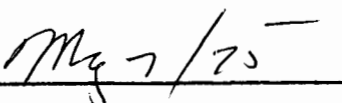
Suite 8, 1161 Melville St., Vancouver, B.C. V6E 2X7 Telephone (604) 687-1658

AFFIDAVIT SUPPORTING SUMMARY OF COSTS


I, John S. Brock, Vice President, Welcome North Mines Ltd. (N.P.L.), of Vancouver, British Columbia, do hereby state that, to the best of my knowledge and belief, the statement of costs presented in this report (Geological, Geochemical and Diamond Drilling Report on the AB Mineral Claims) is both correct and true.



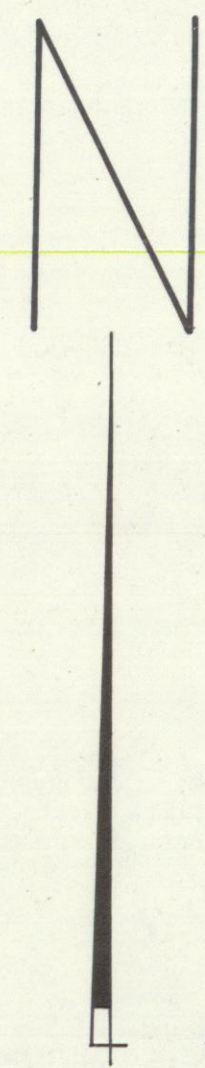
J.S. Brock



Date



Notary Public in and for the
Province of British Columbia.



AB PROJECT AREA BB - DAB PROJECT AREA

R A N G E S

LEGEND

- ODc** ORD - DEV. CARBONATES
 - Interbedded black chert @ grey dolomites
 - Light grey well bedded dolomites
- OSk** MOUNT KINDLE FORMATION dolomite, locally reworked
- OSDr** ORD - SIL - ROAD RIVER SHALE Black shale in part cherty
- Es** CAMBRIAN - SEKWI DOLOMITE
 - G Dol GREY DOLOMITE
 - MLs MUDDY LIMESTONE
 - G Sh GREY SHALE
 - Q QUARTZITE
- Eq** CAMBRIAN - QUARTZITE

REGIONAL GEOLOGY IS TAKEN BASICALLY FROM PUBLISHED GSC MAPS CONTACTS ARE APPROXIMATE.

