



WELCOME NORTH MINES LTD.

1027 - 470 Granville St., Vancouver, B.C. V6C 1V5 • Telephone (604) 687-1658

P E L L Y P R O J E C T

A SOIL GEOCHEMICAL REPORT

ON THE

VSE 1-75 MINERAL CLAIMS

Latitude 62° 42'N, Longitude 134° 47'W
Claim Sheet 105L/10

Whitehorse Mining District



WORK DONE DURING THE PERIOD JULY 15 TO AUGUST 4, 1980

by

G. H. Rayner, P.Eng. (BC)

November 14, 1980

090743

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

\$ 8,900.00

[Signature]

Resident Geologist or
Resident Mining Engineer

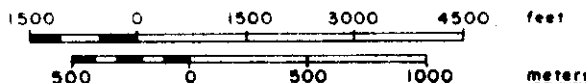
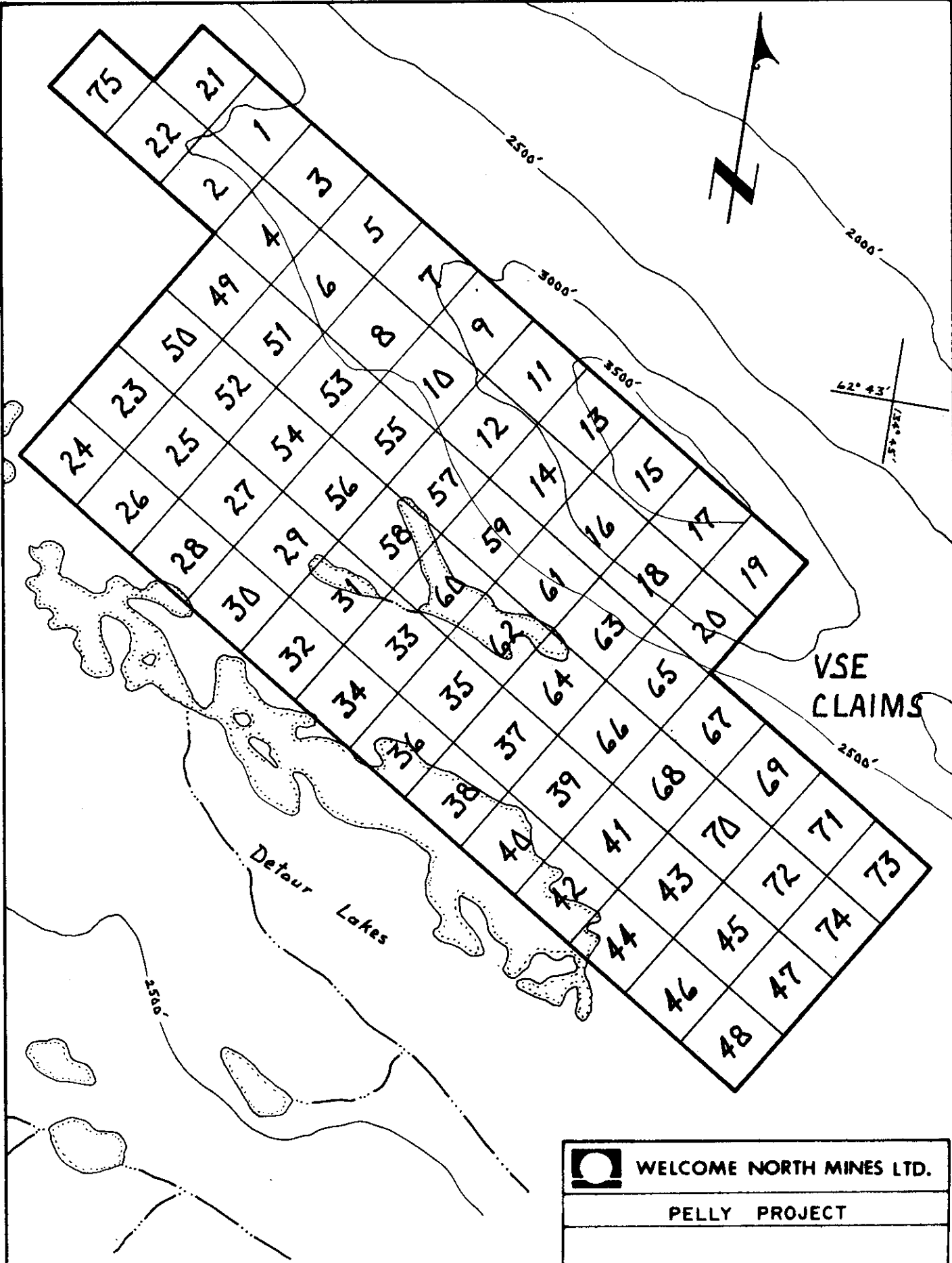
Considered as representation work under
Section 53 (4) Yukon Quartz Mining Act.


