



R E P O R T

- on the -

MAT AND GULL CLAIMS

ROSS RIVER AREA

YUKON TERRITORY

- for -

NITHEX DEVELOPMENT AND EXPLORATION LTD.,

3000 - 1055 West Georgia Street,

VANCOUVER, B. C. V6E 3R3.

PREPARED BY

KERR, DAWSON & ASSOCIATES LTD.

9 - 219 Victoria Street
Kamloops, B.C.

J. M. Dawson, P. Eng.,

July 5th., 1975.

R E P O R T

- on the -

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 \$ 800.00

MAT AND GULL CLAIMS *W.D. Sinclair*

Acting Resident Geologist or
~~Resident Mining Engineer~~

ROSS RIVER AREA

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

YUKON TERRITORY

B.R. Baxter
B.R. BAXTER
Supervising Mining Recorder

Per Commissioner of Yukon Territory

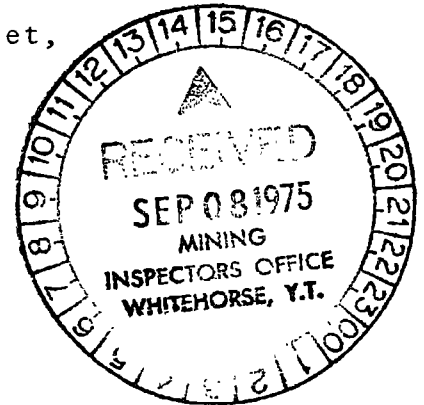


- for -

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KAMLOOPS, B.C.

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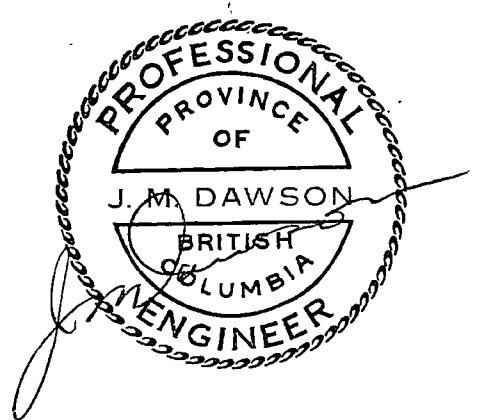
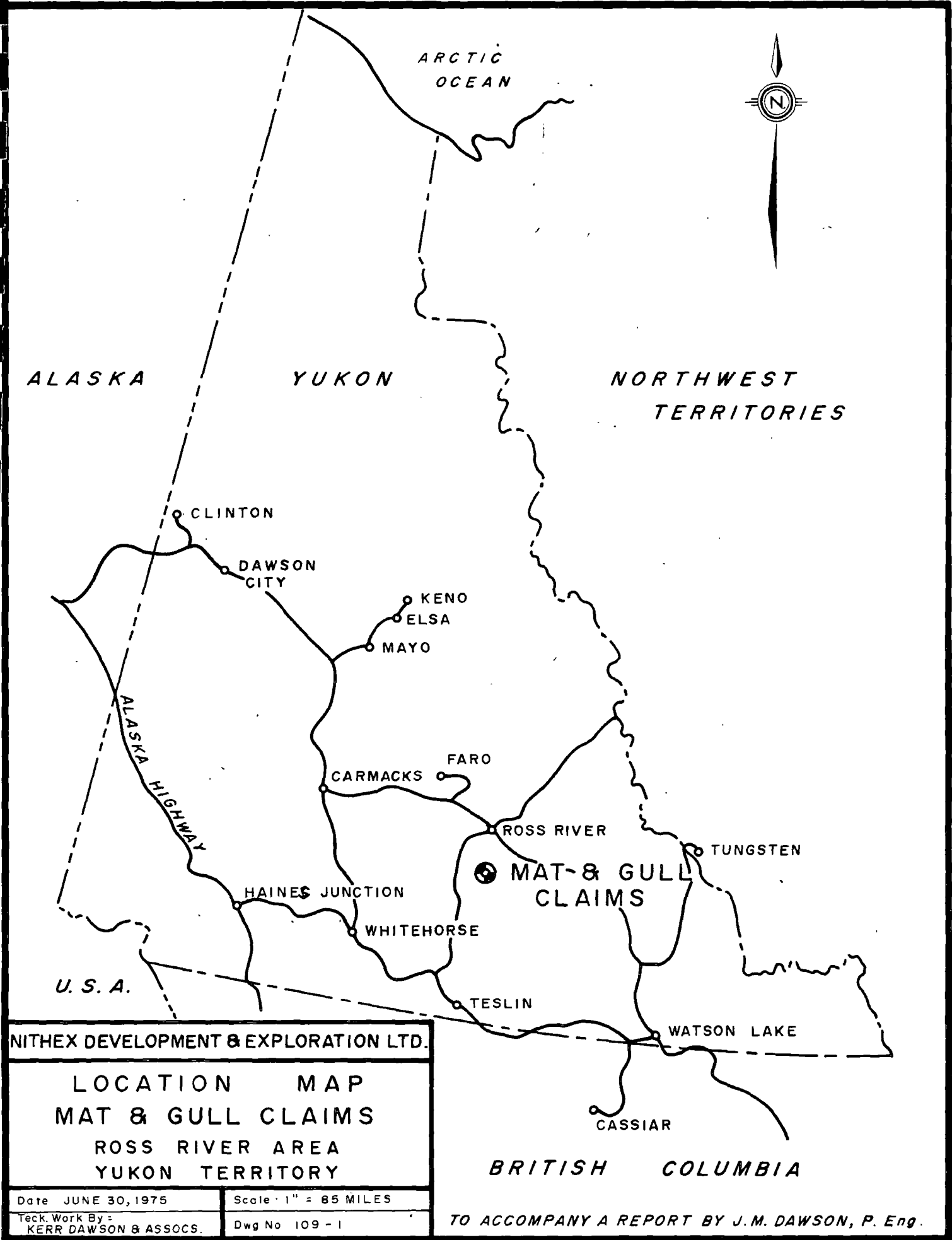


