

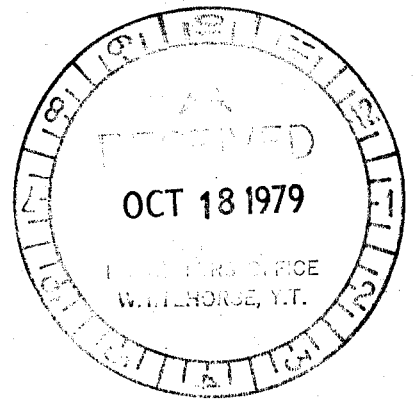


MACMILLAN JOINT VENTURE

GEOPHYSICAL SURVEYS
AUGUST-SEPTEMBER 1979
SUE CLAIMS NTS 105/L/14
WHITEHORSE MINING DISTRICT

135°15' W Longitude
62°48' N Latitude

Field Supervision by G. R. Kent



090501
Toronto, Ontario,
October 1, 1979.

C. K. O'Connor, P.Eng.

This report has been examined by the Geological Evaluation Unit and recommended to the Commissioner to be considered as representation work in the

\$ 14,200.00

J A Main

Resident Geologist or
Professional Mining Engineer

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


B. R. BAXTER

Supervising Mining Recorder


 Commissioner of Yukon Territory

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I	Apex Maxmin II EM System Specifications
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III	Statement of Expenditures
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LIST OF MAPS IN FOLDER

Grid Location Map 1" = 1000'

Grid 1W

East Half EM Survey	444 Hz	1" = 200'
East Half EM Survey	1777 Hz	1" = 200'
West Half EM Survey	444 Hz	1" = 200'
West Half EM Survey	1777 Hz	1" = 200'

Grid 2W

EM Survey	444 Hz	1" = 200'
EM Survey	1777 Hz	1" = 200'

Summary

This report describes the results of horizontal loop ground electromagnetic surveys carried out on a portion of the Sue claim group in the Whitehorse Mining District during August-September, 1979.

Several valid bedrock responses were obtained, one of which had been previously tested by diamond drilling and was found to be caused by graphitic argillites.

Numerous out-of-phase responses reflecting topography were also obtained.

Further exploration utilizing gravimetry and soil sampling is recommended.

Conclusions and Recommendations.

A total of three definite bedrock anomalies were detected. One has been drilled and found to be caused by graphitic argillite. The other two are presumed to have a similar cause. Several probable and numerous doubtful anomalies are probably overburden responses.

Due to the considerable number of graphitic conductors known in the general area of the grids, electromagnetic surveys are not of themselves considered diagnostic of sulphide mineralization. It is recommended that gravity surveys and soil sampling be carried out to qualify the electromagnetic results and perhaps detect non-conductive anomalies of possible significance. The gravity surveys should be done during the winter to complete coverage of those parts of the grids covered by lakes. Soil sampling results are considered positive when anomalies are obtained, but due to the presence of recent glacial overburden, are not considered diagnostic if results are negative.

Introduction

Electromagnetic surveys were carried out over a portion of the Sue claim group along the projected strike of the same geological formations hosting the Clear Lake massive sulphide deposit a short distance to the east.

An Input survey completed by Conwest in late 1978 indicated several anomalies in the gridded area. In addition the Clear Lake sulphide zone gives a moderate to strong EM response.

The grids were established by Ketz Enterprises Ltd. of Ross River and the electromagnetic surveys were carried out by Can Lake Explorations Ltd. of Calgary.

G. R. Kent of Conwest supplied field supervision and the writer interpreted the results in consultation with Mr. Kent.

Location and Access

The Sue Claim group lies approximately 150 miles due north of Whitehorse on the north side of the Pelly River.

There is no all weather road access to the claims. A winter tractor road from Pelly Crossing on the Klondike Highway can be used to freight supplies overland to the property during January to April, a distance of about 60 miles.

During August 1979, an airstrip was constructed on the Sue claims a short distance west of the grids described in this report. This airstrip is approximately 3,000' by 150' and is suitable for most fixed wing aircraft up to DC-3. This airstrip was utilized for mobilization and demobilization of the survey crews. Helicopter support is required for local transport on the claims beyond walking distance from the base camp located at the strip.

The nearest settlements are Mayo, 60 miles north northwest; Faro, 70 miles southeast; and Carmacks, 60 miles southwest.

Topography in the area of the grids is subdued low rolling terrain varying from 2,000' to 2,500' ASL and dotted with numerous small lakes most of which are too small for float equipped aircraft.

Vegetation consists of spruce, pine, birch, poplar and alders although most was destroyed by a fire in 1970.