[Signature]
B. R. BAXTER
Supervising Mining Recorder

[Signature]
Commissioner of Yukon Territory

845000





 WELCOME NORTH MINES LTD.					
PELLEY PROJECT					
<h1>CLAIM MAP</h1>					
Scale	1 : 31,680	Date	NOV. 1980	NTS	1051/10
Revised		By	G.H.R./d.h.	Fig.	2

CONCLUSIONS

The geochemical results from the present survey are not encouraging. Values in all three elements tested are low and relatively uniform. It seems most likely that the claims do not contain a substantial sulphide body that is in a position to influence soil metal values.

RECOMMENDATIONS

Since the property lies in a favourable geological environment near the Clear Lake massive sulphide deposit it is recommended that the claims be retained in good standing pending further development in the area.

If further work is required to maintain the claims in good standing, this further work should consist of detailed prospecting and geological mapping.

INTRODUCTION

The VSE claims and several other claim groups were staked as part of the PELLY Project, a joint venture between Welcome North Mines Ltd. and E and B Explorations Inc. The claims were located to cover areas potentially favourable for the discovery of a mineral deposit similar to the nearby Clear Lake zone.

During the summer of 1980, Ketzia Enterprises Ltd. of Ross River, Y.T. contracted to cut a grid over the property and to carry out a geochemical soil survey. The results of this survey are presented in this report.

LOCATION AND ACCESS

The property is located in the Pelly River Valley in the south-central Yukon about 120 miles north of Whitehorse. The specific location would be: Latitude 62° 42'N, Longitude 134° 47'W.

Access for light exploration purposes is by helicopter from bases at Ross River or Carmacks. Several lakes in the area and a gravel airstrip at Clear Lake are suitable for fixed-wing use if required.

Bush cover in the district is moderate and generally does not hinder traversing.

HISTORY AND PREVIOUS WORK

Following the discovery by Conwest Explorations Ltd. of the Clear Lake deposit in 1978, the Pelly Project was formed and several geologically favourable areas were staked in the district.

Some 1675 line-kilometres of air-borne magnetic and electromagnetic survey were flown over a portion of the district in April of 1980 for the Pelly Project.

GEOLOGY

The detailed geology of the area is poorly understood. In general the area is underlain by somewhat schistose rocks of the Askin Group and by Anvil Range volcanics and shale. These older rocks have been cut by substantial monzonitic intrusives of presumed cretaceous age.

On the VSE Group outcrop is quite widespread consisting of shales and some fine grained tuffs presumably of the Anvil Range Group.

GEOCHEMISTRY

Discussion of Method

The soil samples were taken at 100 metre intervals along flagged grid lines 400 metres apart. A short handled grub hoe was used to collect the sample. Whenever possible the B² horizon was collected although in some areas only A² material was available. Throughout the district the normal soil profile is overlain by up to 0.5 metres of volcanic ash which must be penetrated to collect the sample. The samples were placed in numbered kraft paper envelopes and sent to Whitehorse Assay Labs, Whitehorse, Y.T. for analysis.

The samples were dried, screened to minus 80 mesh and a weighed portion was digested in hot HNO_3 and HClO_4 . The resulting solution was then analysed by Atomic Absorbtion Spectrometer for copper, lead and zinc.