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ALASKA

YUKON

NORTHWEST
TERRITORIES

CLINTON

DAWSON
CITY

KENO
ELSA

MAYO

ALASKA
HIGHWAY

FARO

CARMACKS

ROSS RIVER

TUNGSTEN

MAT & GULL
CLAIMS

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WHITEHORSE

U. S. A.

TESLIN

WATSON LAKE

CASSIAR

BRITISH COLUMBIA

NITHEX DEVELOPMENT & EXPLORATION LTD.

LOCATION MAP
MAT & GULL CLAIMS
ROSS RIVER AREA
YUKON TERRITORY

Date JUNE 30, 1975

Scale: 1" = 85 MILES

Teck. Work By -
KERR DAWSON & ASSOCS.

Dwg No 109 - 1

TO ACCOMPANY A REPORT BY J. M. DAWSON, P. Eng.

INTRODUCTION

This report has been prepared at the request of Mr. M. Sherman, president of Nithex Development and Exploration Ltd. It describes the results of a brief examination of the Mat and Gull claims by the writer on June 12th., 1975.

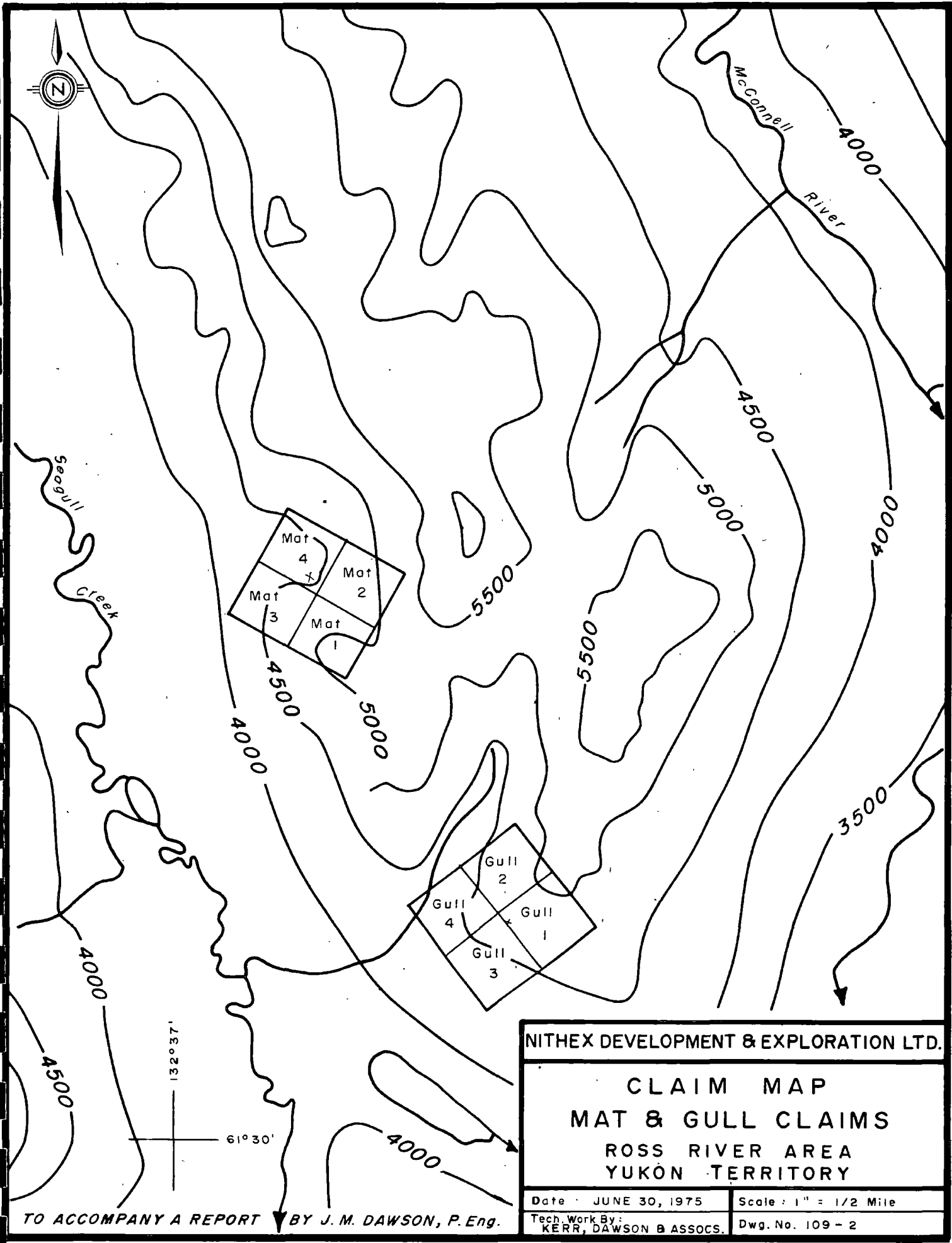
A series of maps showing property location, claims, regional geology and location of showings were prepared and are included in the text of this report.

PROPERTY

The property consists of 8 full-sized claims in two 4 claim groups separated by about 1 mile of open ground. The claim data is as follows:

<u>Claim Name</u>	<u>Record & Tag Nos.</u>	<u>Location Date</u>	<u>Record Date</u>
Mat #1 to Mat #4 inc.	Y 83159 to Y 83162 inc.	August 6/74	August 8/74
Gull #1 to Gull #4 inc.	Y 83155 to Y 83158 inc.	July 21/74	August 1/74

These claims are currently held in the name of Mr. Marvin Sherman and are to be vended to Nithex Development and Exploration Ltd.



