

MAP No.

ASSESSMENT REPORT
PROSPECTUS
CONFIDENTIAL
OPEN FILE



DOCUMENT NO.: 091955

MINING DISTRICT: WHITEHORSE

TYPE OF WORK: GEOLOGICAL

115 K 2

REPORT FILED UNDER: G. Harris

DATE PERFORMED: July 1-4/86 Apr. 25-28/87 DATE FILED: October 5, 1987

LOCATION	LAT.	62°02'N	AREA: Chair Mountain
	LONG.	140°45'W	

CLAIM NAME & NO. CHAIR GOLD 1-12, 15-18 YA94380-395

VALUE \$ 3200.00

WORK DONE BY: G. Davidson

WORK DONE FOR: G. Harris

REMARKS: #31 CHAIR

ASSESSMENT REPORT



09 1955

CHAIR GOLD 1-12, 15-18 Mineral Claims
YA94380-YA94391, YA94392-YA94395
NTS 115-K-2
Latitude 62°02'N, Longitude 140°45'W
Whitehorse Mining District

For:
G. HARRIS
707 Black Street, Whitehorse, Y.T.

By:
G. DAVIDSON, P.Geol.

September 1987

09 1955

This report has been examined by
the Geological Evaluation Unit
under Section 53 (4) Yukon Quartz
Mining Act and is allowed as
representation work in the amount
of \$ 3200.00 .

for *Diemand*
Regional Manager, Exploration and
Geological Services for Commissioner
of Yukon Territory.

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INTRODUCTION

The CHAIR GOLD claims cover a large pyrite rich alteration zone which forms a brilliant orange-yellow gossan on the southern flank of Chair Mountain. They also cover associated quartz-carbonate veins exposed on the banks of Sanpete Creek and its tributaries.

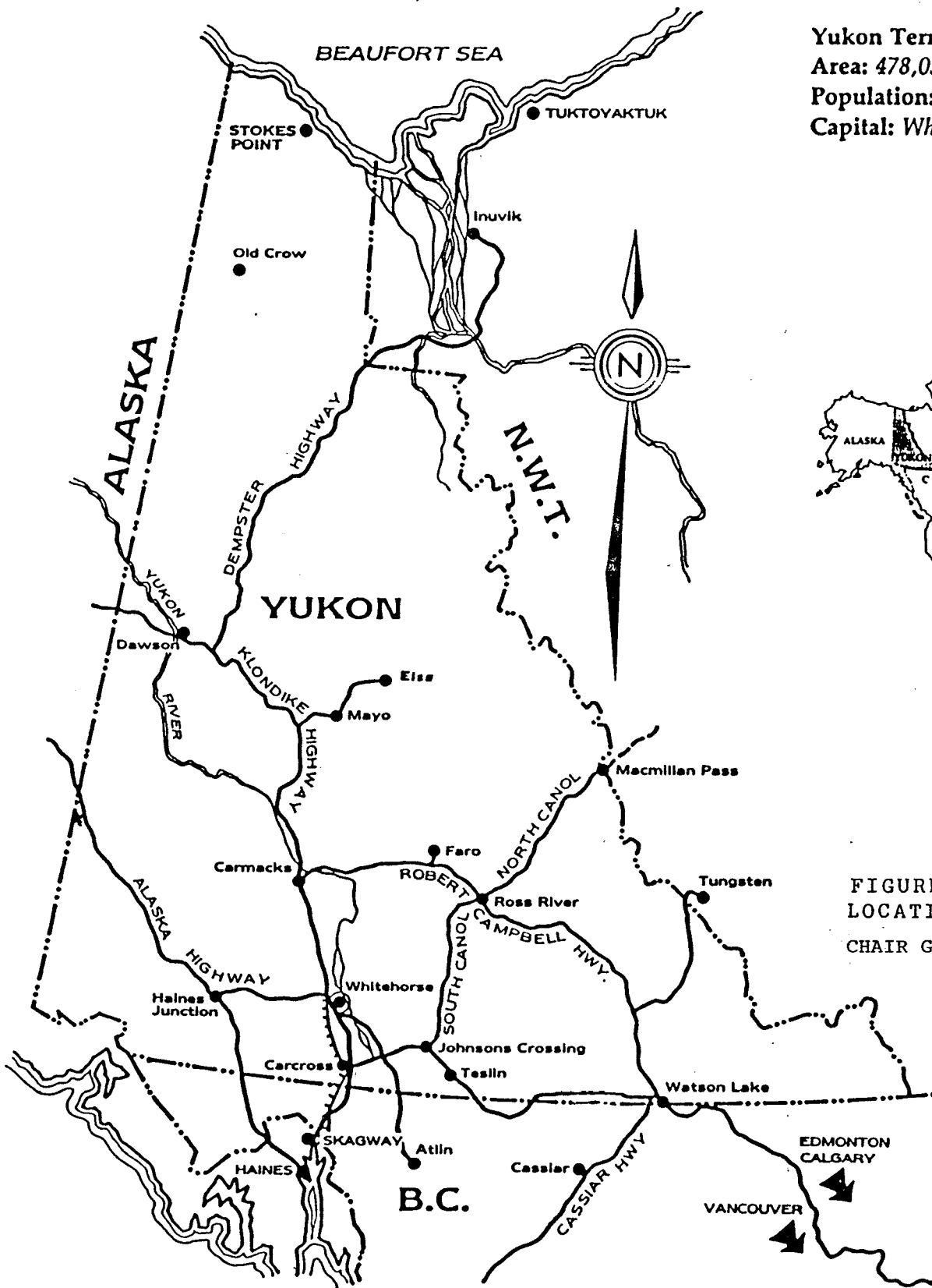
G. Harris of Whitehorse staked the CHAIR GOLD claims in April 1986.