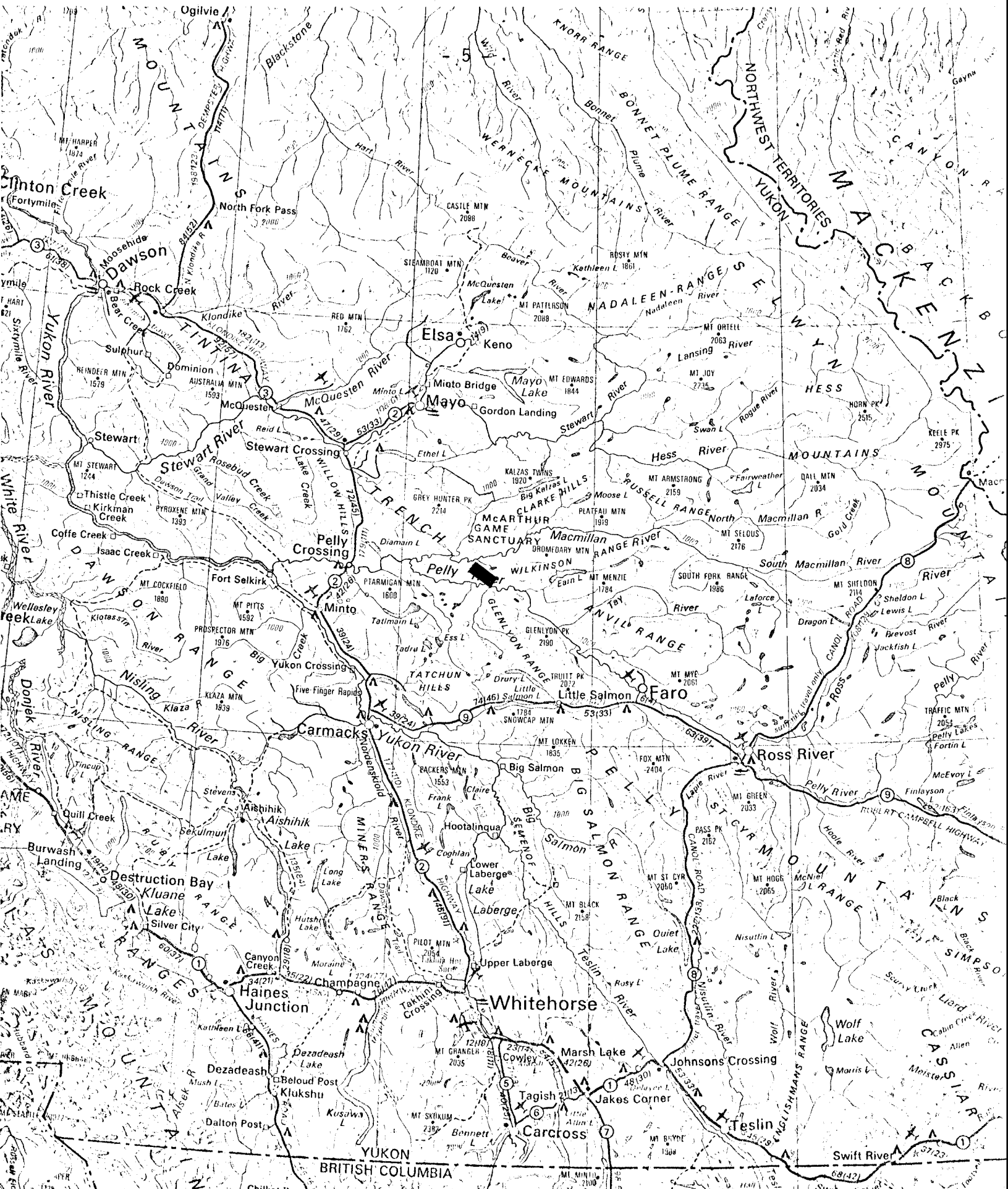


FIGURE I
Location Map
Sue Claims
Whitehorse Mining District
 1" = 40 miles

General Geology

The Glenlyon map area (105 L) was mapped by R. B. Campbell in 1949-1954 and the results of his work were published as G.S.C. Memoir 352 in 1967.

The adjoining Tay River map area (105 K) was mapped by Roddick and Green in 1958-1960 and published as G.S.C. Map 13-1961. In 1967 and 1968 Templeton-Kluit undertook a more detailed study of the geology and mineral deposits of the Vangorda area, the results of which were published as G.S.C. Bulletin 208 in 1972.

The area of interest comprises a belt of Proterozoic and Paleozoic sediments and volcanics which follow the northeast side of the Pelly River, the latter marking the locus of a major transcurrent fault known as the Tintina Trench.

The Sue claims are partially underlain by schists, phyllites and greenstones in the north part of the group identical to those hosting the deposits in the Vangorda area. Probable Devonian-Mississippian argillites, limestones, dolomites and quartzites with minor conglomerates, tuffs, trachytes and gabbros underlie the south part of the claim group including the area covered by the grids. Outcrop is confined to large knobs of quartzite up to 200' of local relief. The soft recessive weathering argillites and tuffs do not

outcrop but have been intersected in drill holes along strike to the east.

Overburden is generally less than 100 feet thick. Glaciation in a west northwesterly direction has shaped numerous drumlins trending slightly south of grid west.

Previous Work

The gridded areas lie on the southerly fringe of a much larger grid established in 1975 and on which extensive mag, E.M. and gravity surveys were conducted. The results of these surveys were reported as assessment work as follows:

1. Progress Report Number 1 - On Geophysical Surveys - 1975 by C. K. O'Connor and D. B. Sutherland, Conwest Exploration Company Limited.
2. Gravity Survey and Interpretation - August 1976 by J. E. Wyder, Kenting Earth Sciences Limited.
3. Gravity Survey and Interpretation - April 29, 1977 by D. Dorval and T. R. Dundas, Kenting Earth Sciences Limited.

In addition results of certain diamond drilling performed during the summer of 1978 were submitted for assessment credit under covering letter dated August 29, 1978 by G. R. Kent. Hole #78-17 is located on grid 1 W at approximately L 132 E, 11 N and tested the strong EM conductor in that location.

Conwest contracted out an Input survey in the fall of 1978 which survey covered a large area including the claims reported on herein. Most of the airborne responses were reflected in the ground survey results.

Discussion of Results

The electromagnetic survey utilized on Apex Parametrics MAXMIN II horizontal loop system (see Appendix I for specifications). Lines were spaced at 400' and 800' intervals with readings taken at 30.5 metre (100') stations on 444 Hz and 1777 Hz. Coil separation of 122 metres (400') was used.