NITHEX DEVELOPMENT & EXPLORATION LTD.

CLAIM MAP
 MAT & GULL CLAIMS
 ROSS RIVER AREA
 YUKON TERRITORY

Date: JUNE 30, 1975

Scale: 1" = 1/2 Mile

Tech. Work By:
 KERR, DAWSON & ASSOCS.

Dwg. No. 109 - 2

TO ACCOMPANY A REPORT BY J. M. DAWSON, P. Eng.

LOCATION AND ACCESS

The claims are located in south-central Yukon Territory about 25 miles south of Ross River and roughly 100 miles northeast of the city of Whitehorse, Y. T. The approximate geographic location of the claims is 61° 32' north latitude and 132° 35' west longitude. The Canal Road between Ross River and Johnson's Crossing on the Alaska Highway is located about 16 miles west of the property.

Access to the property is possible by driving from Whitehorse to Ross River via Yukon Highways No. 2 and No. 9 (a distance of 250 miles) and thence by helicopter directly to the property. Ross River is equipped with an all weather landing strip and helicopters and fixed wing aircraft can be chartered there.

PHYSIOGRAPHY AND VEGETATION

The claim groups occupy portions of the westerly slope of a prominent north-northwesterly-trending ridge. The Mat claims cover portions of a small cirque which drains westerly to Seagull Creek. The Gull claims lie near the extreme south end of the prominent ridge east of Seagull Creek (see figure #109-2). Topography on both properties is moderate and elevations vary from 4,000 to 5,200 feet A.S.L.

Vegetation consists of scattered, spruce and fir trees with frequent clumps of buckbrush. Treeline occurs at approximately 4,500 feet A.S.L. with grass and minor shrubs above this elevation. Travel to any part of the properties is not difficult in this relatively open country.

HISTORY

The Ross River area has been actively prospected since the early 1950's when the first of the concordant zinc-lead deposits of the district was discovered. The northern end of the ridge east of Seagull Creek (about 8 miles north of the subject property) was subjected to intensive exploration by Canol Mines in the mid 1960's.

The showings covered by the Mat claims were first discovered and staked in 1966. In 1969, the property was optioned by Conwest Exploration and some mapping and trenching of the main showing was carried out. There is no record of this work available at present.

No previous work is known to have been done on the area covered by the Gull claims.



- LEGEND -

- HETEROGENEOUS, SHATTERED HORNBLENE SYENITE.
- BUFF, RUSTY AND PALE GREEN FELSIC BRECCIAS AND TUFFS ; MINOR CHERT & LIMESTONE.
- X MINERAL OCCURRENCE

NITHEX DEVELOPMENT & EXPLORATION LTD.

GEOLOGICAL MAP
MAT & GULL CLAIMS
ROSS RIVER AREA
YUKON TERRITORY

Date : JUNE 30, 1975	Scale: 1" = 1/2 MILE
Tech. Work By : KERR DAWSON & ASSOCS.	Dwg No. 109 - 3

TO ACCOMPANY A REPORT BY J. M. DAWSON, P. Eng.