G. Harris and the writer prospected the property in June and July 1986 and blasted several pits on quartz-carbonate veins in April 1987. This report describes the results of this preliminary exploration work.

LOCATION AND ACCESS

The CHAIR GOLD claims are located 25 km south of the town of Beaver Creek in western Yukon. Beaver Creek is situated on the Alaska Highway at Km 1970, 490 km northwest of Whitehorse, Yukon.

The claims are accessible via a gravel road which extends along Sanpete Creek from the Alaska Highway to the base of Chair Mountain, a distance of 12 km. The road also provides access to a sawmill and to several placer claims.



Yukon Territory
 Area: 478,034 sq. km.
 Population: 25,000
 Capital: *Whitehorse*

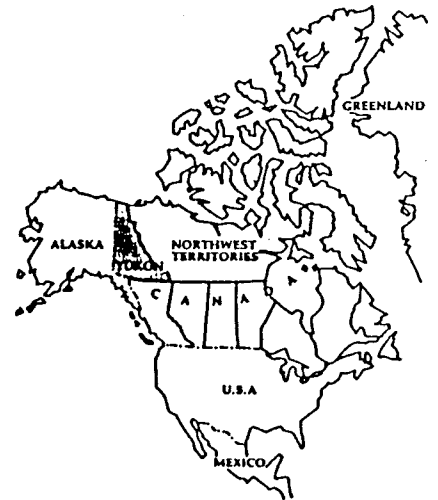


FIGURE 1
 LOCATION MAP
 CHAIR GOLD Claims

PHYSIOGRAPHY, CLIMATE, VEGETATION

The claims cover the summit and southern flank of Chair Mountain, lying between elevations of 1650 m (5400') and 1310 m (4300'). Sanpete Creek occupies a deep steep-sided valley. Narrow rocky gullies cut the main valley walls. The gossan zone lies at 1370 m (4500') on an open southerly facing slope at the head of a small stream. Outcrop is present on ridge tops and steep slopes.

The Beaver Creek area has a semi-arid subarctic climate with temperatures ranging between 25°C in summer and -50°C in winter. Precipitation averages 35 cm. Exploration is practical from May to late September.

