PROSPECTUS
Aug. 1, 1983.
062164

# REPORT

# ON THE

# B.D. #1-8 AND B & D #9-24 MINERAL CLAIM GROUP

# (YA44571-YA44578 AND YA45271-YA45286)

# CANTUNG ROAD - HYLAND RIVER AREA

# WATSON LAKE MINING DISTRICT

# YUKON TERRITORY

N. Lat. 61°21' W. Long. 128°18'

105-H-8

for

MENO RESOURCES CORPORATION LTD.
Suite 704
525 Seymour Street
Vancouver, British Columbia

by

DONALD W. TULLY, P. ENG.

April 7, 1982 West Vancouver, B.C.

DON TULLY ENGINEERING LTD.
SUITE 102 - 2222 BELLEVUE AVENUE
WEST VANCOUVER, BRITISH COLUMBIA
V7V 1C7

DON TULLY ENGINEERING LTD.
SUITE 102 - 2222 BELLEVUE AVENUE
WEST VANCOUVER, BRITISH COLUMBIA
V7V 1C7

April 12, 1982

Superintendent of Brokers
Province of British Columbia
Vancouver, B. C.

Dear Sir :

Re: Meno Resources Corporation Ltd
B. D.#1 - 8, B & D #9 - 24
Mineral Claim Group
Grant Nos. YA44571 - YA44578
YA45271 - YA45286
Watson Lake Mining District
Yukon Territory

I hereby consent to the publication of my report on the subject claim group and dated April 7, 1982 in a Prospectus or Statement of Material Facts to be filed with you.

Further to my certificate on page 10 of my report dated April 7, 1982, I certify I have no interest in any affiliate of Meno Resources Corporation Ltd.

Respectfully submitted,

Donald W. Tully

Donald W. Tully, P. Eng.

## TABLE OF CONTENTS



## MAPS



## APPENDIX




DON TULLY ENGINEERING LTD.
SUITE 102 - 2222 BELLEVUE AVENUE
WEST VANCOUVER, BRITISH COLUMBIA
V7V 1C7

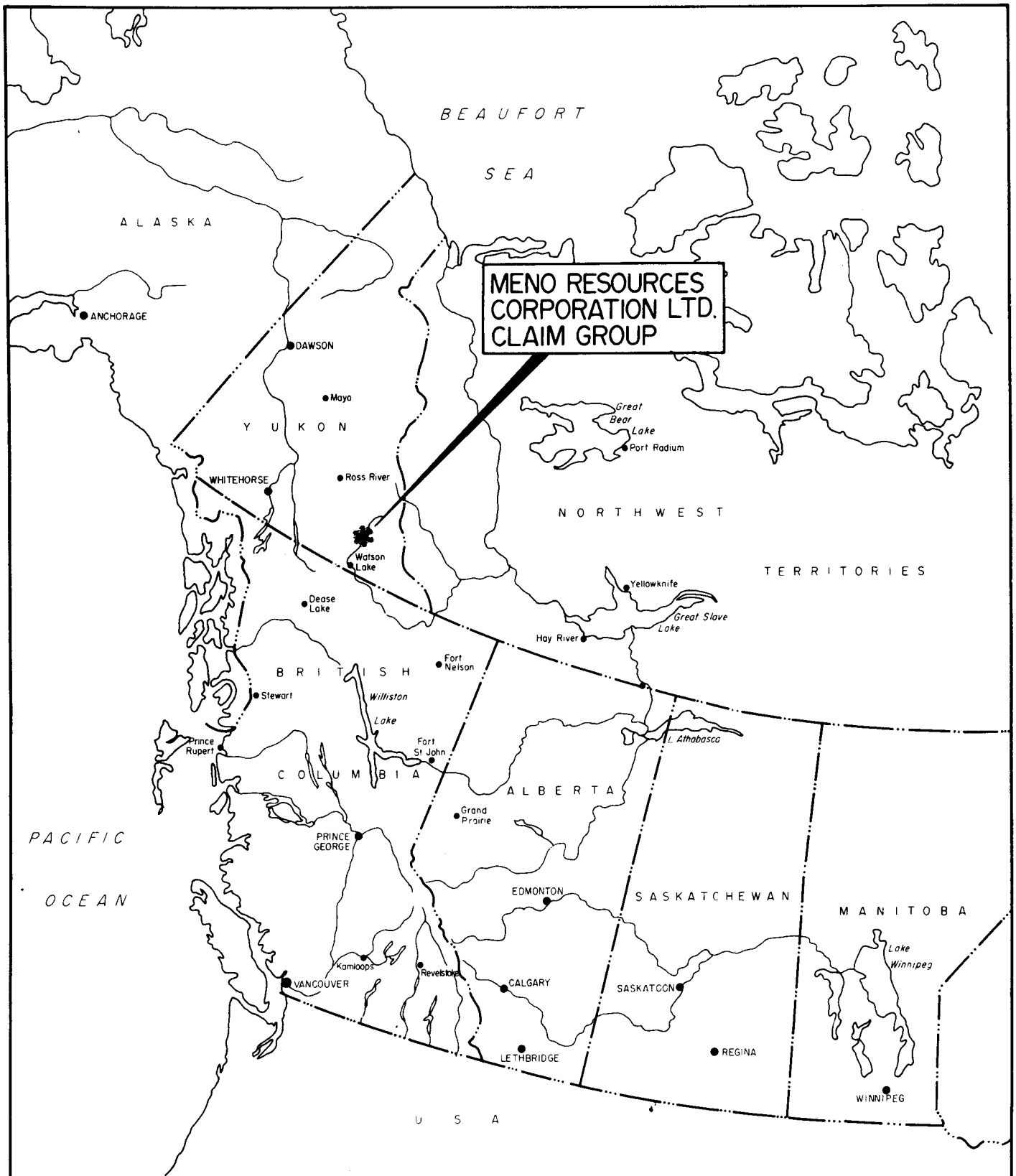



FIGURE I

# PROPERTY LOCATION MAP

APRIL 7, 1982

Donald W. Kelly

## INTRODUCTION

This report was prepared pursuant to a request by the Directors of Meno Resources Corporation Ltd., Suite 704, 525 Seymour Street, Vancouver, British Columbia.