Grid No. 1 West

This grid is divided into two map sheets for convenience. Only two definite bedrock conductors were located, one on each sheet as follows:

a) L 40 E to L 56 E, 25 S to 23 S, strong amplitude but poor conductivity, open along strike and full width unknown; reflection of Input conductor, probably caused by formational graphitic argillite, if gravity response positive extension of grid to the south is recommended.

b) L 136 E to L 152 E, 9 N to 6 N, weak to strong amplitude, fair conductivity, sharply terminated at west end suggesting a fault, open to the east, probable north dip, tested by DDH 78-17 located approximately at 132 E, 11 N drilled grid south, conductor explained by graphitic argillite.

Numerous possible bedrock responses were obtained elsewhere on the grid. Generally these anomalies are primarily out-of-phase and show a sharp fall-off in amplitude at the lower frequency suggesting an overburden response. Short cable effects on the in-phase distort the profiles making interpretation difficult, however, none of these anomalies are sufficiently diagnostic to warrant further consideration unless supported by a positive gravity response.

Grid No. 2 West

Only one definite bedrock response is located on this grid and trends roughly grid east-west for at least 2,800'. The anomaly is open to the west and appears terminated at the east end.

Amplitude is weak to medium and the conductivity is generally poor suggesting a weakly graphitic argillite as the probable cause. Gravity surveys should be carried out to determine if sulphides are present. The balance of the grid gives a wavy profile on the higher frequency typical of moderately conductive overburden.

APPENDIX I

APEX MAXMIN II EM SYSTEM SPECIFICATIONS

OPERATING FREQUENCIES: 222, 444, 888 and 1777Hz

COIL SEPARATIONS: 100, 200, 300, 400, 600 and 800 feet

MODES OF OPERATION: (a) Tx coil plane and Rx coil plane horizontal (Horizontal loop mode).
(b) Tx coil plane horizontal and Rx coil plane vertical (Minimum coupled mode).

PARAMETERS MEASURED: In-Phase and Quadrature component of the secondary field.

READOUTS: Automatic, direct readout on 3½" size meters.

SCALE RANGES: In-Phase: ±20% normal, ±100% by switch.
Quadrature: ±20% normal, ±100% by switch.
Inclinometers: ±50% tilt.

READING REPEATABILITY: ±½% to ±1%

RX BANDWIDTH (-3dB): 0.2 Hz nominal

RX INTERNAL NOISE: Negligible

TX DIPOLE MOMENTS: 150 Atm² @ 222 Hz, 150 Atm² @ 444 Hz,
75 Atm² @ 888 Hz, 50 Atm² @ 1777 Hz.

RX POWER SUPPLY: Four 9V batteries (transistor radio type)

TX POWER SUPPLY: Three 6 V alkaline lantern batteries in a separate battery pack. Optionally one 12V 8Ah rechargeable Gel Cell.

REFERENCE CABLE: Light weight, low friction unshielded cable. Unit supplied with 200, 400 and 600 ft cables, other lengths optional.

WEIGHT OF RX UNIT: 13 lbs.

WEIGHT OF TX UNIT: 30 lbs.

OTHER MAIN FEATURES: Built-in Intercom system for communication between receiver and transmitter unit. Signal and reference warning lights to indicate erroneous readings.

FOR MORE INFORMATION,
PHONE (416) 491-6388 OR WRITE TO:

OUR NEW ADDRESS IS:
APEX PARAMETRICS LIMITED
110 SHEPPARD AVE. EAST
MARKHAM, ONTARIO L3R 9Y9

APEX PARAMETRICS LTD.

255 YORKLAND BLVD., WILLOWDALE, ONTARIO, CANADA M2J 1S3

APPENDIX III

STATEMENT OF EXPENDITURES

Sue Claim Group

MAXMIN EM Surveys

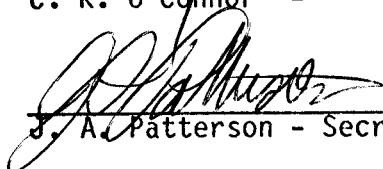
August - September 1979

Grid Preparation	- Ketza Enterprises Ltd.	\$11,082
Geophysical Surveys	- Can Lake Explorations Ltd.	8,321
Helicopter Support		1,630
Fixed Wing Support		560
		<hr/>
		\$21,593

I certify the above to be a true and correct statement of expenditures.

CONWEST EXPLORATION COMPANY LIMITED


C. K. O'Connor - Vice-President


J. A. Patterson - Secretary-Treasurer

October 1, 1979.

APPENDIX IV

CALCULATION OF UNIT COSTS

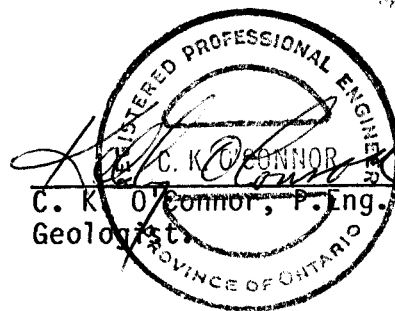
Grid 1 W	-	29.94 miles
Grid 2 W	-	7.00 miles
Total		<u>36.94 miles</u>
Total Cost		\$21,595
Cost per Line Mile		\$584.54

APPENDIX V

CERTIFICATE

I, Caven Kelly O'Connor, hereby certify that:

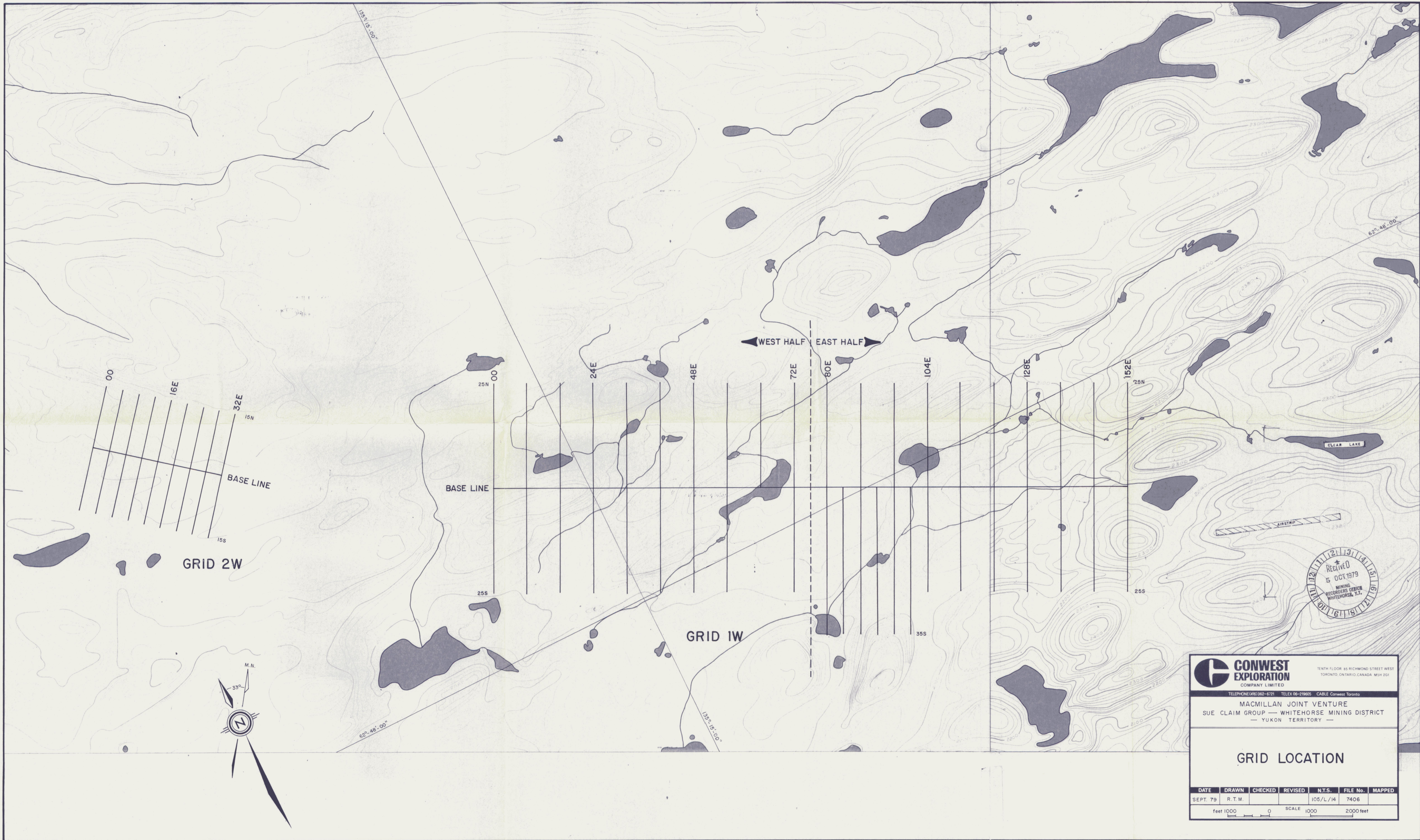
1. I am a geologist residing at 109 Inglewood Drive, Toronto, Ontario.
2. I received a Bachelor of Applied Science degree in Geological Engineering from the University of Toronto in 1962 and I have been practising my profession since that time.
3. I am a member of the Professional Engineers Associations of Ontario and British Columbia.
4. I am the author of this report and directed the overall conduct of the programme described herein.
5. I am a Director and Vice-President of Conwest Exploration Company Limited, having been employed by the Company since January 1969.



Toronto, Ontario,
October 1, 1979.

APPENDIX VI

(See Maps in Folder Attached)

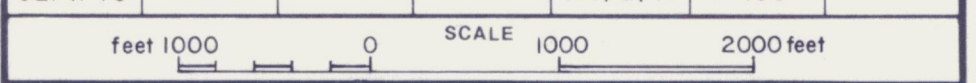


CONWEST EXPLORATION
 COMPANY LIMITED
 TELEPHONE (416) 362-6721 TELEX 06-219605 CABLE Conwest Toronto
 TENTH FLOOR 85 RICHMOND STREET WEST
 TORONTO, ONTARIO, CANADA M5H 2G1