Vegetation in the area consists of alpine grasses, and moss at higher elevations, while lower slopes feature black spruce, alder and willow. Permafrost is common.

PROPERTY

The property consists of 16 contiguous mineral claims located by G. Harris of Whitehorse and registered with the mining recorder in Whitehorse, Yukon. Figure 2 shows the claim plan, and property data is presented below.

Table I
Claim Data

<u>Claim Name</u>	<u>Record Number</u>	<u>Expiry Date (applied for)</u>
CHAIR GOLD 1-12	YA94380-YA94391	April 28, 1989
CHAIR GOLD 15-18	YA94392-YA94395	April 28, 1989

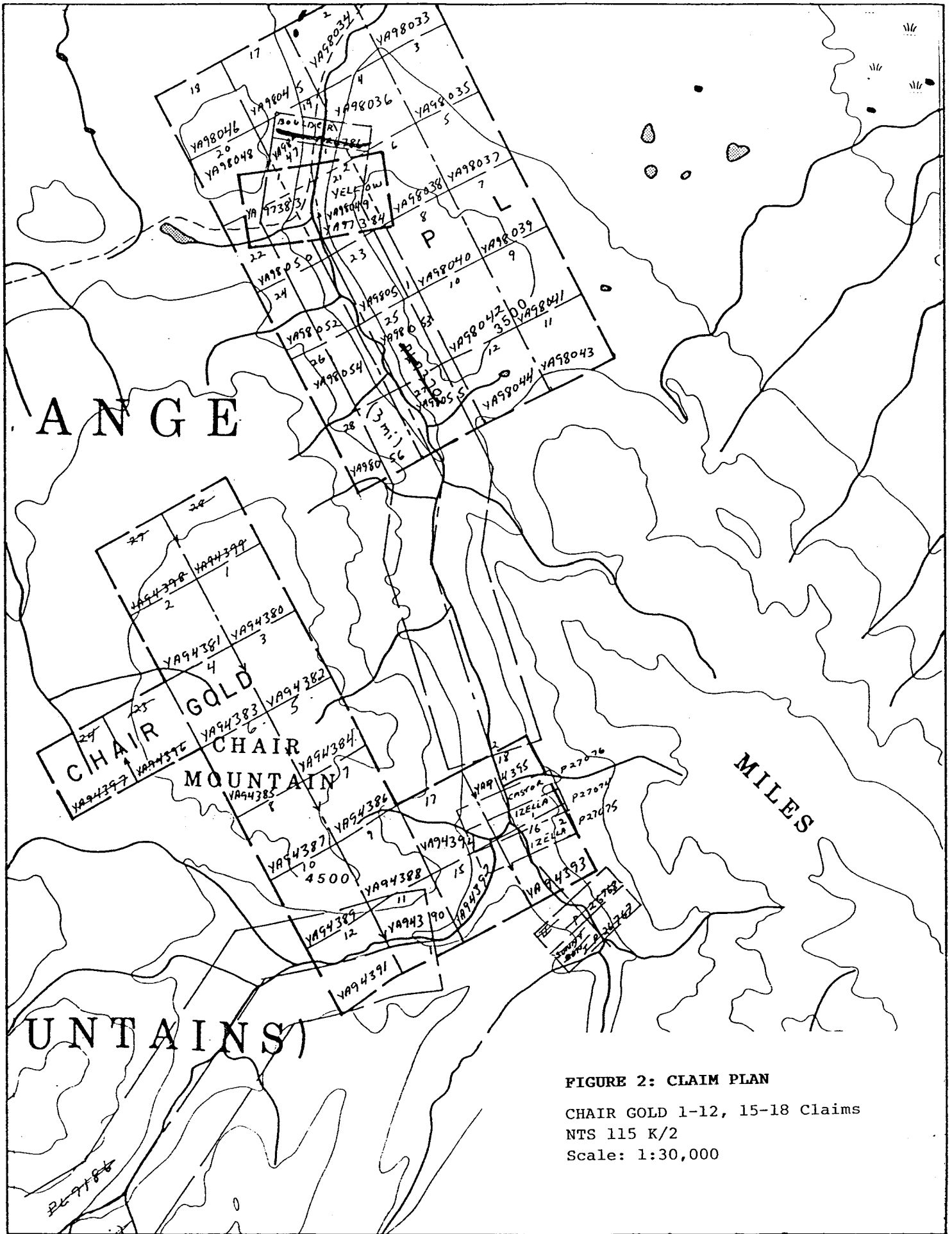


FIGURE 2: CLAIM PLAN

CHAIR GOLD 1-12, 15-18 Claims

NTS 115 K/2

Scale: 1:30,000

HISTORY OF EXPLORATION

The region was first explored in the early 1900's by prospectors looking for the sources of placer copper occurrences on the upper White River. One native copper deposit (Canyon City) was discovered in 1905. Limited development work uncovered several large tabular masses of native copper.

In the 1930's, placer miners were active on Sanpete, Pan and Gold Creeks. Old cabins and sluice boxes mark the areas that were mined.

In the 1950's, the Kluane Ranges were intensely explored for copper-nickel mineralization. Two deposits, Wellgreen and Canalask, were discovered and developed. Hudson Bay Mining and Smelting Company mined the higher grade Wellgreen deposit from 1959 to 1960. It contained a reported tonnage of 728,000 tons grading 2.05% nickel, 1.42% copper, 0.073% cobalt, 0.038 oz/ton platinum, 0.027 oz/ton palladium and 0.005 oz/ton gold. At the Canalask property, an ore body of similar tonnage was outlined but grades were considerably lower and no mining took place. Both properties are currently being re-evaluated for potential platinum deposits.

Northeast of Chair Mountain on the GOLD claims trenching in the 1960's uncovered copper in skarn. On Chair Mountain azurite and malachite stained quartz veins are exposed in several old blast pits. No records of previous exploration work on the property have been located. G. Harris (prospector) reports that quartz float samples collected on the south face of Chair Mountain in the 1960's contained up to 0.25 oz/ton gold. These values were not duplicated during the recent exploration program.

GEOLOGY

The Chair Mountain area is underlain by volcanic and sedimentary rocks of the Mississippian to Permian Station Creek Formation. Sills and lenses of ultramafic rock occur in the stratified units. The area lies southwest of the Denali Fault, a large crustal feature that extends through the Shakwak valley.

On the claims, strong argillic alteration zones lie along a north-westerly trending fault. The alteration zones contain up to 25% pyrite and form brilliant orange gossans. Surrounding rocks include black siltstone, carbonates, metasediments and porphyritic andesites and dacites. Quartz-feldspar porphyry dykes locally cut the metasedimentary rocks. On the small creek below the main gossan zone, altered gabbros(?) underlie the andesite and dacite porphyries. Also, a zone of cobble breccia outcrops along the fault zone at the confluence of the small creek with a larger tributary.