GEOLOGY

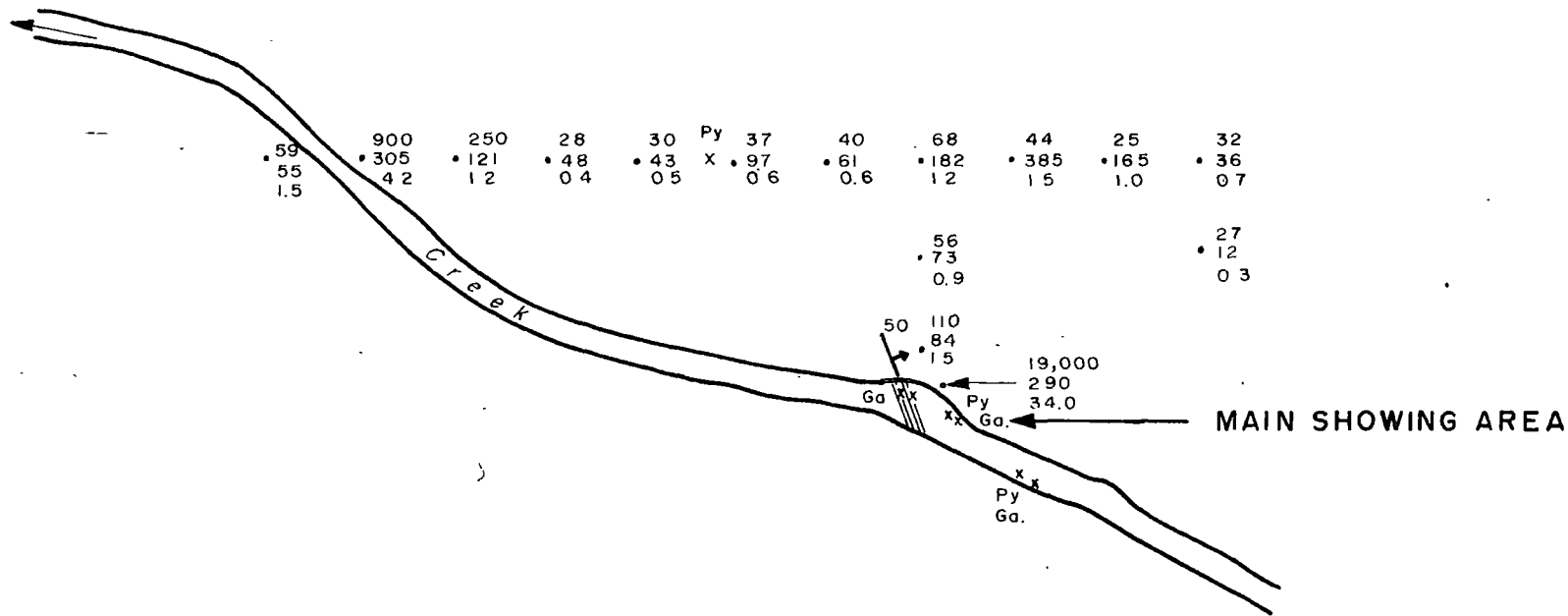
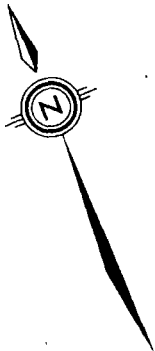
The subject area is underlain by felsic volcanic rocks of probable Mississippian age which are intruded at several points by small syenitic stocks. These syenitic stocks occur only in association with the felsic volcanics and are probably genetically related to them.

The Mat claims are underlain by felsic breccias and quartz-eye tuffs with minor intercalated graphitic slates. A portion of the southernmost hornblende syenite stock intrudes the eastern corner of the claim group.

The Gull claims are underlain by orange brown weathering felsic flows and breccias. The rocks are silicified in part; small nests and vugs of fine grained quartz crystals are sometimes seen. Orange brown limonite staining is common on fracture surfaces as well as in many small cavities from leached out carbonates or sulphides.

MINERALIZATION

Snow cover prevented a thorough examination of the Mat claims; however, most of the main showing area was seen. The main showing area is exposed in the walls and bottom of a shallow gorge cut by a north-northwesterly flowing creek. A 5 foot wide vein of massive to semi-



FINAL POST
MAT 3 & 4

44	21	60	99	40	44	560	70	70	24	25	30	50	70	40
206	41	116	187	182	88	1400	112	265	34	60	47	148	150	74
1.0	0.4	1.2	1.2	0.7	0.8	5.0	1.2	0.8	0.6	0.5	0.7	0.6	0.9	0.5

INITIAL POST
MAT 3 & 4

- L E G E N D -

- 44 LEAD
- 206 SOIL SAMPLE LOCATION WITH ZINC VALUES IN P.P.M.
- 1.0 SILVER
- ▶ ATTITUDE OF QUARTZ VEIN
- Py, Ga MINERAL OCCURRENCE : PYRITE, GALENA.
- CLAIM POST

(AFTER PLAN BY M. MOONEY, AUGUST 7, 1974.)