MACMILLAN JOINT VENTURE
 SUE CLAIM GROUP — WHITEHORSE MINING DISTRICT
 — YUKON TERRITORY —

GRID LOCATION

DATE	DRAWN	CHECKED	REVISED	N.T.S.	FILE No.	MAPPED
SEPT. 79	R. T. M.			105/L/14	7406	





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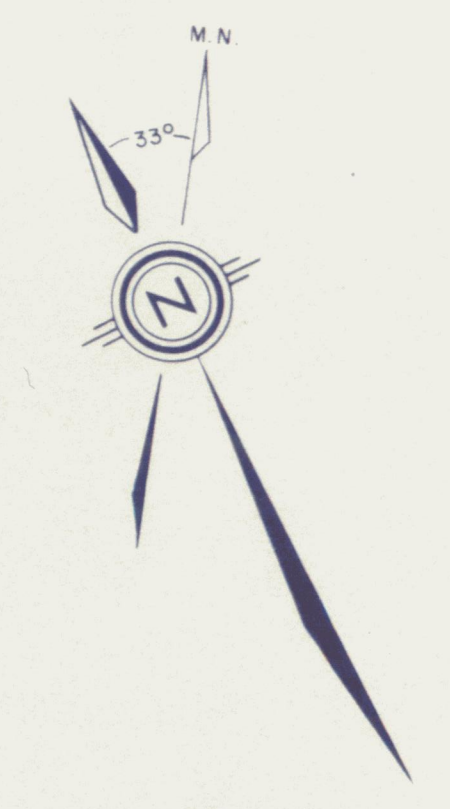
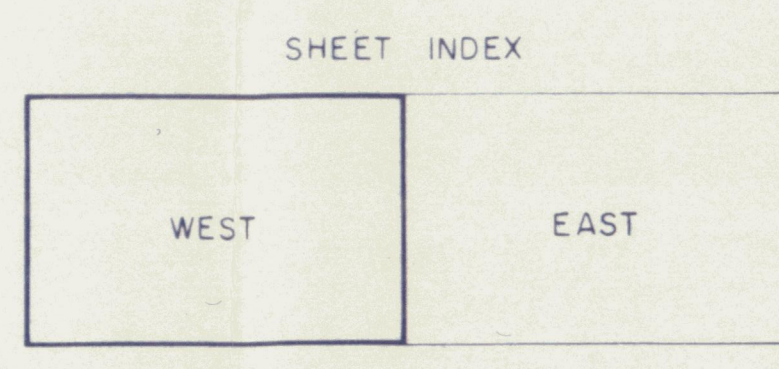
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 - YUKON TERRITORY -

MAXMIN E.M. SURVEY
GRID No. 1 WEST
EAST HALF
 444 Hz

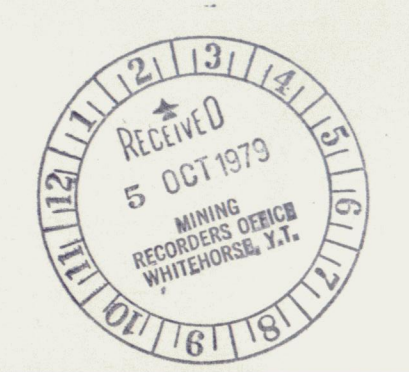
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feet 200 0 200 400 600 800



LEGEND

Instrument.....Apex Parametrics MAXMIN II
 Coil separation.....400 feet
 Operating frequency.....444 Hz
 Profile plotted at midpoint between coils
 Plotting configuration.....- | +
 Profile scale.....1" = 20'
 Inphase profile.....
 Quadrature profile.....
 Possible error - rough topography.....sc
 Conductor axis.....
 Conductor showing width.....



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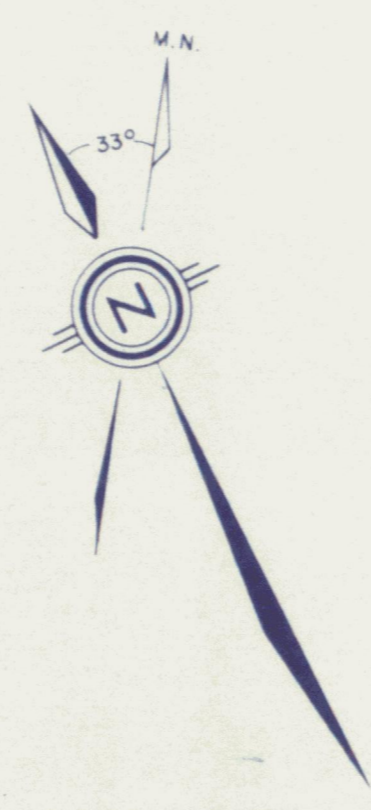
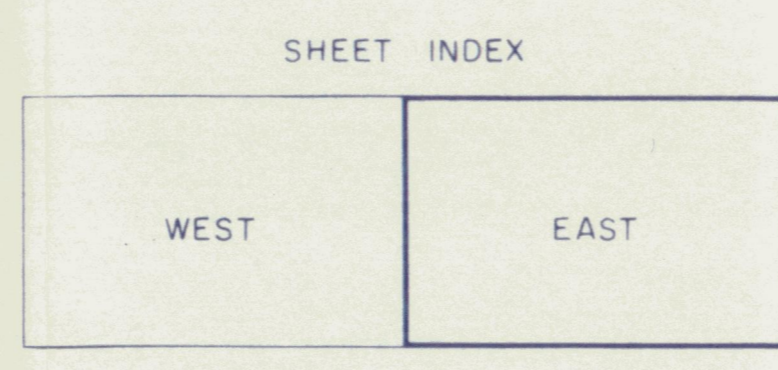
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MACMILLAN JOINT VENTURE
 SUE CLAIM GROUP - WHITEHORSE MINING DISTRICT
 - YUKON TERRITORY -

MAXMIN E.M. SURVEY
GRID No. 1WEST
 WEST HALF
 444 Hz

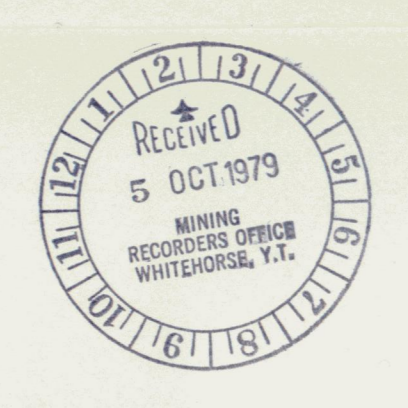
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SCALE 1" = 200 feet



LEGEND

Instrument.....Apex Parametrics MAXMIN II
 Coil separation.....400 feet
 Operating frequency.....1777 Hz
 Profile plotted at midpoint between coils
 Plotting configuration.....- | +
 Profile scale.....1" = 20%
 Inphase profile.....
 Quadrature profile.....
 Possible error - rough topography.....sc
 Conductor axis.....
 Conductor showing width.....