The purpose of this report is to evaluate the mine-making potential of the B.D. and B & D mineral claims located near mile 57 on the Cantung Road, Yukon Territory.

This report is based upon a field examination on August 29., 1979. The writer did not find any bedrock outcropping over the claim area.

A program of mineral exploration is recommended.

## SUMMARY AND CONCLUSIONS

The B.D. #1-8 and B & D #9-24 mineral claims comprise a contiguous group of twenty-four claims located just west of the North Nahanni Range (Cantung) Road, some 205 kilometres by road north of Watson Lake, Yukon Territory.

Large mineralized boulders carrying substantial to massive amounts of pyrrhotite, pyrite with minor chalcopyrite and fine sphalerite were found near mile post 57-58 (Km 95-97) during the construction of the North Nahanni Range (Cantung) Road in the early 1960's. The boulders vary in size from small fragments up to two metres in diameter and appear to occur in a southeast-trending float-train pattern in the sand and gravel overburden along the west side of the Hyland River. The mineralization is somewhat banded to stratiform in nature. The angular aspect of the boulders could suggest the bedrock source is not far distant. These sulphide-bearing boulders have

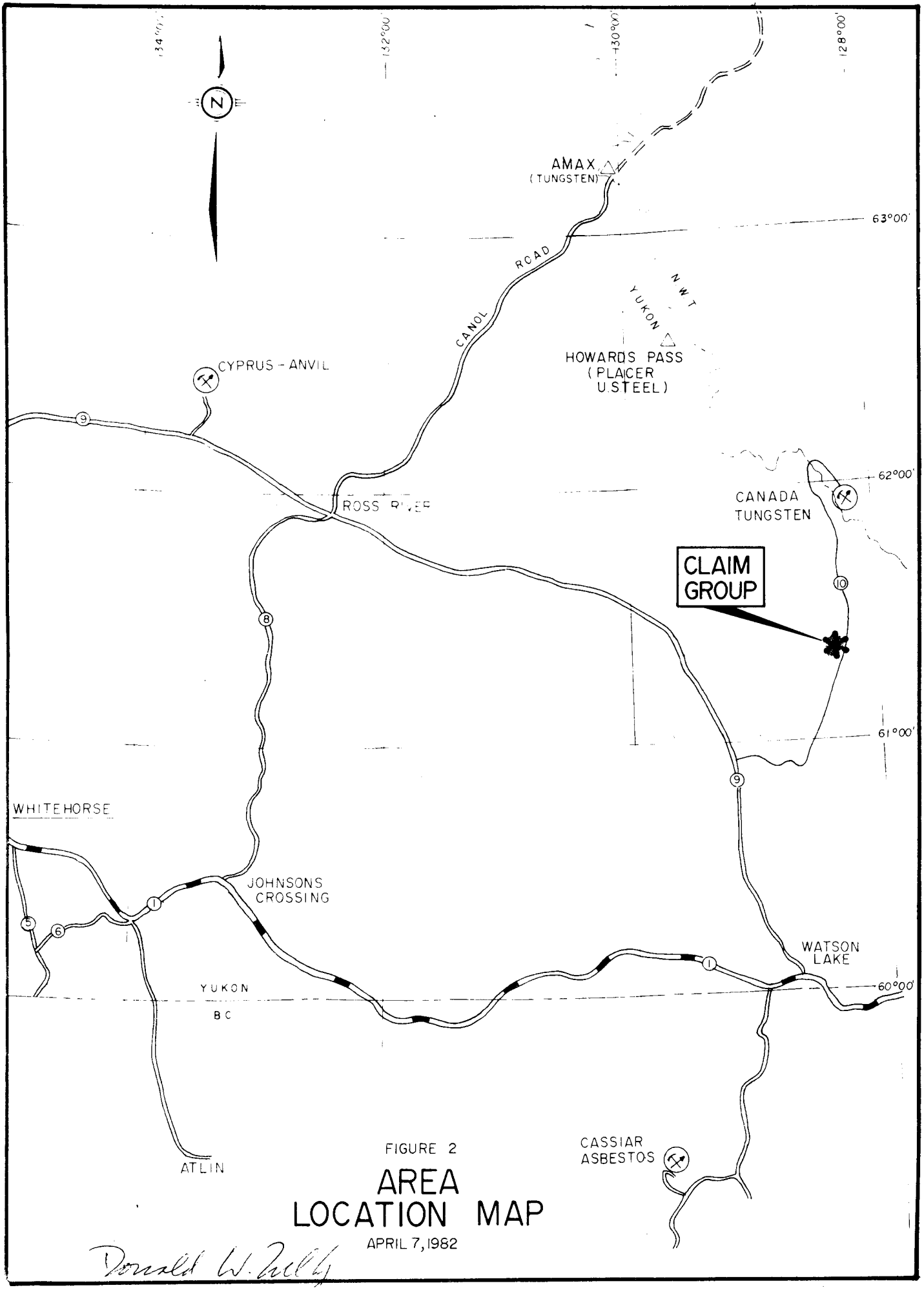



FIGURE 2

# AREA LOCATION MAP

APRIL 7, 1982

Donald W. Tully

aroused considerable interest from time to time since discovery. In 1968, Mount Logan Mines was reported to have drilled two diamond drill holes to test a magnetic anomaly just east of the B.D. #1-8 claims and are reported to have found chalcopyrite and sphalerite in the core.