Discussion of Results

The values reported for all three elements were surprisingly low. No areas warranting closer geochemical follow-up were outlined.



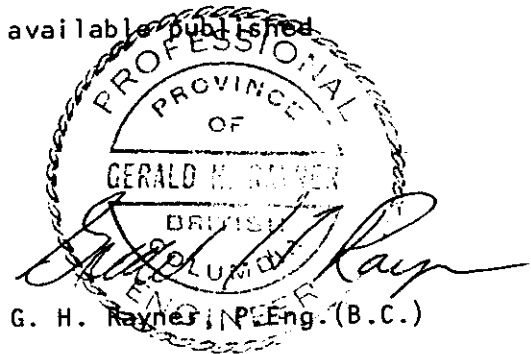
G. H. Rayner, P.Eng. (BC)
November 14th 1980

CERTIFICATE

I, Gerald H. Rayner do hereby certify that:

1. I am a consulting geological engineer with offices at 626 Duchess Avenue, West Vancouver, B.C.
2. I am a graduate of the University of British Columbia (B.Sc. Geology).
3. I am a member in good standing of the Association of Professional Engineers of the Province of British Columbia.
4. I have practiced my profession since 1958 primarily in Western North America and the South Pacific.
5. This report is based on personal visits to the VSE Claims and other Pelly Project properties in the area between July 31st and August 6th 1980 and on available published reports and private data.

West Vancouver, B.C.
November 14th 1980



APPENDIX I

GEOCHEMICAL REPORT

VSE Claims

Claim Sheet 105L10

Location 62° 42' 134° 47'

Mining District - Whitehorse

T A B L E O F C O N T E N T S

Forward	Page One
Dates of Survey	Page Two
List of Claims	Page Three
Location of Claims	Page Four
Method of Control	Page Five
Method of Collection	Page Five
Method of Analysis	Page Five & Six
Personnel Employed	Page Seven
Invoices of Work Performed	Page Eight
Map 1 Geochem Values	
2 Cu Contours	
3 Pg Contours	
4 Zn Contours	

KETZA ENTERPRISES LTD.

ROSS RIVER
YUKON, Y0B 1S0

BLAKE S. MACDONALD, Pres.

Phone [403] 969-2237
Telex 036-8-317

Page One

F O R W A R D

During the period July 15th to August 14th, 1980, Ketz Enterprises Ltd. was employed and supervised by Welcome North Mines Ltd. to undertake the controlled geochemical sampling of eleven properties in the Detour Lakes area of the Pelly River valley. Ketz Enterprises collected all samples and prepared all maps for the surveys. All results were then sent to Welcome North Mines Ltd. No effort was made by Ketz Enterprises to interpret results or to tie results into existing geological information. During the analysis of samples, certain samples from RSVP, PVA, and PDQ claim blocks were destroyed by fire at the Whitehorse Assay Office.

submitted by,

Blake S. Macdonald

D A T E S O F S U R V E Y

<u>Property Name</u>	<u>Dates of Survey</u>
RSVP	July 15 - August 4
PVA	July 15 - August 4
PDQ	July 15 - August 4
PELLY	July 15 - August 4
WHIP	July 15 - August 4
<u>VSE</u>	<u>July 15 - August 4</u>
SAP	July 15 - August 4
HUGH	August 1 - August 8
GRAF	August 2 - August 8
PETER	August 6 - August 10
HANK	August 10 - August 14

L I S T O F C L A I M S

<u>Claim Name</u>	<u>Claim Tag</u>	<u>Claim Held By</u>
SAP	1- 20 YA25355-YA25374	
PDQ	1- 20 YA25375-YA25394	1- 8 Blake Macdonald 9-16 Lash Ladue 17-20 Jerry Ladue
VSE	1- 75 YA25400, YA48001- YA48134	
WHIP	1- 30 YA48135-YA48164	
PELLY	2- 20 YA48165-YA48185	
PVA	1- 24 YA25331-YA25354	
RSVP	1- 32 YA25299-YA25322	
GRAF	1- 36	
HUGH	1-102	
HANK	1- 90	
PETER	1- 40 YA50742-YA50781	