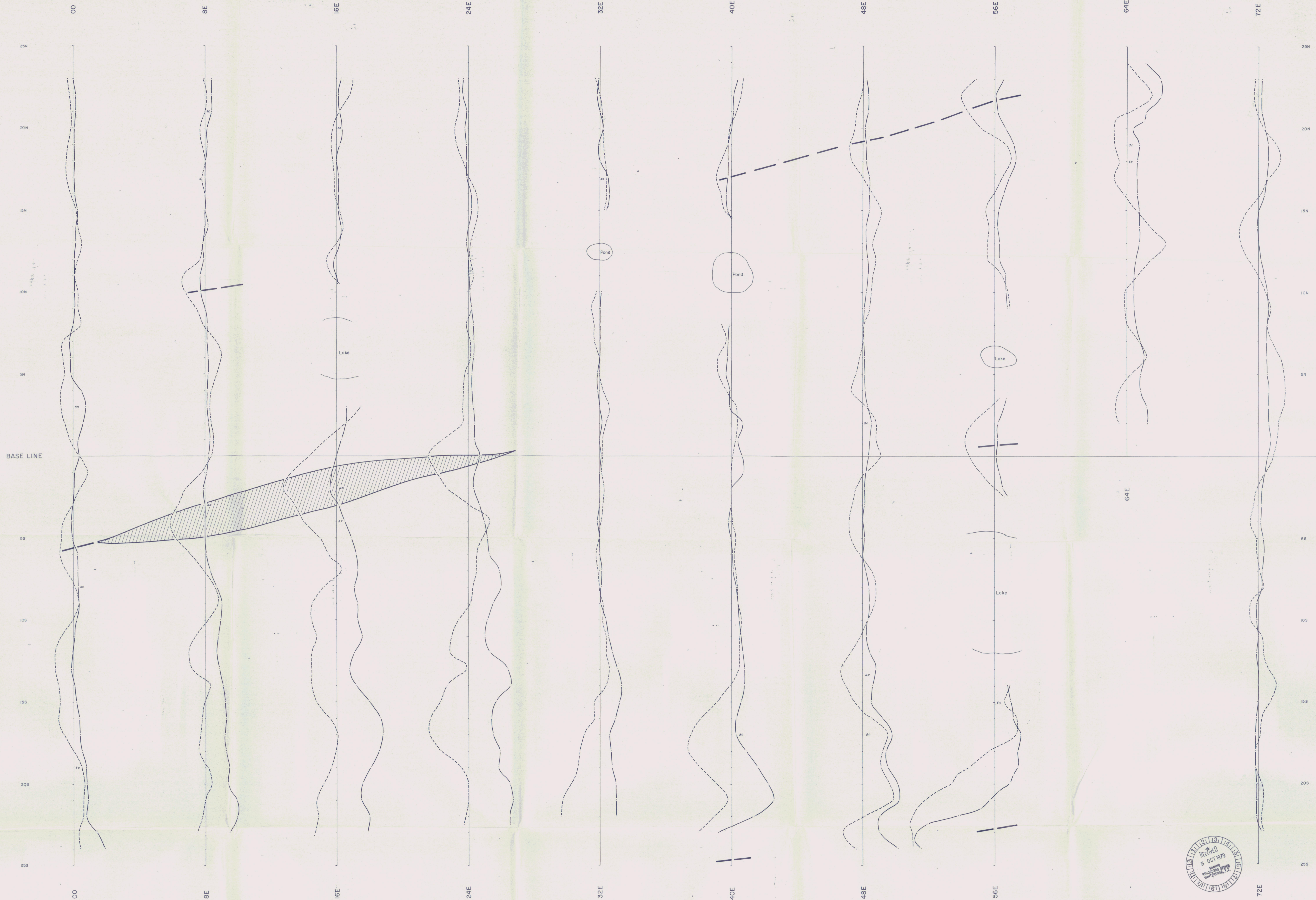
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 SUE CLAIM GROUP - WHITEHORSE MINING DISTRICT
 - YUKON TERRITORY -

**MAXMIN E.M. SURVEY
 GRID No. 1WEST
 EAST HALF
 1777 Hz**

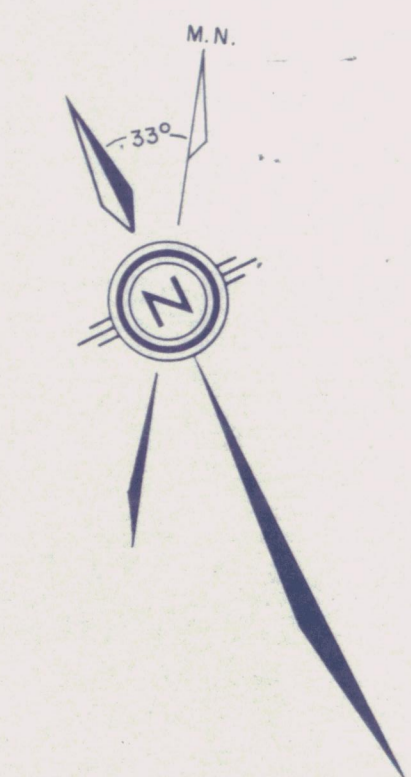
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SCALE: 1" = 200 feet