It is concluded the B.D. and B & D property is favourably situated and warrants an intensive search to locate the bedrock source of the mineralized boulders. A three-phase program of mineral exploration is proposed to outline the pattern and trend of the float-train of mineral-bearing boulders and a follow-up, combined geochemical-electromagnetic-magnetometer survey as well as a limited seismic survey is recommended. Should this work prove successful further testing by trenching to expose the bedrock beneath any anomalous zones is proposed. Diamond drill hole testing is also proposed.

The estimated cost of the initial phase is $38,900, the second is estimated to cost $11,000 and the third phase is calculated to cost $40,000 for a total estimated cost of $89,900.

## PROPERTY - LOCATION, ACCESS, PHYSIOGRAPHY

The property is located some 85 air miles (161 kilometres) north-northeast of Watson Lake immediately west of the North Nahanni Range (Cantung) Road near kilometre posts 95 and 96. Access by motor vehicle is readily available to the claim area from Watson Lake along the Robert Campbell Hwy and thence along the Cantung Road, a distance of some 205 kilometres.

The claims are situated on rolling terrain between 2700 - 2900 about sea-level.

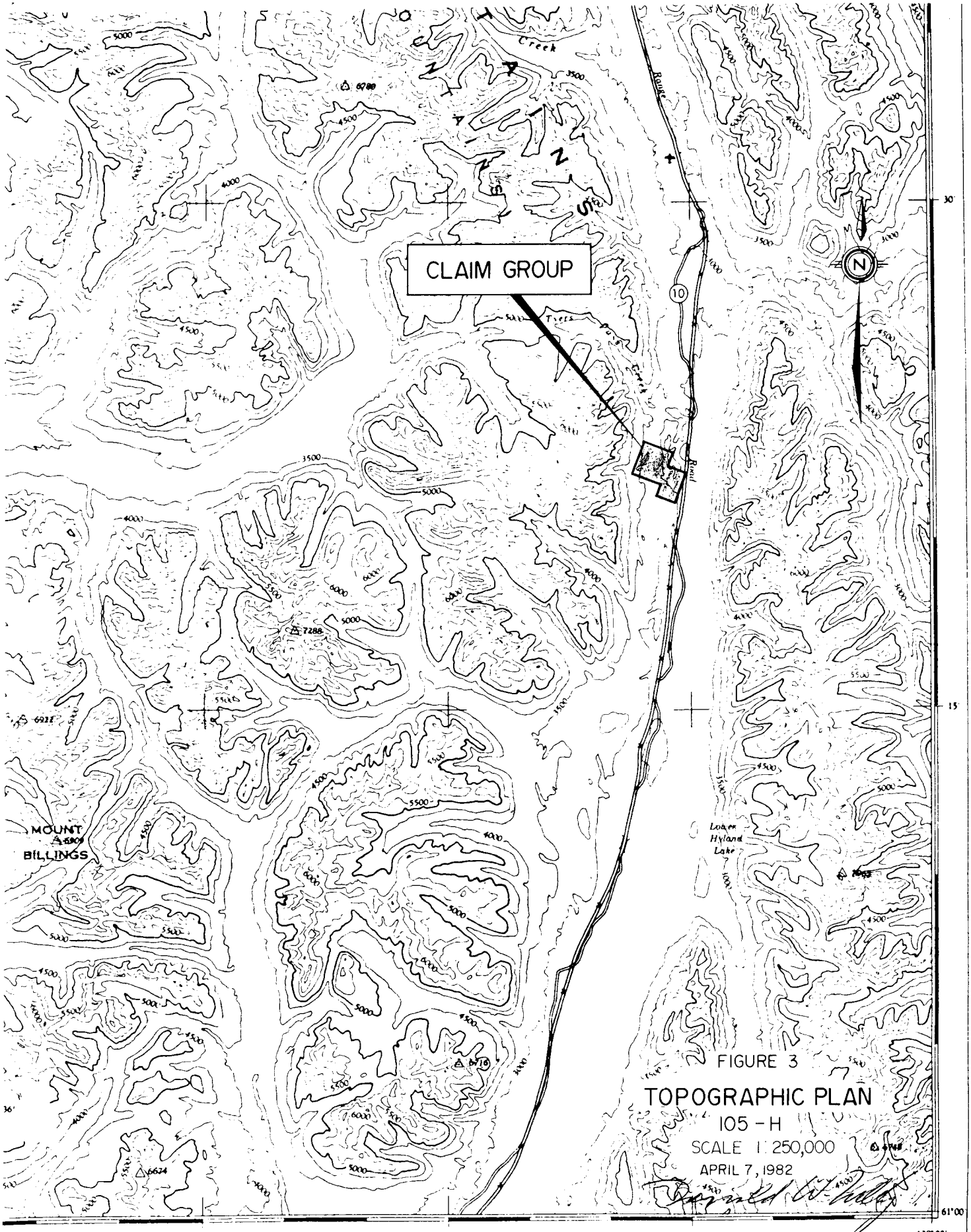



FIGURE 3

TOPOGRAPHIC PLAN

105 - H

SCALE 1: 250,000

APRIL 7, 1982

Forest cover is mostly pine, spruce and poplar with some underbrush.