NITHEX DEVELOPMENT & EXPLORATION LTD.	
PLAN OF AREA OF MAIN SHOWING MAT CLAIMS	
ROSS RIVER AREA YUKON TERRITORY	
Date : JUNE 30, 1975	Scale : 1" = 200'
Tech. Work By KERR DAWSON & ASSOCS.	Dwg. No 109 - 4

TO ACCOMPANY A REPORT BY J. M. DAWSON, P. Eng.

massive galena is exposed in the creek bottom; however, this area was snow covered. The vein strikes northerly and dips moderately east. A selected sample taken from this vein by Mr. M. Sherman assayed 19.40% Pb, 11.63 oz. Ag and 0.046 oz. Au per ton.

The Creek appears to follow a fault or shear zone as the graphitic slate and foliated quartz-eye tuffs exposed there are highly brecciated and altered. Pyrite is scattered throughout the outcrop area as fine grained disseminated material and as larger semi-massive lenses. An area of about 75 feet long is exposed in the creek walls and scattered stringers and nests of medium to coarse grained galena cubes are found throughout this area. This latter mineralization has no direct relationship to the vein of massive galena and seems to be part of a northwesterly-trending zone of unknown width which follows the creek.

The writer took two grab samples from the area of the main showing on the Mat claims. A sample of semi-massive pyrite with minor fine grained, blue-gray steaks of galena assayed 0.65% Pb, 1.8 oz. Ag, and 0.02 oz. Au per ton. A grab from various areas of scattered galena mineralization in the quartz-eye tuffs assayed 8.70% Pb, 7.8 oz. Ag and 0.02 oz. Au per ton.

A parallel zone which is now completely oxidized occurs about 400 feet west of the zone exposed in the creek. The area was snow covered at the time of the

writer's visit but it obviously contains lead and silver values as a geochemical soil sample taken nearby returned anomalous values in lead, zinc, and silver.

A number of soil samples were taken by Mssrs. Mooney and Sherman in September, 1974. The location and values are shown on figure #109-4. These samples outline several slightly to highly anomalous areas and suggest that the mineralization is more widespread than that currently outlined.

On the Gull claims, galena and minor sphalerite was found over an area approximately 200 feet square. The host rocks are reddish-brown felsic volcanics with stringers and clots of calcite and quartz commonly found within them. Within a series of northwesterly trending zones varying from a few inches to about 5 feet in width irregular nests, stringers and clots of coarse galena crystals are found. Minor brownish sphalerite was noted in two places. As exposed this mineralization occurs over a total width of about 200 feet. A grab sample of some of this material was taken from a five foot zone and assayed 6.20% Pb, 0.70% Zn, and 1.8 oz. Ag per ton. The mineralization within these zones has been traced along strike in either direction because of overburden cover.

ECONOMIC POTENTIAL

Fracture controlled mineralization containing lead and silver values occurs on both the Mat and Gull claims. On the Mat claims, the mineralization appears to be confined to two or more linear zones, possibly a few tens of feet wide and of unknown strike length. The mineralization on the Gull claims occurs over a greater width but its extent along strike is unknown because of overburden cover.

Relatively high values in lead and silver are found locally in these showings and if sufficient strike length and widths can be outlined, a moderate tonnage of mineable material might be proved up.

SUMMARY AND CONCLUSIONS

- (1). The property consists of 8 full-sized claims in two 4 claim groups separated by about 1 mile of open ground. It is located in south central Yukon about 25 miles south of Ross River,
- (2). The main showing on the Mat claims was discovered in 1966 and minor surface exploration was carried out in the late 1960's. No previous work is known to have been done on the area covered by the Gull claims.
- (3). The area is underlain by late Paleozoic felsic breccias and tuffs, which have been intruded by possibly comagmatic syenite stocks.