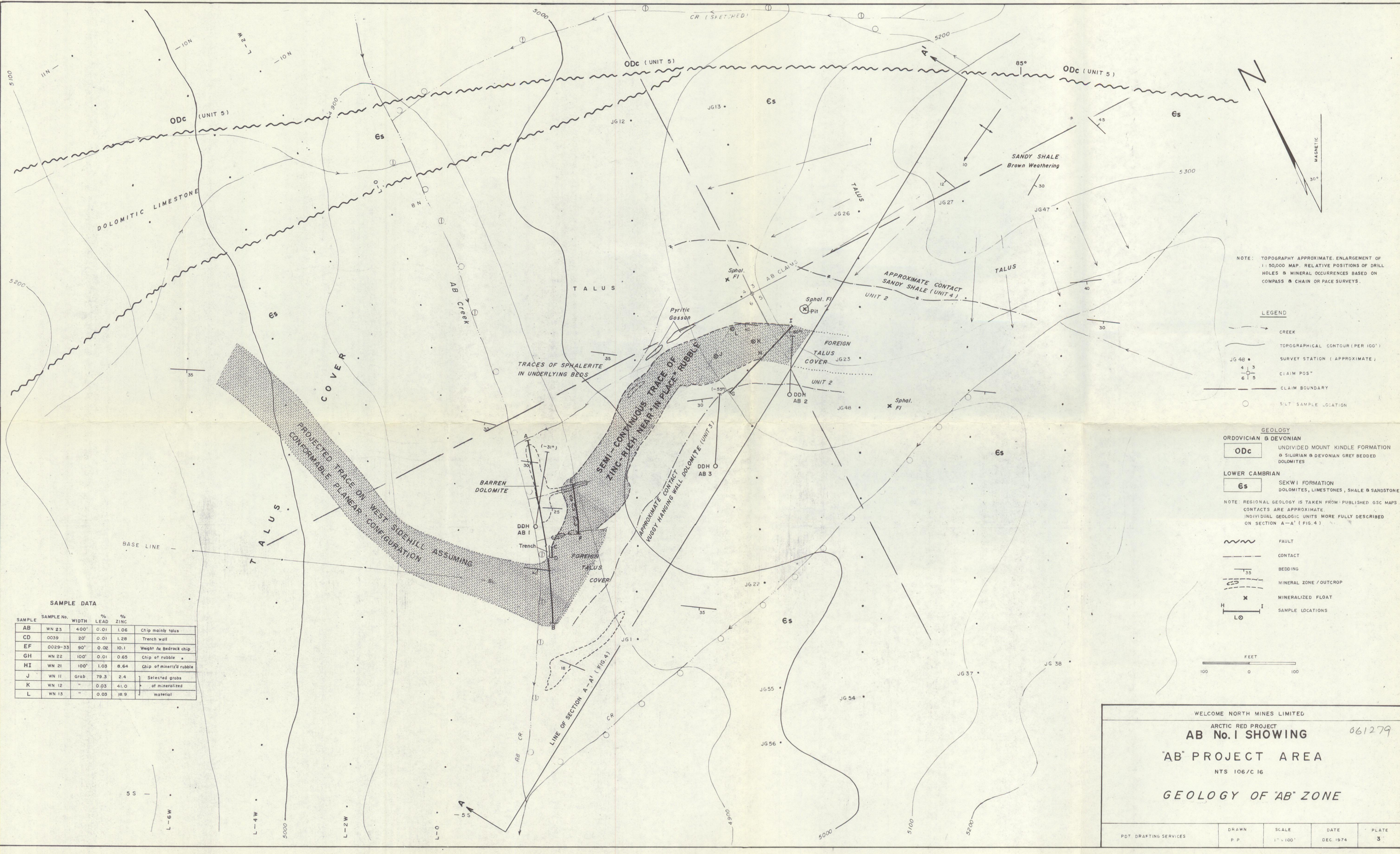
SYMBOLS

- Geological contact approximate
- Fault (defined, probable)
- Float
- Claim post located
- Bedding
- Claim group boundary
- Low grade zinc occurrences
- Diamond drill hole



WELCOME NORTH MINES LTD.
 ARCTIC RED PROJECT
 AB, DAB & BB MINERAL CLAIMS
 NTS 106 F/1, C/16
 AB PROJECT AREA
 BB-DAB PROJECT AREA

SCALE 1" = 1000' SEPT. 1974
 PLATE 2 061079

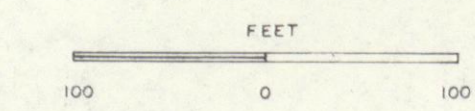


NOTE: TOPOGRAPHY APPROXIMATE. ENLARGEMENT OF 1:50,000 MAP. RELATIVE POSITIONS OF DRILL HOLES & MINERAL OCCURRENCES BASED ON COMPASS & CHAIN OR PACE SURVEYS.

- LEGEND**
- CREEK
 - TOPOGRAPHICAL CONTOUR (PER 100')
 - SURVEY STATION (APPROXIMATE)
 - CLAIM POST
 - CLAIM BOUNDARY
 - SLT SAMPLE LOCATION

- GEOLOGY**
- ORDOVICIAN & DEVONIAN