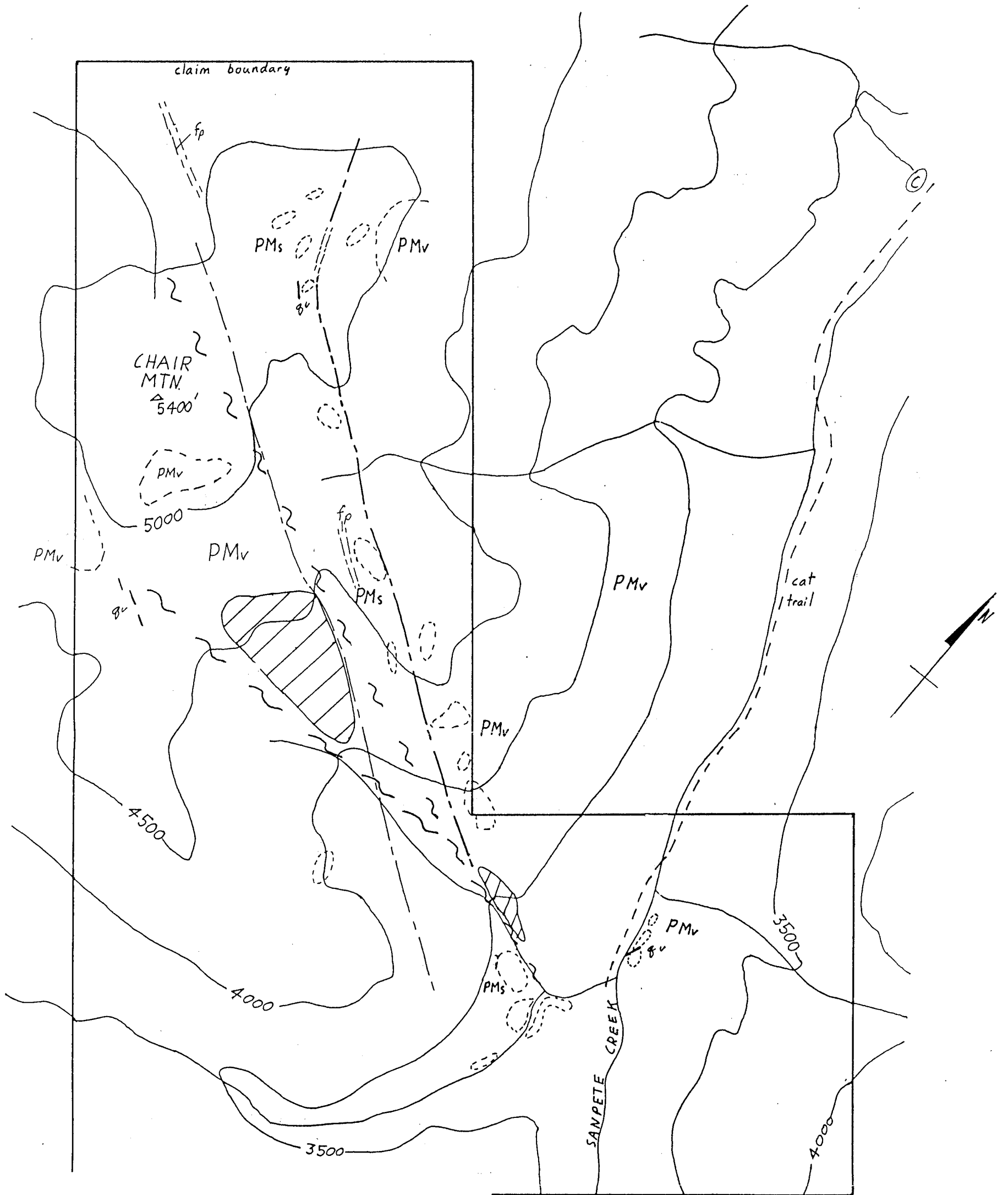
Figure 3 shows the preliminary geology.

Several old hand pits lie just south of the northern summit of Chair Mountain. They expose azurite and malachite stained quartz veins occurring in a silicified carbonate. Minor tetrahedrite and pyrite were the only visible sulphides. Quartz veins are common in the sedimentary rocks. Generally, they consist of massive white quartz with no visible sulphides.


On the east bank of Sanpete Creek, a 1.5 m wide quartz vein, striking east/west and dipping 60° south, occurs in andesite. Narrow subparallel quartz veins are present through 50 m of outcrop along the creek bank. These veins were the targets for the April 1987 blasting program.