<u>CLAIM NAME</u>	<u>CLAIM SHEET</u>	<u>MINING DISTRICT</u>	<u>LOCATION</u>	
SAP	105L9	Whitehorse	62°36'30"	134°24'
PDQ	105L10	Whitehorse	62°39'	134°35'
VSE	105L10	Whitehorse	62°42'	134°47'
WHIP	105L10	Whitehorse	62°44'	134°52'
PELLY	105L14	Whitehorse	62°47'	135°02'
PVA	105L14	Whitehorse	62°48'	135°21'
RSVP	105L14	Whitehorse	62°49'	135°21'
GRAF	105L11/14	Whitehorse	62°45'	135°20'
HUGH	105L13/14	Whitehorse	62°47'	135°30'
HANK	105L13/14	Mayo	62°55'	135°30'
PETER	105L11	Whitehorse	62°35'	135°05'

G E O C H E M I C A L S U R V E Y

Method of Control

The control of sampling was obtained by the use of compass and chained lines. To tie the lines into the claim block the base lines were run along claim lines tying the claim posts into the grid. Cross lines were run at intervals of 400 meters at right angles to the base lines and sample stations were at intervals of 100 meters on the cross lines.

Method of Collection

At 100 meter intervals on the flagged cross lines samples were obtained with the use of a mattock from the B horizon which in most cases was just below the ash layer that overlays the Detour Lakes area approximately 12 - 18 inches below the surface. The samples obtained were placed in a Kraft envelope and the envelope was marked with the claim block name and the line and station.

Method of Analysis

Samples collected were sent to Whitehorse Assay labs, a division of Barringer Magenta and run accordingly.

Method of Analysis (Continued)

1. Samples are dried.
2. Sieved to minus 80 mesh.
3. Weighed to 0.5 gms.
4. Digested in hot HNO_3 & HClO_4 for 4 hours.
5. Cooled and brought up to 5 MLS, shaken and settled.
6. Analysed on an Atomic Absorption Spectrometer.
7. Sample results are recorded and returned to Ketz Enterprises Ltd. to be recorded on grid plans.

K E T Z A P E R S O N N E L E M P L O Y E D

<u>Name</u>	<u>Period</u>
Jerry Ladue	July 15 - August 5
John Etzel	July 15 - August 5
Charlie Ollie	July 27 - August 3 July 10 - August 14
John Tommy	July 27 - August 3 July 10 - August 14
William Atkinson	July 27 - August 12
Ron Etzel	July 29 - August 4
Dan Etzel	July 29 - August 4
Fred Peter	July 27 - August 14
Gordon Peter	July 10 - July 12
Pat Etzel	July 10 - July 12
Blake Macdonald	July 15 - July 17 July 27 - August 8