- ODc** UNDIVIDED MOUNT KINDLE FORMATION & SILURIAN & DEVONIAN GREY BEDDED DOLOMITES
- LOWER CAMBRIAN
- Es** SEKW I FORMATION DOLOMITES, LIMESTONES, SHALE & SANDSTONE
- NOTE: REGIONAL GEOLOGY IS TAKEN FROM PUBLISHED GSC MAPS. CONTACTS ARE APPROXIMATE. INDIVIDUAL GEOLOGIC UNITS MORE FULLY DESCRIBED ON SECTION A-A' (FIG. 4)

- FAULT
- CONTACT
- BEDDING
- MINERAL ZONE /OUTCROP
- MINERALIZED FLOAT
- SAMPLE LOCATIONS



SAMPLE DATA

SAMPLE	SAMPLE No.	WIDTH	LEAD	ZINC	Notes
AB	WN 23	400'	0.01	1.06	Chip mainly talus
CD	0039	20'	0.01	1.28	Trench wall
EF	0029-33	90'	0.02	10.1	Weight in Bedrock chip
GH	WN 22	100'	0.01	0.65	Chip of rubble
HI	WN 21	100'	1.03	6.64	Chip of mineralized rubble
J	WN 11	Grab	79.3	2.4	Selected grabs
K	WN 12	"	0.03	41.0	of mineralized
L	WN 13	"	0.03	18.9	material