SHEET INDEX

WEST	EAST
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LEGEND

Instrument.....Apex Parametrics MAXMIN II
 Coil separation..... 400 feet
 Operating frequency..... 1777 Hz
 Profile plotted at midpoint between coils
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 Inphase profile.....
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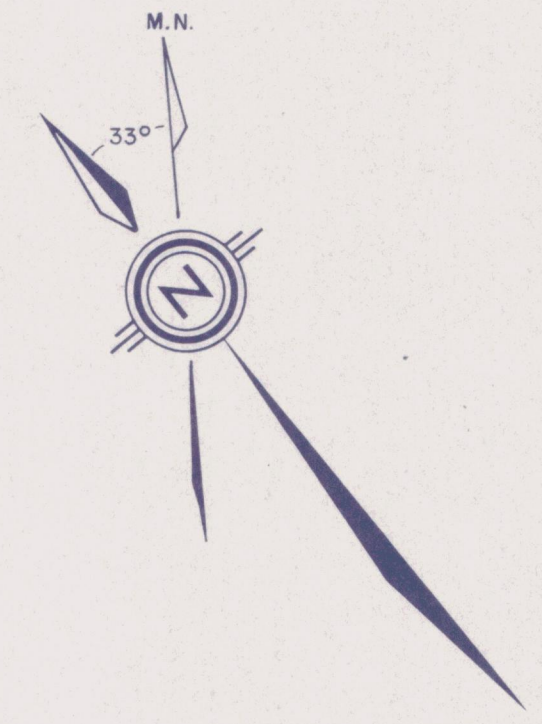
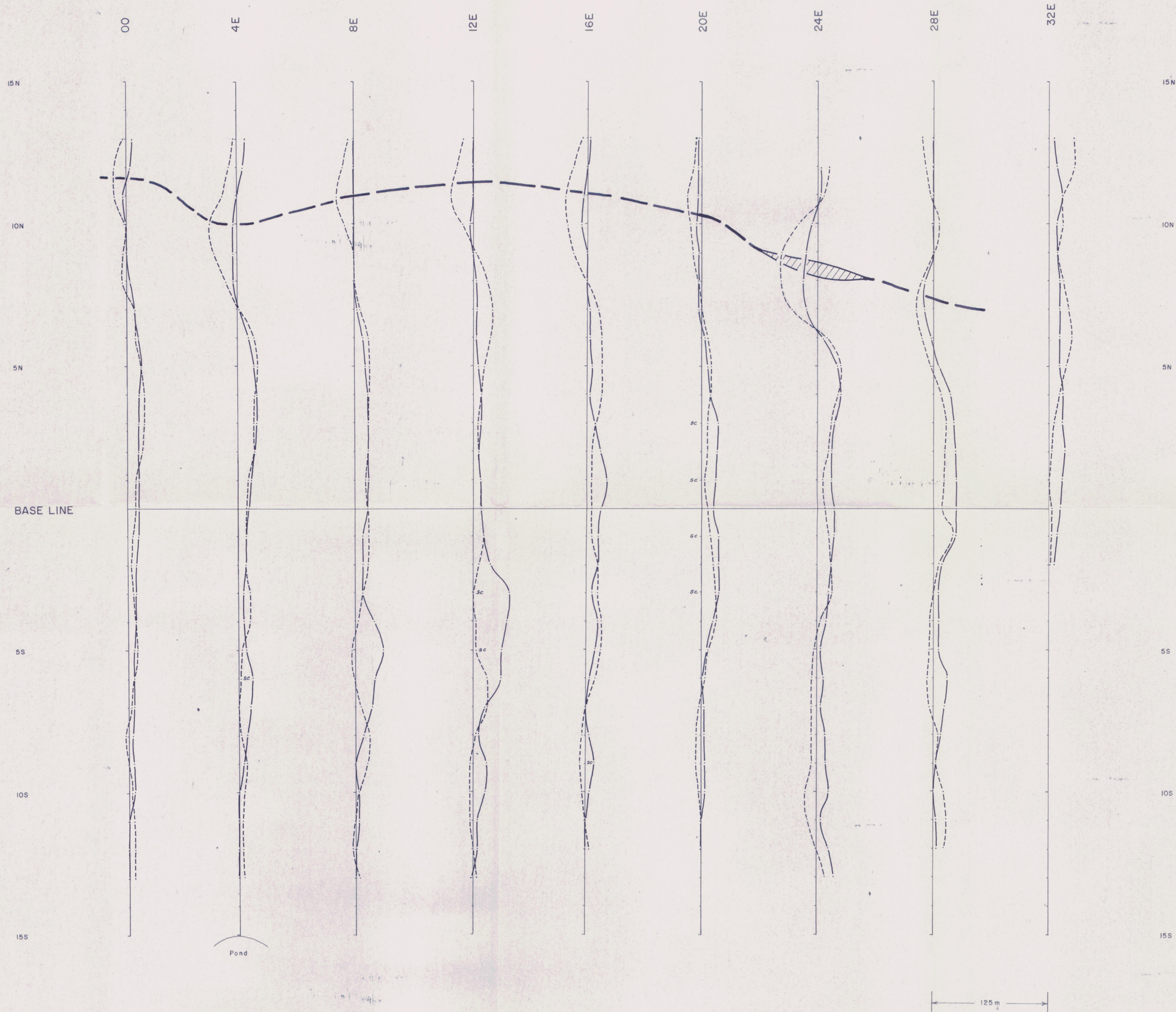
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MAXMIN E.M. SURVEY
GRID No. 1WEST
 WEST HALF
 1777 Hz

DATE	DRAWN	CHECKED	REVISED	M.T.S.	FILE No.	MAPPED
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SCALE 1" = 200' 0' 200' 400' 600' 800' feet



LEGEND

- Instrument.....Apex Parametrics MAXMIN II
- Coil separation..... 400 feet
- Operating frequency..... 444 Hz
- Profile plotted at midpoint between coils
- Plotting configuration..... - | +
- Profile scale..... 1" = 20%
- Inphase profile.....
- Quadrature profile.....
- Possible error - rough topography..... sc
- Conductor axis.....
- Conductor showing width.....