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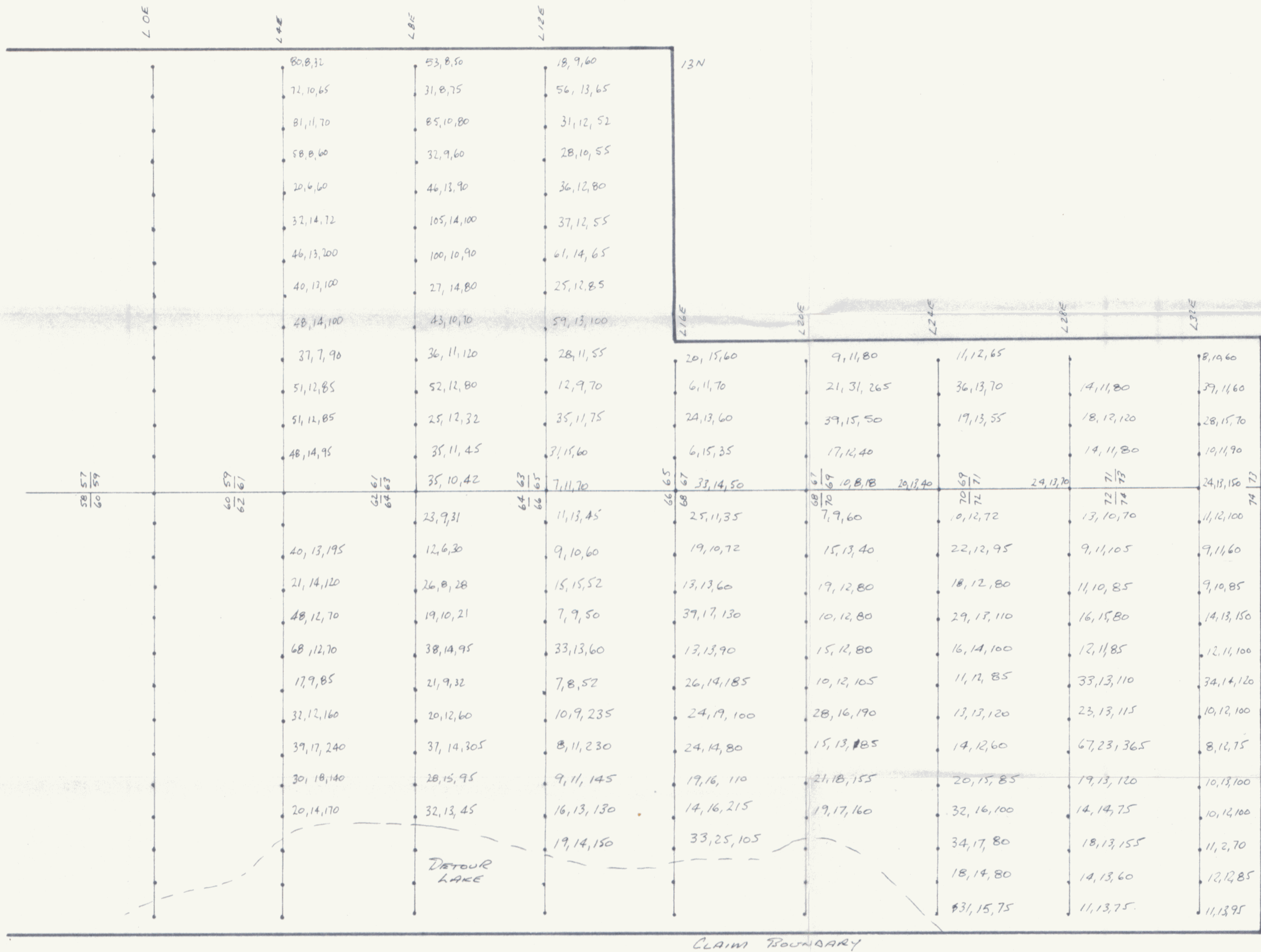
Page Eight

STATEMENT OF COSTS

INVOICE

TO: Welcome North Mines Ltd.,
1027 - 470 Granville St.,
Vancouver, B.C.
V6C 1V5

<u>Claim Name</u>	<u>Number of Claims</u>
VSE	75
Helicopter.....	\$ 883.90
Chain & Compass Grid	
42.5 Km @ \$145.00/Km.....	6,162.50
Geochem Samples	
357 Samples @ 3.80/Sample..	1,356.60
Fuel \$ / \$ Flying	
0.07 X 883.90.....	61.87
Fixed Wing	
\$4.53 X Claim 75	339.75
Freight	
\$0.62 X Claim 75.....	46.50
Report preparation costs, including map printing, photocopies, folders, drafting service.....	100.00
TOTAL	\$8,951.12
COST/CLAIM	\$119.35



VSE 1-75 EAST GEOCHEM VALUES		
SCALE: 1-10000	APPROVED BY:	DRAWN BY K.F.L.
DATE: SEPT 8/80		REVISED
Co. Pt. 2nd. P.P.M.		
WHITEMORSE MINING DISTRICT 105L10		DRAWING NUMBER