Water to meet any immediate or future industrial needs is available from the nearby Hyland River (Figures 3 and 4).

## CLAIMS

The B.D. 1-8 and B & D 9-24 claims comprise a contiguous group of twenty-four mineral claims located in the Watson Lake Mining District, Yukon Territory. Information on file with the Mining Recorder, Department of Indian Affairs and Northern Development, Watson Lake on April 7, 1980, was as follows:

| Claim Name | Grant Number | Expiry Date | Recorded Holder |
|---|---|---|---|
| B.D. # 1 - 8 | YA44571-YA44578 | July 5, 1982 | ( A. Kroeker ( Henry Dick |
| B & D # 9 - 16 | YA45271-YA45278 | August 14, 1983 | |
| #17 - 24 | YA45279-YA45286 | August 14, 1983 | |

The claims are shown on Yukon Claim Sheet 105-H-8.

## HISTORY - PREVIOUS DEVELOPMENT

Boulders carrying pyrrhotite, pyrite and minor amounts of chalcopyrite were discovered in the area immediately east of the present B.D. and B & D claim groups during the construction of the North Nahanni Range (Cantung) Road in the early 1960's. The boulders occur, in varying sizes up to two metres in diameter, in float-trains apparently along a southeasterly trend. In 1966, the Norquest Joint Venture did a ground magnetic survey over the present claim area. Later in 1968, Mount Logan Mines drilled two diamond drill holes of 401 and 316 feet in depth on a ground

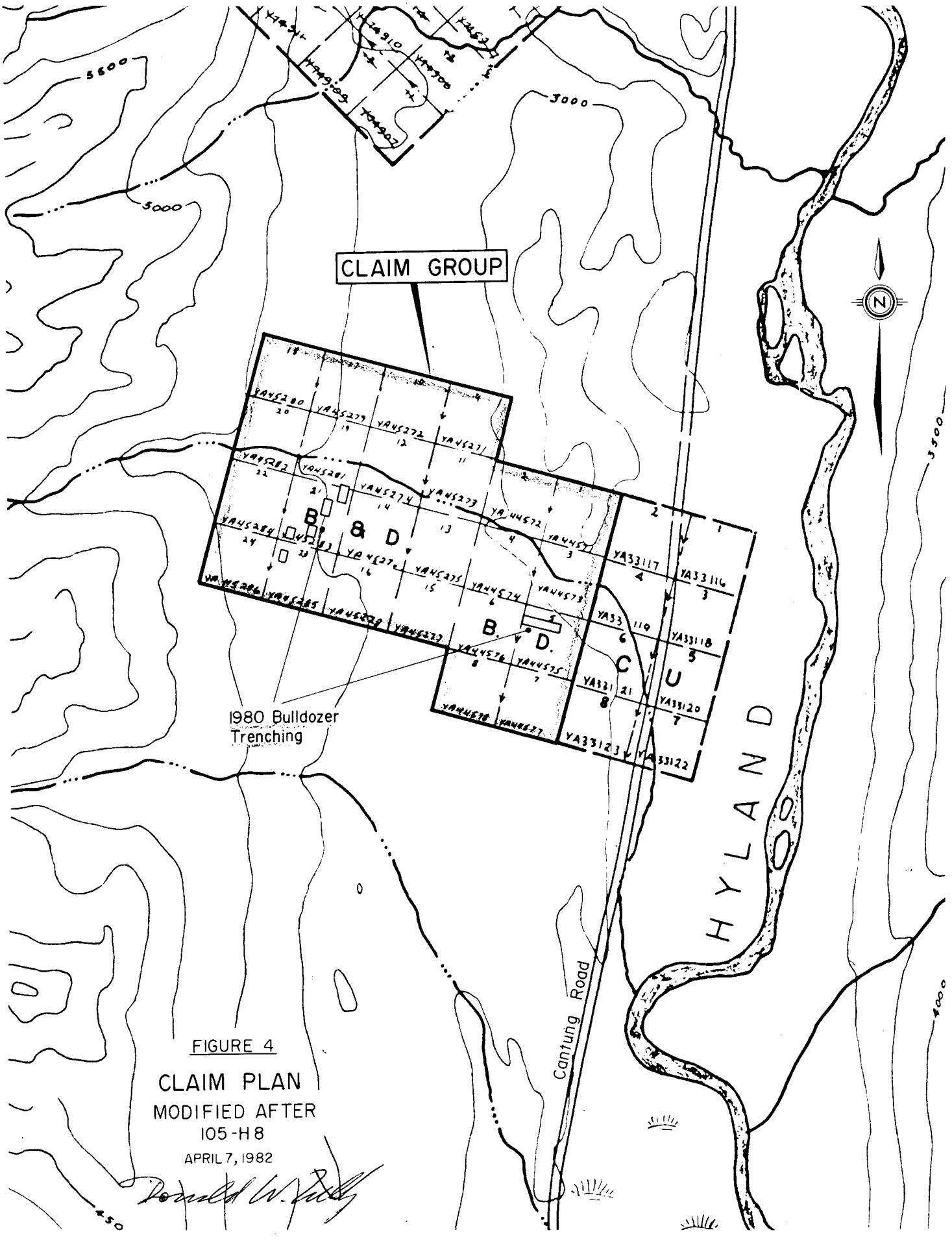



FIGURE 4

CLAIM PLAN

MODIFIED AFTER

105-H 8

APRIL 7, 1982

Donald W. Kelly

magnetic anomaly on the ground immediately southeast of the B.D. and B & D claims. The float-trains of heavily pyritized and pyrrhotized boulders on the mineral claims and exposed along the Cantung Road have been a source of continuing interest. These float-trains have been staked several times prior to the present group of claims.