Table II
Table of Formations
(after Templeman-Kluit, Map 16-1973)

CRETACEOUS (?)	Kgd	Hornblende biotite granodiorite
TRIASSIC (?)	PTRub	Ultramafic rocks: partly serpentized peridotite
PERMIAN AND/OR MESOZOIC	PMs	Sedimentary rocks: argillite, siltstone, greywacke, pebble conglomerate and minor limestone
	PMv	Volcanic rocks: green massive aphanitic basalt and related tuff and tuff breccia; bright orange gossans are common



LEGEND

- fp feldspar porphyry dykes
- PMs SEDIMENTARY ROCKS: argillite, siltstone, greywacke, pebble conglomerate and minor limestone
- PMv VOLCANIC ROCKS: green massive aphanitic basalt and related tuff and tuff-breccia, bright orange gossans, some gabbro
-  ALTERATION ZONE: gossanous pyrite quartz tuff, clay

SYMBOLS

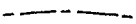

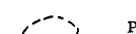

-  Geological contact
-  qv Quartz vein
-  PMs Outcrop
-  Fault

FIGURE 3: PRELIMINARY GEOLOGY

NTS 115 K/2

Scale: 1:10,000

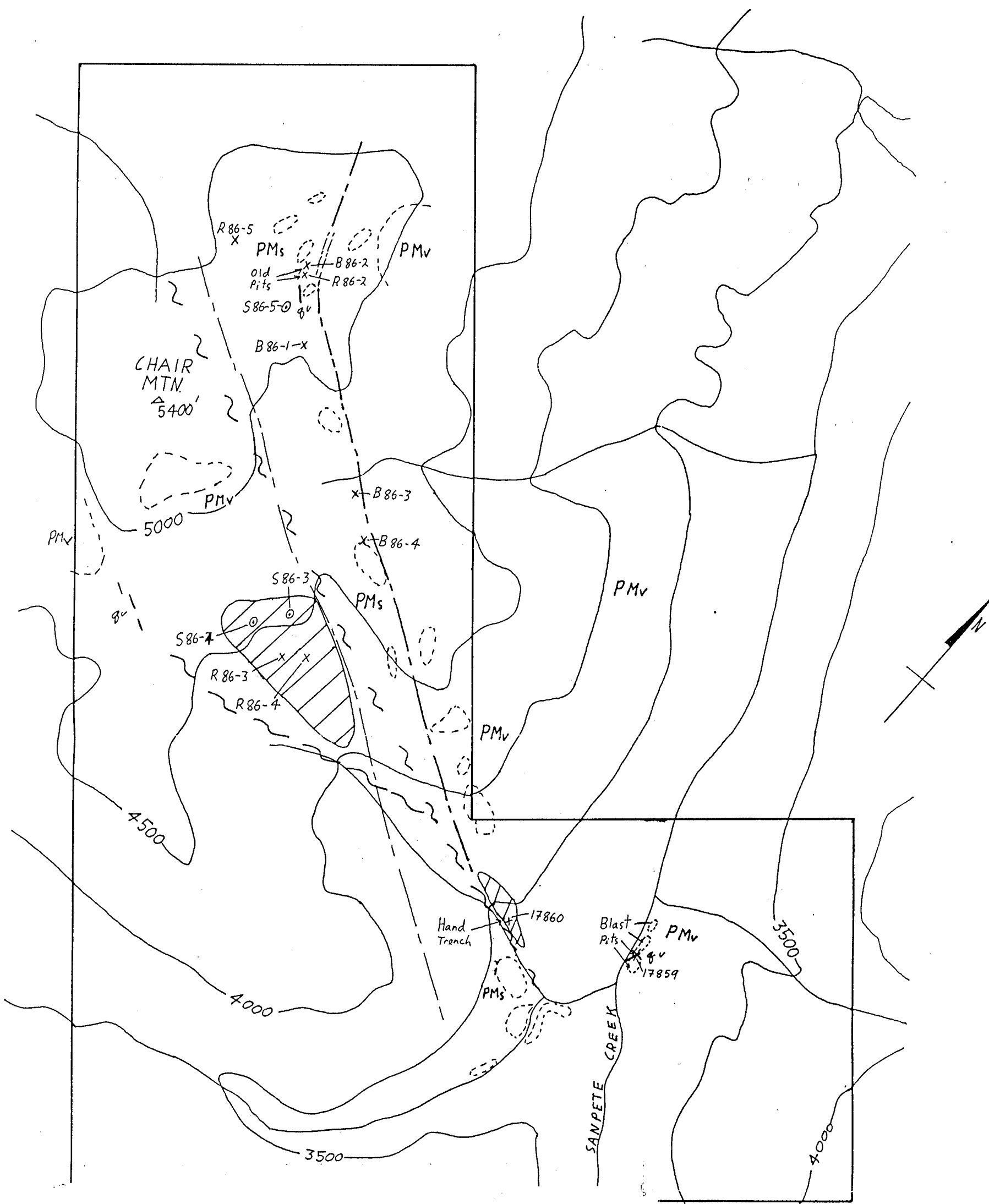
EXPLORATION PROGRAM

In July 1986, B. Harris, G. Harris and the writer prospected and mapped the CHAIR GOLD claims at a reconnaissance level. An existing camp on the adjacent GOLD claims was utilized for accommodation.

Eleven (11) rock and soil samples were collected and analyzed for Au-Ag-Cu-Zn-Ni-Hg. Two soil samples from the larger gossan zone recorded gold values of 15 and 85 ppb. The gossan zone consists of white to orange weathering (strong argillic alteration) porphyritic felsic volcanic rock cut by diorite dykes. The gossanous volcanics and diorite contain up to 5% pyrite and lie along a northwesterly trending fault zone marked by a steep sided gully. Figure 4 shows sample locations, values and descriptions.

On the northern peak of Chair Mountain, samples taken in old pits obtained silver values of 4.2 and 2.0 ppm. The pits contain malachite and azurite stained quartz veins hosted by carbonates.