WELCOME NORTH MINES LIMITED

ARCTIC RED PROJECT

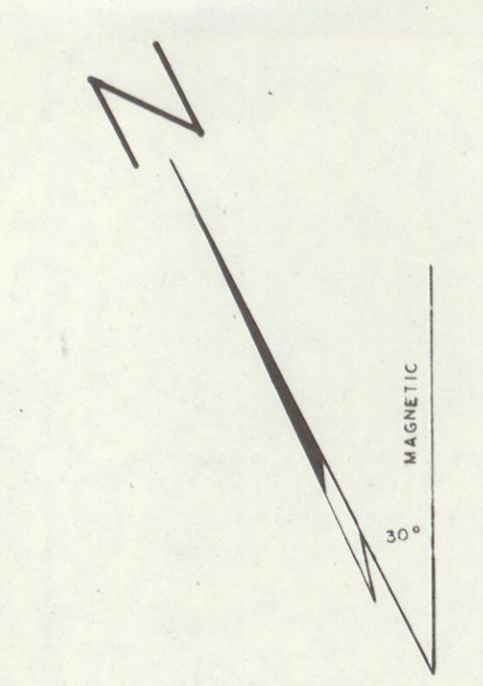
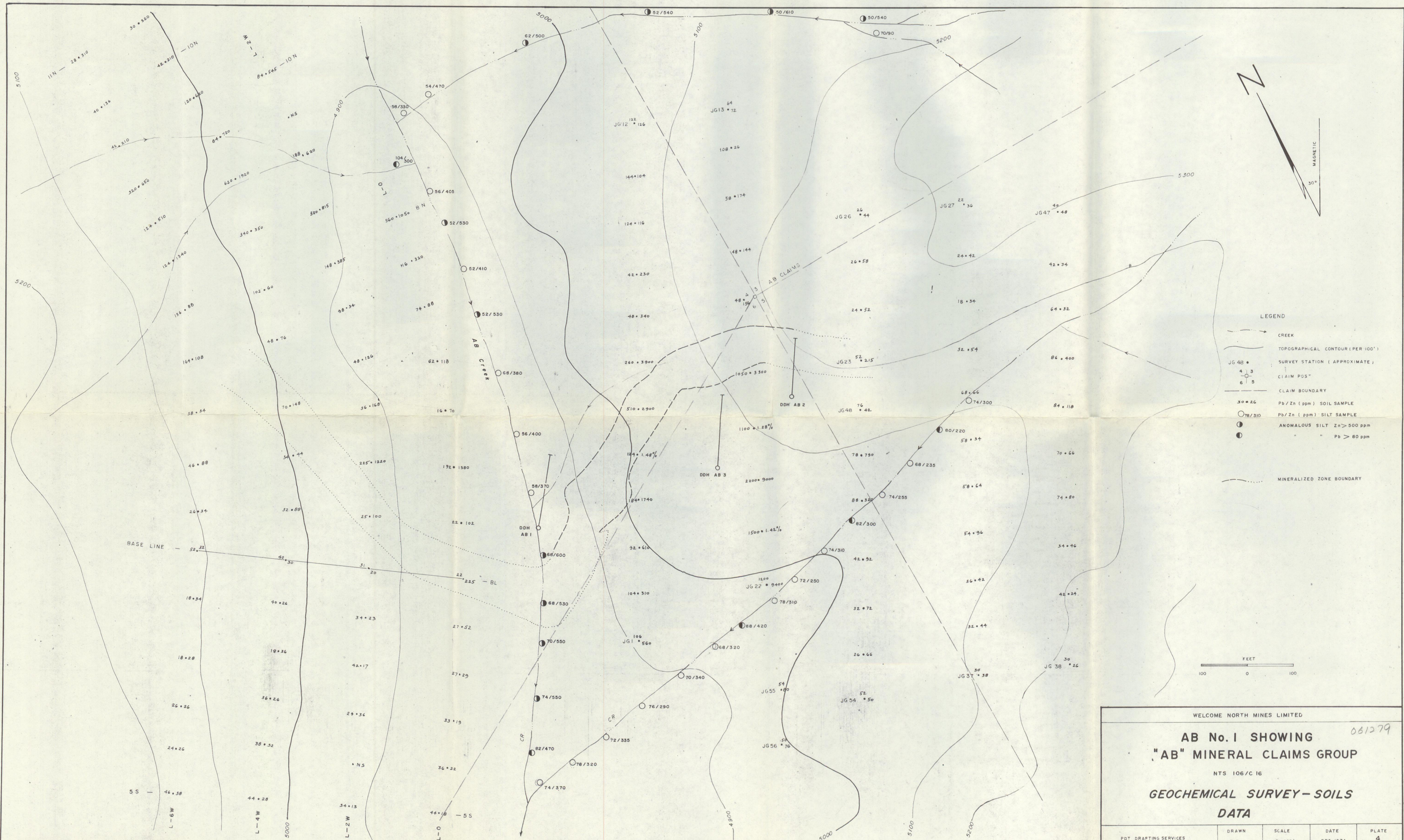
AB No. 1 SHOWING 061279