According to Mr. J.C. Turner, Turnex Exploration Services bulldozed five trenches on B & D claims #21 and #23 and one trench on B.D. claim #5 in August 1980, as indicated on Figure 4.

## REFERENCES

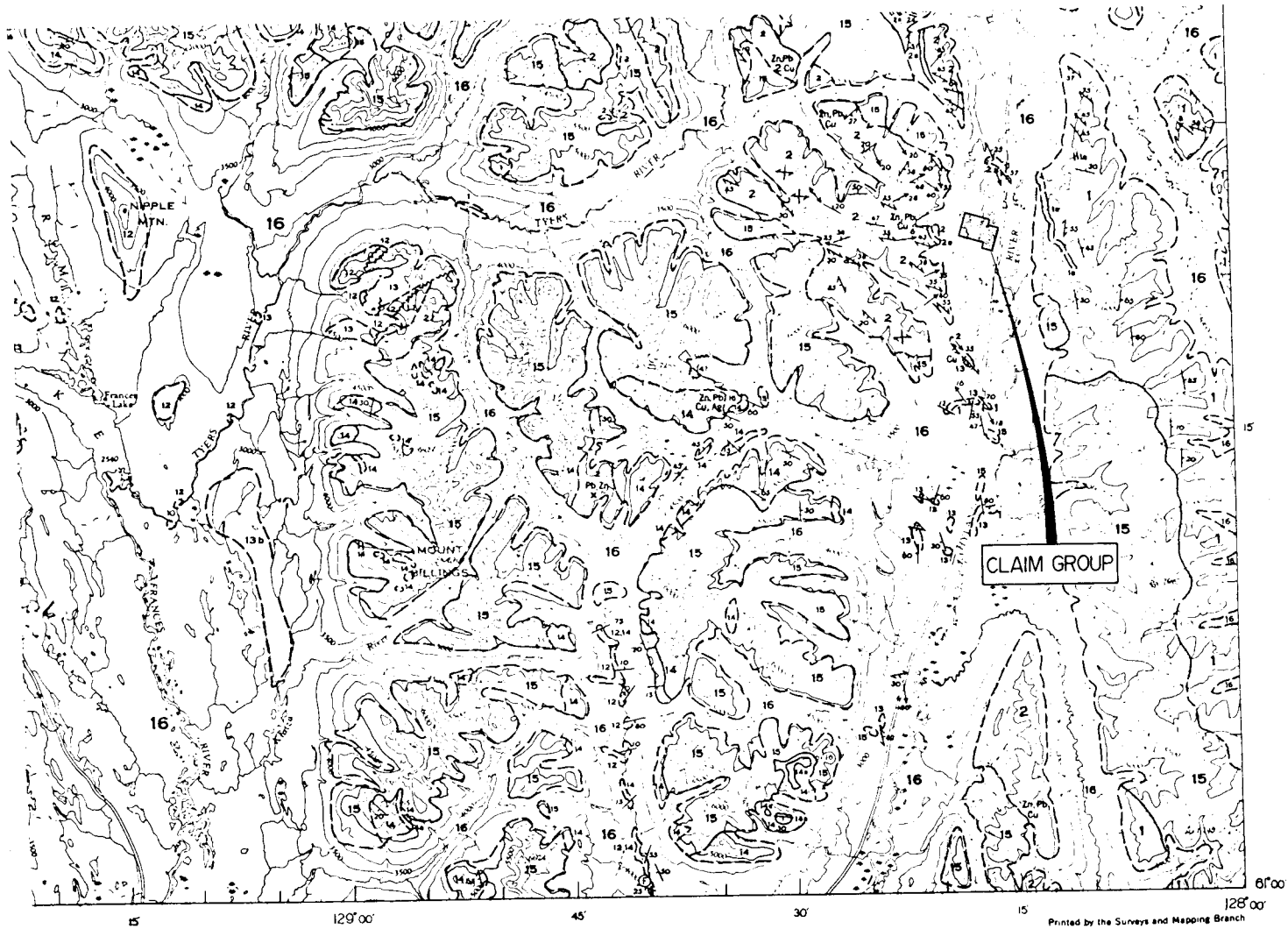
The following publications available to the writer are pertinent to the area of the B.D. and B & D mineral claims:

Geological Survey of Canada Map 6-1966 (Frances Lake)
Geological Survey of Canada Map 1383G (Tyers Pass)
N.T.S. Map 105-H (scale 1" = 250,000)
Yukon Claim Sheet 105-H-8 (scale 1" = ½ mile)
Report by James W. McLeod, B.Sc., dated September 22, 1978
Report on the B.D. #1-8 and B & D #9-24 Mineral Claim Group by Donald W. Tully, P.Eng., and dated March 25, 1980

## REGIONAL AND LOCAL GEOLOGICAL SETTING

The regional geology is shown on Figure 5 (Geological Survey of Canada Map 6-1966-Frances Lake).