(4). Fracture controlled lead - silver mineralization is located on both claim blocks; however, very little is known of the ultimate size and extent of the mineralized zones thus far outlined.

(5). Further exploration is warranted to fully delineate the extent and grades of mineralization currently known, and to outline further mineralized areas which probably occur parallel to the trend of presently known zones.

RECOMMENDATIONS

Phase I:

(1). Geologically Map the claim groups at a scale of 400 feet equals 1 inch.

(2). Soil sample both claim areas on a 400 x 100 grid and analyse for lead, zinc, and silver. Anomalous areas should be detailed by closer spacing of samples.

(3). Trench with a bulldozer those areas which are significantly anomalous and where geological mapping indicates possible extension of mineralized zones.

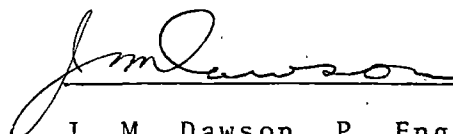
PHASE II:

Contingent upon the results of Phase I, at least 1,500 feet of diamond drilling should be carried out.

Respectfully Submitted:

KERR, DAWSON & ASSOCIATES LTD.,





J. M. Dawson, P. Eng.,
GEOLOGIST

July 5th., 1975,
KAMLOOPS, B. C.

APPENDIX A

ESTIMATED COST OF RECOMMENDED PROGRAMME

ESTIMATED COST OF RECOMMENDED PROGRAMME

PHASE I: Duration - 3 weeks

(1). Personnel:

1 geologist supervisor 21 days @ \$150.00 per day	\$3,150.00	
1 field assistant 21 days @ \$75.00 per day	<u>1,575.00</u>	\$4,725.00

(2). Transportation:

Airfare and Travel to and from property	\$1,000.00	
Helicopter Charter 8 hrs. @ \$325.00 per hour	<u>2,600.00</u>	3,600.00

(3). Supplies and Disbursements:

Food - 50 man days @ \$10.00 per day	\$ 500.00	
Camp Rental	400.00	
Assays and geochemical analyses. .	900.00	
Freight	700.00	
Secretarial, telephone, Report Preparation and Miscellaneous Expenses	<u>1,200.00</u>	3,700.00

(4). Trenching:

D-8 Cat c/w hydraulic blade and ripper 100 hours @ \$70.00 per hour . . .	\$7,000.00	
Mobilization and Demobilization of Cat	<u>2,000.00</u>	<u>9,000.00</u>

TOTAL CARRIED FORWARD \$21,025.00

Estimated Cost of Recommended Programme page two

TOTAL CARRIED FORWARD \$21,025.00

Contingency at 15% 3,153.75

TOTAL ESTIMATED COST OF PHASE I . . . \$24,178.75

ROUNDED \$24,000.00

PHASE II: Duration - 1 month

Diamond Drilling

1,500 feet BQ wire line
all inclusive @ \$20.00 per foot \$30,000.00

TOTAL ESTIMATED COST OF RECOMMENDED
PROGRAMME \$54,000.00

APPENDIX B

ASSAY RESULTS

9 - 219 Victoria Street
Kamloops, B.C.

CERTIFICATE OF ASSAY

Samples submitted: June 17/75
Results completed: June 20/75

I hereby certify that the following are the results of assays made by us upon the herein described ore samples.