'AB' PROJECT AREA

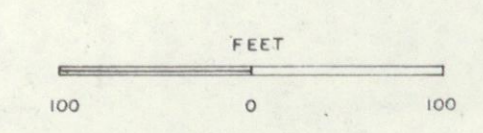
NTS 106/C 16

GEOLOGY OF 'AB' ZONE

PDT DRAFTING SERVICES	DRAWN P.P.	SCALE 1" = 100'	DATE DEC. 1974
			PLATE 3



- LEGEND
- CREEK
 - TOPOGRAPHICAL CONTOUR (PER 100')
 - SURVEY STATION (APPROXIMATE)
 - CLAIM POSⁿ
 - CLAIM BOUNDARY
 - Pb/Zn (ppm) SOIL SAMPLE
 - Pb/Zn (ppm) SILT SAMPLE
 - ANOMALOUS SILT Zn > 500 ppm
 - " " " Pb > 80 ppm
 - MINERALIZED ZONE BOUNDARY



061279

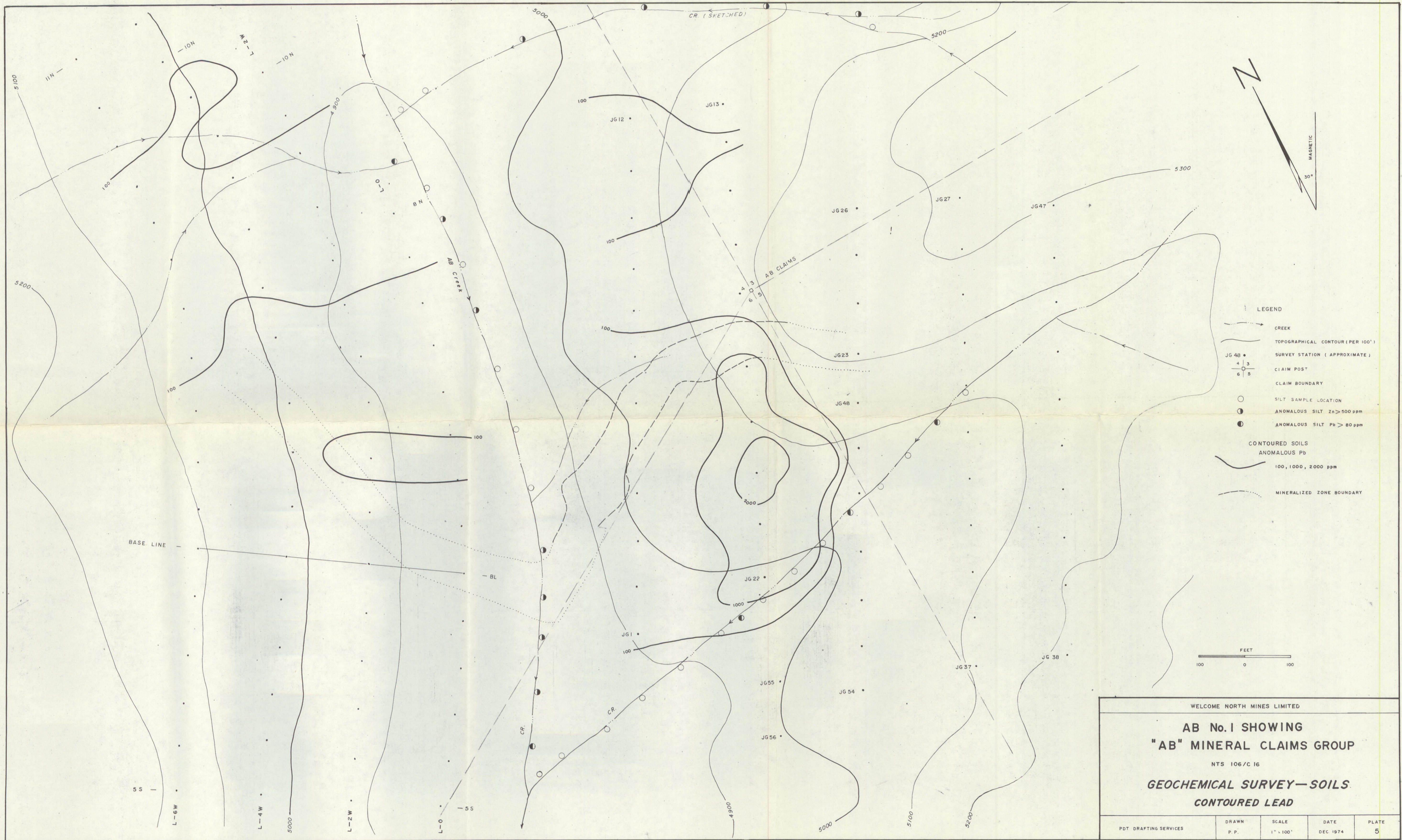
WELCOME NORTH MINES LIMITED

AB No. 1 SHOWING
"AB" MINERAL CLAIMS GROUP

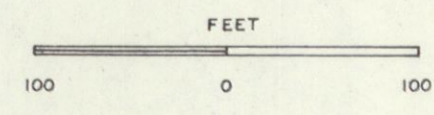
NTS 106/C 16

GEOCHEMICAL SURVEY—SOILS
DATA

PDT DRAFTING SERVICES	DRAWN P. P.	SCALE 1" = 100'	DATE DEC. 1974
			PLATE 4



- LEGEND
- CREEK
 - TOPOGRAPHICAL CONTOUR (PER 100')
 - SURVEY STATION (APPROXIMATE)
 - CLAIM POST
 - CLAIM BOUNDARY
 - SILT SAMPLE LOCATION
 - ANOMALOUS SILT Zn > 500 ppm
 - ANOMALOUS SILT Pb > 80 ppm
 - CONTOURED SOILS ANOMALOUS Pb**
 - 100, 1000, 2000 ppm
 - MINERALIZED ZONE BOUNDARY