In April 1987, G. Harris, R. Stack and the writer returned to the property to open up several quartz veins located along the east bank of Sanpete Creek. The largest blast pit (material moved 4m³) exposed a 1.5 m wide white quartz vein containing up to 5% sphalerite and minor galena. One chip sample, taken across the vein, obtained a gold value of 500 ppb. Three other pits blasted on narrower quartz veins were not sampled. The white quartz veins are steeply dipping with relatively little alteration of the greenstone wallrock.



Sample #	Type	Au ppb	Ag ppm	Cu ppm	Zn ppm	Ni ppm	Hg ppm	Sample Description
R 86-2	Rock	<5	2.0	5000	72	5	5	Grab, quartz vein, pyrite, azurite
R 86-3	Rock	<5	<0.2	120	20	20	20	Grab, altered rock from gossan
R 86-4	Rock	45	0.3	69	60	5	40	Grab, quartz pyrite from gossan
R 86-5	Rock	<5	<0.2	13	20	5	40	Quartz float, pyrite
S 86-3	Soil	15	0.7	124	116	10	20	
S 86-4	Soil	85	0.4	155	30	7	15	
S 86-5	Soil	5	0.6	335	134	77	30	
R2B 86-1	Rock	<5	2.4	-	-	-	-	Grab of qtz-carb. vein, malachite
R2B 86-2	Rock	<5	4.2	-	-	-	-	Grab of qtz-carb. vein, tetrahedrite
R2B 86-3	Rock	<5	0.4	-	-	-	-	Grab of qtz-feld. dyke
R2B 86-4	Rock	<5	0.2	-	-	-	-	Grab of qtz. vein, minor pyrite
17859	Rock	500	9.4	-	12,500	-	-	Grab from 1.5 m wide qtz vein: sphalerite, minor galena
17860	Rock	5	-	-	-	-	-	Pyritic qtz-feldspar tuff

FIGURE 4:
SAMPLE LOCATIONS AND DESCRIPTIONS
 NTS 115 K/2
 Scale: 1:10,000

DISCUSSION AND RECOMMENDATIONS

Prospecting and sampling on the CHAIR GOLD claims have located several strong gossan zones, associated with northwesterly trending faults, which so far have returned relatively weak gold values. The main gossan zone features intense argillic alteration and pervasive pyritization, and is exposed over an area of 200 x 400 m. This gossan zone should be examined in detail during future exploration work.