The rocks lying beneath the claims can only be deduced, by a study of the rock formations adjacent to the property and projecting the structural features to the claim area, because of a lack of rock outcrop and an extensive mantle of overburden over the claims.




Printed by the Surveys and Mapping Branch

MAP 6-1966

GEOLOGY

# FRANCES LAKE

YUKON TERRITORY AND DISTRICT OF MACKENZIE

Scale 1:253,440

1 inch to 4 miles

Miles 4 0 4 8 12 Miles

Kilometres 6 0 6 12 18 Kilometres

is much thicker, it may be in part of Silurian age.

Units 10 and 12 are lithologically correlated with strata previously mapped in adjacent regions.

Unmetamorphosed, predominantly pelitic, strata (13) are believed correlative with Devono-Mississippian rocks in adjacent regions. Characteristic are chert-pebble conglomerate, varicoloured chert, and black quartz-bearing greywacke and gritty quartzite. In the Campbell Range unit 13 includes numerous small bodies of greenstone, many intrusive, but most of the greenstone, mapped as 13b, appears to be volcanic and probably overlies or occurs within the upper part of unit 13. Serpentinite (13c) is thought to be an integral part of the Devono-Mississippian assemblage. A profound angular unconformity occurs at the base of this sequence.

Unit 14 comprises mainly hornfelsed pelitic rocks whose age and correlation are in doubt. Overall lithologic character, lack of regional metamorphism in rocks near the gneissic belt (2) and one collection of Middle or Upper Devonian fossils (near the south boundary at 128°40'W) suggest that probably most, if not all, of this unit is correlative with Devono-Mississippian strata of unit 13.

Granitic rocks (15) generally have sharply defined contacts, but in the schist-gneiss belt (2) they are commonly bordered by complex zones as much as 1/4 mile wide in which massive plutonic rock is interspersed with bit-par-bit migmatites and partly granitized inclusions. Where mapped boundaries are largely arbitrary, based on proportion of intrusive to host rocks.

Outside the complexly deformed central crystalline terrain, regional structures trend northwest except in the northern part of the map-area where they become westerly. Regional metamorphism appears unrelated to Cretaceous(?) granitic intrusion and probably predates the Devono-Mississippian strata. These strata overlie schist and gneiss of unit 1 unconformably and are essentially non-schistose. Northwest-trending regional folds near Flat River, which may be related to tectonism in the central belt, are post Late Ordovician, as they involve rocks of this age and older. These folds clearly predate and are modified by intrusion of granitic rocks.

Sphalerite with minor amounts of galena, pyrrhotite and chalcopyrite occur in silicated calcareous members in several localities throughout the schist-gneiss terrain (2) and in hornfelses that may be equivalent to unit 13. Pyrrhotite with some chalcopyrite was noted in black slate and argillite of unit 13, west of Hyland River road at mile 53. Scheelite is reported in the north-central part of the map-area near 61°45' in contact zones with calcareous beds of unit 1.

A high-grade tungsten deposit on Flat River is presently being mined by Canada Tungsten Mining Corporation. Scheelite, with pyrrhotite and minor amounts of chalcopyrite occurs with skarn minerals in massive Lower Cambrian limestone. The deposit is several hundred feet from nearest exposed granitic rocks, but within a zone of moderate to high-grade contact metamorphism.

FIGURE 5

REGIONAL GEOLOGY

Modified After G.S.C.

Map 6-1966

APRIL 7, 1982

Donald W. Kelly

MAP 6-1966
FRANCES LAKE
YUKON TERRITORY AND
DISTRICT OF MACKENZIE
105 H

West of the claims Proterozoic rocks, probably Hadryian in age, are composed of quartz-feldspar-mica gneiss and schist. Bedding and schistosity observations indicate these rock formations trend easterly and dip northerly in the direction of the B.D. and B & D claims. East of the claims and the Hyland River highly metamorphosed outcrops of slate, quartzite, pelite, conglomerate and calcareous sediments occur. The calcareous sediments are evident in the rocks both east and west of the claim area. Structural features in the rocks east of the Hyland River trend northerly and dip easterly suggesting a major fault structure may trend north-south along the valley of the Hyland River and beneath the B.D. and B & D claims. A tentative timetable of formations is as follows:

| Formation | Description/Event | Age |
|---|---|---|
| Sand, Gravel, fluviatile sediments | Unconsolidated | Quaternary |
| Mineralization and metamorphism | Pyrite, pyrrhotite, chalcopyrite | Probably post Cretaceous (?) |
| | Tectonic activity and associated metamorphic alteration | |
| Quartz-feldspar-mica gneiss, schist para and orthogneiss, skarn, with bodies of granitic intrusives | | Probably Cretaceous and earlier |
| | Faulting, folding and related tectonic activity | |
| Slate, pelite, quartzite, conglomerate, limestone | Basement complex | Cambrian and earlier (probably Hadryian in age) |