MARKED	GOLD		SILVER	Pb	Zn						TOTAL VALUE PER TON (2000 LBS.)
	Ounces per Ton	Value per Ton	Ounces per Ton	Percent	Percent	Percent	Percent	Percent	Percent		
44808	0.005		1.8	6.20	0.70						
44809	0.02		1.8	0.65	10.05						
44810	0.02		7.8	8.70	0.10						
L denotes 'less than'											

R. Keith Rogers
Registered Assayer, Province of British Columbia

APPENDIX C

REFERENCES

REFERENCES

- Templeman - Kluit, D. J. (1972): - Geology and Origin of the Faro, Vangorda and Swim Concordant Zinc-Lead Deposits Central Yukon Territory; G. S. C. Bulletin 20B.
- Wheeler, J. O. et al (1960): - Geology - Quiet Lake, Yukon Territory; G. S. C. Map 7 - 1960.
- Personal Communication: - Mr. M. Sherman, Whitehorse, Yukon Territory.

APPENDIX D

WRITER'S CERTIFICATE

**JAMES M. DAWSON, P. ENG.
GEOLOGIST**

9-219 VICTORIA STREET
KAMLOOPS, B.C.

PHONE (604) 374-6427

CERTIFICATE

I, JAMES M. DAWSON, OF KAMLOOPS, B. C. HEREBY CERTIFY THAT:

- (1). I am a geologist residing at 2753 Sunset Drive, Kamloops, and employed by Kerr, Dawson and Associates Ltd., of Suite #1 - 219 Victoria Street, Kamloops, B. C.
- (2). I am a graduate of the Memorial University of Newfoundland-B. Sc. (1960), M. Sc. (1963), a fellow of the Geological Association of Canada and a member of the Association of Professional Engineers of the Province of British Columbia. I have practised my profession for 12 years.
- (3). I am the author of this report which is based on a personal examination of the subject property on June 12th., 1975 as well as a study of all pertinent literature.
- (4). I have no beneficiary interest in Nithex Development and Exploration Ltd. or the properties discussed in this report, nor do I expect to receive any.

KERR, DAWSON & ASSOCIATES LTD.,



James M. Dawson
James M. Dawson, M. Sc., P. Eng.,
GEOLOGIST

July 5th., 1975,
KAMLOOPS, B. C.

KERR, DAWSON & ASSOCIATES LTD.

9 - 219 VICTORIA STREET
KAMLOOPS, B.C.

INVOICE No. 161



INVOICE TO: Nithex Development and Exploration Ltd.

#3000 - 1055 West Georgia St.

Vancouver, B.C.

PROJ. No. 109

DATE July 8, 1975

FOR: Examination and Report on
Mat and Gull Properties
Ross River, Y. T.

CONSULTING - J. M. Dawson, P. Eng.
4 days at 150.00/day

\$ 600.00

EXPENSES

Drafting	\$ 72.00
Airfare - Watson Lake-Whitehorse-ret.	67.20
Assays	58.50
Car Rental	118.07
Board and Lodging	52.40
Telephone, freight, Xerox, secretarial	79.60

\$ 447.77

TOTAL HEREIN

\$ 1047.77

FLIGHT REPORT

04778

TRANSWEST HELICOPTERS (1965) LTD.

2792 NORLAND AVE., BURNABY, B.C. V5B 3A6

CHARTERER MARVIN SHERMAN (NITHEX Expl.)

DATE June 12/75

ADDRESS Whitchers

A/C CF UFV

PILOT SIGNATURE A. C. M. Money BASE Ross River

FUEL CUST TW

OPERATION REMARKS	PASS	TAKE OFF	LAND	WT OF CARGO	HOURS	MIN.
		3:40	4:30		—	50
		5:45	6:00		—	15
		6:55	7:25		—	30
<div style="border: 1px solid black; border-radius: 50%; padding: 20px; display: inline-block;"> Paid Cash \$241⁰⁰/₁₀₀ </div>						
<div style="border-left: 1px solid black; border-right: 1px solid black; height: 100px; width: 100%;"></div>						

TYPE OF CONTRACT 1 2A 2B

OTHER _____

AUTHORIZED BY CHARTERER REP.

[Signature]

HOURS FOR DAY 1:35

" MONTH _____

" CONTRACT _____