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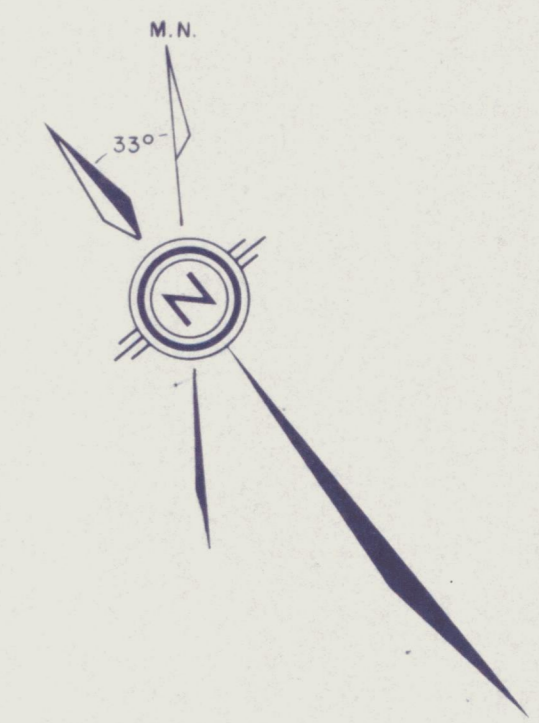
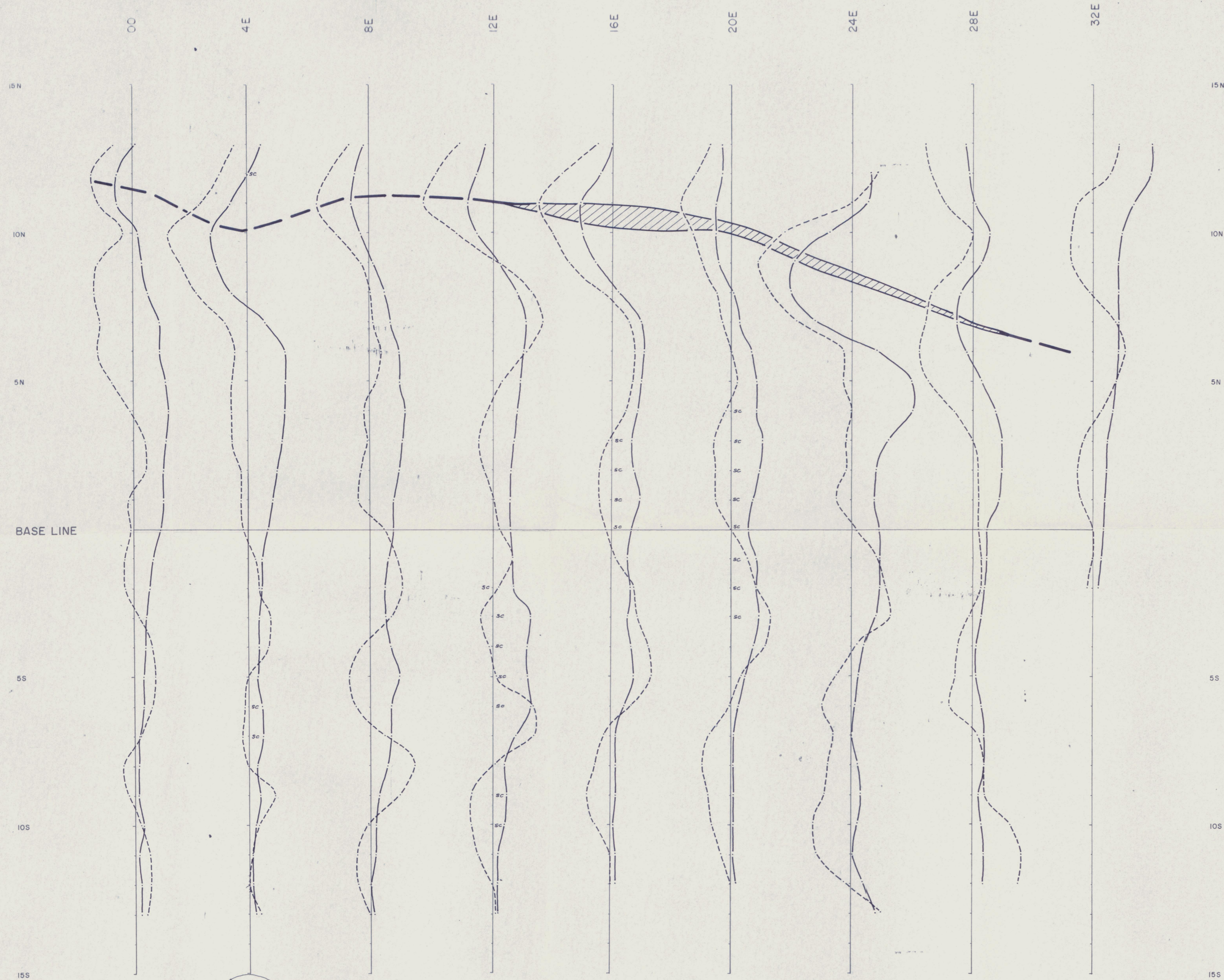
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MAXMIN E.M. SURVEY
GRID No. 2 WEST
444 Hz

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feet 200 0 SCALE 200 400 feet



LEGEND

- Instrument.....Apex Parametrics MAXMIN II
- Coil separation..... 400 feet
- Operating frequency..... 1777 Hz
- Profile plotted at midpoint between coils
- Plotting configuration..... - +
- Profile scale..... 1" = 20%
- Inphase profile..... ————
- Quadrature profile..... - - - - -
- Possible error - rough topography..... sc
- Conductor axis.....
- Conductor showing width.....



125 m

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MACMILLAN JOINT VENTURE
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MAXMIN E.M. SURVEY
GRID No. 2 WEST
1777 Hz

DATE	DRAWN	CHECKED	REVISED	N.T.S.	FILE No.	MAPPED
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feet 200 0 SCALE 200 400 feet