DON TULLY ENGINEERING LTD.
SUITE 102 - 2222 BELLEVUE AVENUE
WEST VANCOUVER, BRITISH COLUMBIA
V7V 1C7

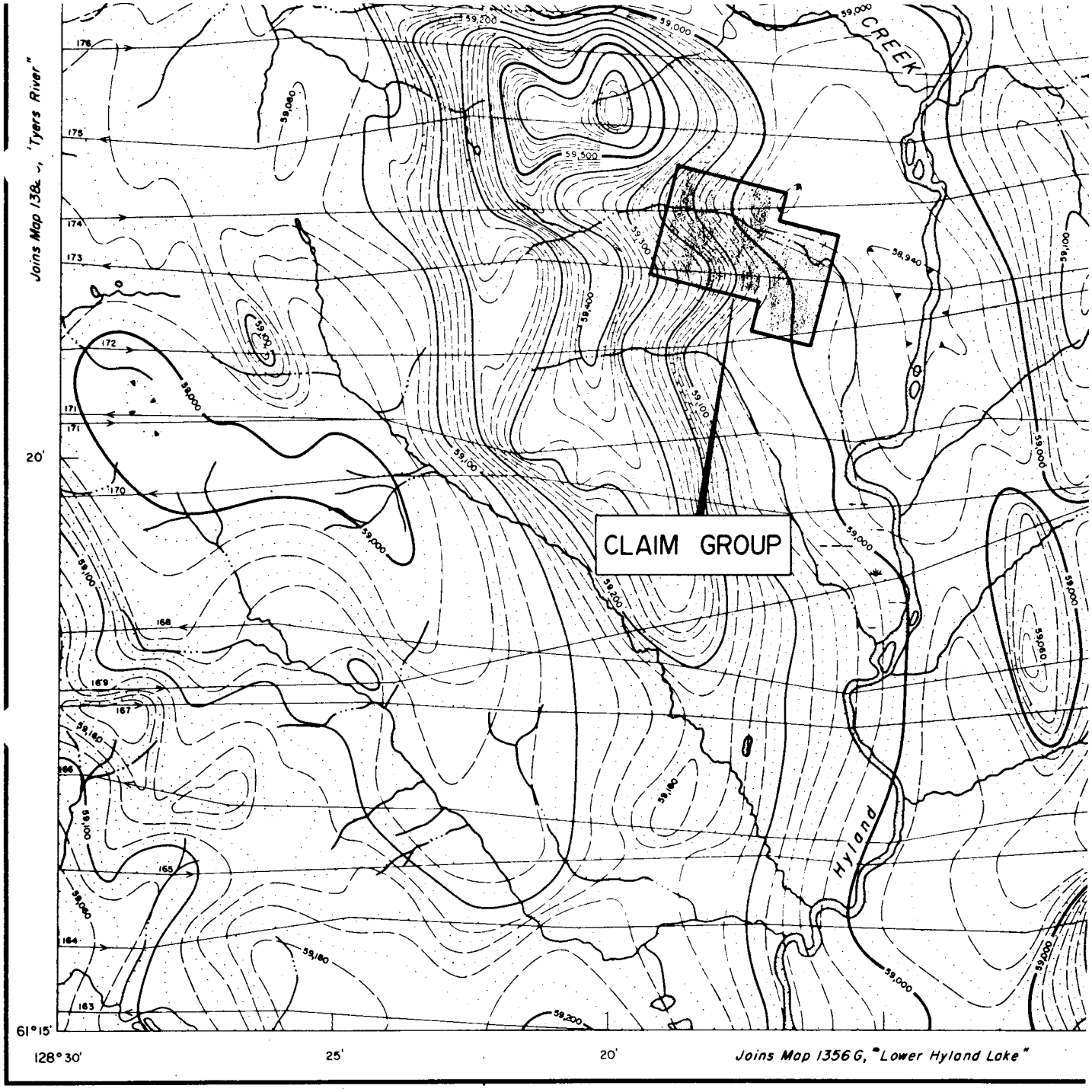



FIGURE 6

# AEROMAGNETIC MAP

APRIL 7, 1982

ISOMAGNETIC LINES (absolute total field)

500 gammas .....

100 gammas .....

20 gammas .....

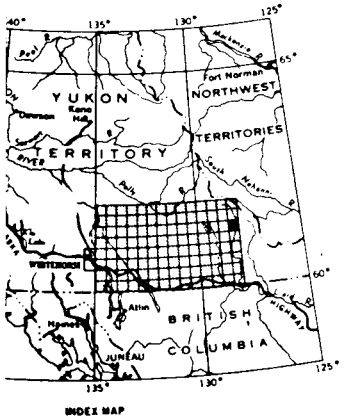
10 gammas .....

Magnetic depression .....

Flight lines .....

Flight altitude: nominally 1000 feet above ground level where terrain permitted

Donald W. Tully




INDEX MAP

MAP 1383G

# TYERS PASS CREEK

## YUKON TERRITORY

Scale: One Inch to One Mile = $\frac{1}{63,360}$

Miles

1 1/2 0 1 2 3

Air photographs covering this map-area may be obtained through the National Air Photographic Library, Topographical Survey, Ottawa, Ontario.

## MINERALIZATION

The writer is not aware of any economic mineralization on the B.D. and B & D mineral claim group.

It is reported the two diamond holes drilled adjacent to the southeast of the B.D. claims encountered both chalcopyrite and sphalerite mineralization.