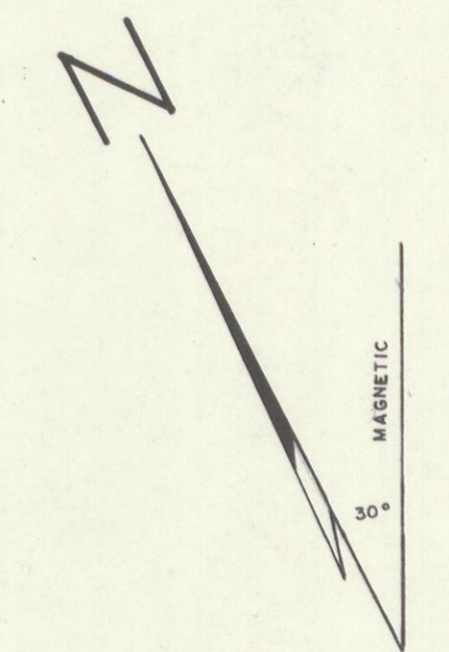
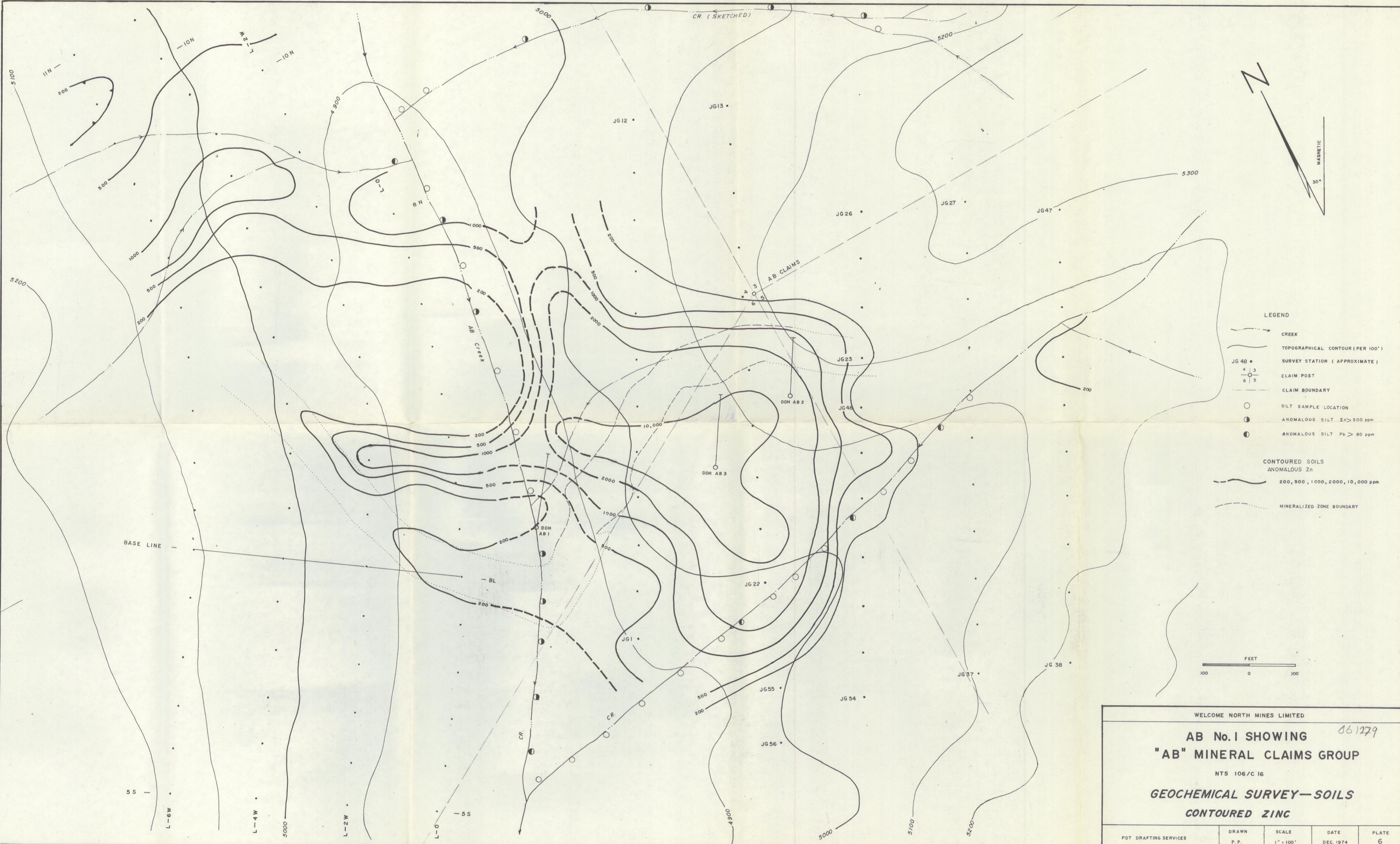
WELCOME NORTH MINES LIMITED

AB No.1 SHOWING
"AB" MINERAL CLAIMS GROUP

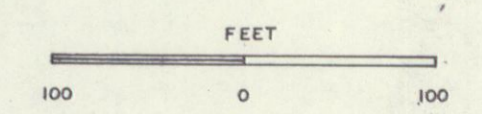
NTS 106/C 16

GEOCHEMICAL SURVEY—SOILS
CONTOURED LEAD

PDT DRAFTING SERVICES	DRAWN P.P.	SCALE 1" = 100'	DATE DEC 1974
			PLATE 5



- LEGEND**
- CREEK
 - TOPOGRAPHICAL CONTOUR (PER 100')
 - SURVEY STATION (APPROXIMATE)
 - CLAIM POST
 - CLAIM BOUNDARY
 - SILT SAMPLE LOCATION
 - ANOMALOUS SILT Zn > 500 ppm
 - ANOMALOUS SILT Pb > 80 ppm
- CONTOURED SOILS**
ANOMALOUS Zn
- 200, 500, 1000, 2000, 10,000 ppm
 - MINERALIZED ZONE BOUNDARY



WELCOME NORTH MINES LIMITED				
AB No.1 SHOWING			061279	
"AB" MINERAL CLAIMS GROUP				
NTS 106/C 16				
GEOCHEMICAL SURVEY—SOILS				
CONTOURED ZINC				
PDT DRAFTING SERVICES	DRAWN P.P.	SCALE 1" = 100'	DATE DEC. 1974	PLATE 6