Geophysical and geochemical surveys on a closely-spaced grid are recommended as a first phase. Follow-up trenching should be undertaken on any anomalous zones.

Sanpete Creek contains economic quantities of placer gold and platinum. Rock and soil samples from the gossan zones and nearby gabbroic (?) rocks on Chair Mountain should be analyzed for platinum group elements and gold.

STATEMENT OF COSTS

Personnel (July 1 - July 4, 1986)

G. Davidson (geologist): 2 days @ \$200/day	\$ 400.00
G. Harris (prospector): 2 days @ \$150/day	300.00
B. Harris (prospector): 2 days @ \$150/day	300.00

Personnel (April 25 - April 28, 1987)

G. Davidson (geologist): 1 day @ \$200/day	200.00
G. Harris (prospector): 3 days @ \$150/day	450.00
R. Stack (prospector): 3 days @ \$150/day	450.00

Analyses 12 rock and soil samples (Bondar-Clegg) 128.80

Expenses 4x4 truck: 8 days @ \$50/day 400.00
Gas 300.00
Camp and supplies: 10 mandays @ \$35/day 350.00
Cobra drill and explosives 175.00

TOTAL COSTS \$3,453.80

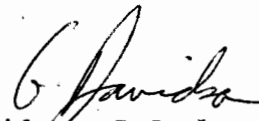
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CERTIFICATE

I, **GRAHAM DAVIDSON**, of the City of Whitehorse in the Yukon Territory,
HEREBY CERTIFY:

1. That I am a consulting geologist and that I supervised and participated in the work program described in this report.
2. That I am a graduate of the University of Western Ontario (H.B.Sc., Geology, 1981).
3. That I am registered as a Professional Geologist by the Association of Professional Engineers, Geologists and Geophysicists of Alberta (#42308).
4. That I have been engaged in mineral exploration on a full and part time basis for seven years, of which five have been spent in the Yukon, Northwest Territories and British Columbia.

SIGNED at Whitehorse, Yukon, this 30th day of September 1987.



G. S. Davidson, P.Geol.

REFERENCES

Templeman-Kluit: Map 16 - 1973, Geology of the SNAG Map Sheet.

Kikuchi Toru: 1969, Preliminary Geological Report on the
Gold Group, Whitehorse, M.D., Yukon Territory.

APPENDIX I

CERTIFICATES OF ANALYSES



REPORT: 126-2406

PROJECT: CHAIR GOLD

PAGE 1

SAMPLE NUMBER	ELEMENT UNITS	CU PPM	ZN PPM	AG PPM	NI PPM	HG PPB	AU PPB
S1 3CG		124	116	0.7	10	20	15
S1 4CG		155	30	0.4	7	15	85
S1 5CG		335	134	0.6	77	30	5
R2 86-2CG		5000	72	2.0	5	5	<5
R2 86-3CG		120	20	<0.2	20	20	<5
R2 86-4CG		69	60	0.3	5	40	45
R2 86-5CG		13	20	<0.2	5	40	<5

Bondar-Clegg & Company Ltd.
130 Pemberton Ave.
North Vancouver, B.C.
Canada V7P 2R5
Phone: (604) 985-0681
Telex: 04-352667



Geochemical
Lab Report

REPORT: 126-2800

CHAIR GOLD
PROJECT: ~~NONE GIVEN~~

PAGE 1

SAMPLE NUMBER	ELEMENT UNITS	Ag PPM	Au PPB
R2 B-86-1		2.4	<5
R2 B-86-2		4.2	<5
R2 B-86-3		0.4	<5
R2 B-86-4		0.2	<5



REPORT: 127-2976

PROJECT: NONE GIVEN PAGE 1

SAMPLE NO	BER	ELEMENT UNITS	CU PPM	ZN PPM	AG PPM	NI PPM	AU PPB	
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R2	17852							
R	17853							
R	17854							
R2	17859		12500	9.4			500	} CHAIR GOLD CLAIMS
R	17860						5	

R2	17861							
R2	17862							