On August 29, 1979, the writer examined the property and selected a specimen of one of the large boulders in evidence near the east side of the B.D. claim group. This grab sample assayed:

Sample #B1 - Gold - 0.002 ozs
Copper - 0.25%

The dominant mineral is pyrrhotite with associated pyrite and finely disseminated chalcopyrite in selective areas in a host rock of hornfels and skarn-like alteration: Sparse fine grains of sphalerite were also noted in specimen samples chipped from the many mineralized boulders. Fine amounts of siliceous alteration was observed to be associated with those specimens carrying chalcopyrite. The banded appearance of the sulphide minerals in the boulders suggest the source may be stratiform in nature.

Although the mineralized boulders in the float-train are somewhat angular in nature it is impossible to speculate on how far they may have travelled from their bedrock source area. It is thought the source may lie in the area of the B.D. and B & D claim group.

Geological Survey of Canada Aeromagnetic Map 1383G (Figure 6) shows a strong magnetic high about a mile northwest of the B & D claim group.

## RECOMMENDATIONS

It is recommended the perimeter of the claim area be established.

Because of the abundant sulphides in the boulders and the presence of the magnetic mineral pyrrhotite and the association of this mineral with the economic mineral chalcopyrite and also sphalerite, it is proposed that a combined electromagnetic and magnetometer geophysical survey be done in detail over the claim area. It should be noted that two diamond drill holes on nearby adjacent ground were reported to have found chalcopyrite and sphalerite mineralization beneath a magnetic anomaly zone. It is also believed a geochemical survey could outline the float-train of boulders, sand and gravel overburden and thereby probably outline the trend of the path of the boulder float-train from the source area. Both geochemical soil sampling and combined geophysical EM and magnetometer surveys are recommended as the first phase of a program of mineral exploration. Once an anomalous zone or zones have been outlined by geochemical and geophysical methods, then it is suggested that a seismic survey, to determine the depth of overburden below surface to bedrock, should be done. In this way it would be possible to decide if a program of bulldozer trenching could expose the bedrock beneath the anomalous zone or zones before proceeding to a diamond drill or percussion drill hole test for the source of the anomaly.

In the event a seismic survey shows the overburden to be deeper than could be readily trenched by bulldozer it is then proposed that a diamond drill test be performed on any indicated anomalous zone or zones.

## ESTIMATED COST OF THE PROPOSED WORK PROGRAM

### Phase 1

| | | | |
|---|---|---|---|
| 1. | Establish the perimeter of the B.D. and B & D claims | $ 1,500 | |
| 2. | Establish a 50-metre grid over the claim area (110 stations per claim x 24 claims = 2640 x $2/station) | 5,280 | |
| 3. | Geochemical soil sampling survey using grid established above (2640 stations x $5/sample which includes sample collection and analysis for copper and zinc) | 13,200 | |
| 4. | Combined electromagnetic and magnetometer survey using grid established above (2640 stations x $3/station reading) | 7,920 | |
| 5. | Compilation of geochemical and geophysical surveys and engineering evaluation | 3,000 | |
| 6. | Assume two kilometres of seismic survey to determine the depth of overburden over any anomalous zone or zones (2 km x $4,000/km) | 8,000 | |
| | Estimated total cost of Phase 1 | | $38,900 |

### Phase 2

Should the results of the program of work in Phase 1 prove rewarding and the seismic survey show depths of overburden not greater than two to three metres then it is proposed the anomalous zone or zones be trenched to expose the bedrock presumably carrying the source of the anomaly or anomalies.

| | | |
|---|---|---|
| Assume 100 hours of bulldozer trenching @ $110/hour | | 11,000 |
| Carried Forward | | $49,900 |

| | | |
|---|---|---|
| Brought Forward | | $49,900 |

Phase 3

| | | |
|---|---|---|
| Should the results of the trenching program proposed in Phase 2 show mineralization of economic interest then it is recommended a program of two BX core size wireline diamond drill holes each 400 feet in depth be drilled to test the mineralization (2 x 400 = 800 feet x $40/foot) | $32,000 | |
| Supervision, core-handling, assaying, camp costs, travel and engineering report @ 25% x $32,000) | 8,000 | 40,000 |
| The estimated total cost per foot of diamond drilling is $50. | | |
| Total estimated cost of Phases 1, 2 and 3 | | $89,900 |

Respectfully submitted,

Donald W. Tully

Donald W. Tully, P. Eng.

April 7, 1982

DON TULLY ENGINEERING LTD.
SUITE 102 - 2222 BELLEVUE AVENUE
WEST VANCOUVER, BRITISH COLUMBIA
V7V 1C7

# GENERAL TESTING LABORATORIES

DIVISION SUPERINTENDENCE COMPANY (CANADA) LTD
1001 EAST PENDER ST., VANCOUVER, B.C., CANADA. V6A 1W2
PHONE (604) 254-1647 TELEX 04-507514 CABLE SUPERVISE

TO:
DON TULLY ENGINEERING LTD.
102 - 2222 Bellvue Avenue
West Vancouver, B.C.
V7V 1C7

## CERTIFICATE OF ASSAY

No.: 7909-1850 B | DATE: Sept. 26/79

*We hereby certify that the following are the results of assays on:* Ore

| MARKED | GOLD oz/st | xxxxx | Copper Cu (%) | xxx | xxx | xx | xxx | xxxx |
|---|---|---|---|---|---|---|---|---|
| Sample B 1 | 0.002 | | 0.25 | | | | | |

NOTE: REJECTS RETAINED ONE MONTH. PULPS RETAINED THREE MONTHS ON REQUEST PULPS AND REJECTS WILL BE STORED FOR A MAXIMUM OF ONE YEAR.



L. Wong
PROVINCIAL ASSAYER

COPY