

MAP NO.: ASSESSMENT REPORT X
105 C 1 PROSPECTUS
CONFIDENTIAL X
OPEN FILE

DOCUMENT NO: 092863
MINING DISTRICT: WATSON LAKE
TYPE OF WORK: Soil Sampling
Geophysics

REPORT FILED UNDER: A. W. Hyde

DATE PERFORMED: August 31 - September 10, 1989

DATE FILED: Aug 16, 1990

LOCATION: LAT.: 60°00'N

AREA: Morley River

LONG.: 132°12'W

VALUE \$: 13 311

CLAIM NAME & NO.: HYDER 1-4
HYDER 9-36

WORK DONE BY: G. S. Davidson

WORK DONE FOR: A. W. Hyde

DATE TO GOOD STANDING:

REMARKS: Work was done to investigate coincident copper showings and aeromagnetic anomalies on the Morley River. Paleozoic metaseds are intruded by Cretaceous granites. The magnetometer survey outlined four strong anomalies. Copper mineralization occurs in quartz biotite gneiss. Rock analysis returned values from 1524 to 2111 ppm. Samples of magnetite skarn returned background values.



M.R. file no.
R.M.M.R. file no.
Date forwarded 14 Aug 90

TRANSMITTAL FORM

From ► Mining Recorder at: Wabunan Lake

To ► Regional Manager, Mineral Rights at Whitehorse, Y.T.

For action are:

NEW APPLICATION FOR PLACER LEASE TO PROSPECT

Name

RENEWAL APPLICATION PLACER LEASE TO PROSPECT

Name

AFFIDAVIT OF EXPENDITURE ON PLACER LEASE

Name

SECURITY DEPOSIT

FINANCIAL ABILITY

ASSIGNMENT OF PLACER LEASE NO.

From

To

GROUPING APPLICATION UNDER SEC. 52(2) PLACER MINING ACT.

Owner

DIAMOND DRILL LOGS

Claims

Claim sheet no.

QUARTZ ASSESSMENT REPORT

Claims

Claim sheet no.

Type of report

Submitted by

Cls. work performed on

\$ req. for ren. application

Hyder 1-49-36 YB16328 to YB16359

105-C-01

Exploration Report - VLF/mg

Yukon Engineering Services

Hyder 15, 19, 23, 25, 30, 32

12,800.00

Signature

Date returned

REPLY ACTION

approved Aug 31/90
13,311

Signature

EXPLORATION REPORT
on the

HYDER 1-4, 9-36 CLAIMS
(YB16328-YB16359)
NTS 105 C-1

Lat. 60 00'N, Long. 132 12'W
Watson Lake Mining District



CONFIDENTIAL

092863

For: Mr. A.W. Hyde
1201 Grove St.
Whitehorse, Yukon

By: G.S. Davidson, P. Geol.
17-4078 Fourth Ave.
Whitehorse, Yukon
Y1A 4K8

October, 1989
This report has been examined by the Geological Evaluation Unit (Section 23 (3) Yukon Quartz) and is allowed as work in the amount requested.



For the Geological Evaluation Unit
noted for Commission

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 \$ 13,311.

D. J. Quilley
for Regional Manager, Exploration and
Geological Services for Commissioner
of Yukon Territory.

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INTRODUCTION

Mr. A.W. Hyde engaged the writer and R. MacIntyre of Yukon Engineering Services to stake and investigate coincidental copper showings and aeromagnetic anomalies on the Morley River in the southcentral Yukon. Initially, thirty-two claims were staked, centering on a sinuous canyon on the Morley River. After recording the claims in Watson Lake, an exploration program consisting of grid development, geophysical surveys, preliminary geochemistry and prospecting was performed.

LOCATION AND ACCESS

The claims are located near the Morley River Lodge between the B.C.-Yukon border and the Alaska Highway approximately 35 km southeast of the village of Teslin and 275 km from Whitehorse. Geographical coordinates are 60 00' north and 132 02' west on NTS Map Sheet 105 C-1. Figures 1 & 2 show the property location.

The Alaska Highway passes through the north edge of the Hyder claims providing excellent access to the property. An inflatable raft and fixed rope was used to access claims on the south side of the Morley River.

PHYSIOGRAPHY, VEGETATION AND CLIMATE

The southeast corner of the Teslin map sheet is generally low lying with rounded hills reaching a maximum elevation of 1500 m. The area is dominated by Teslin Lake, at 100 km long and averaging 3 km in width it is one of the largest lakes in northwestern Canada.

The claims lie between Morley Lake and Teslin Lake on the Morley River. Thick glacial deposits and benches are cut by the Morley River forming a narrow steep sided valley. The Hyder claims cover moderately steep river valley walls and a 400 m long rock canyon. In the centre of the canyon the 10 m wide river passes through rock walls approximately 20 m high. Steep scarps of glacial till are actively eroding into the river, above and below the canyon.

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

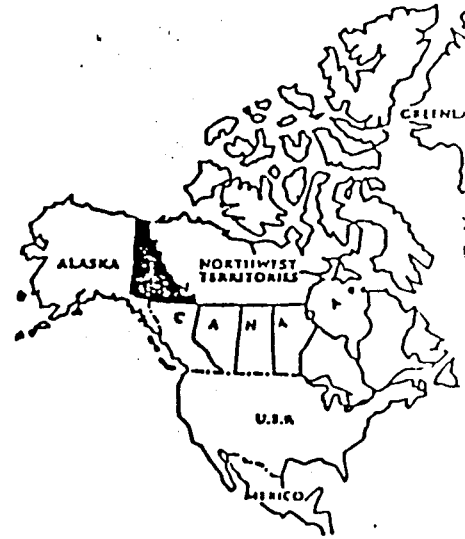
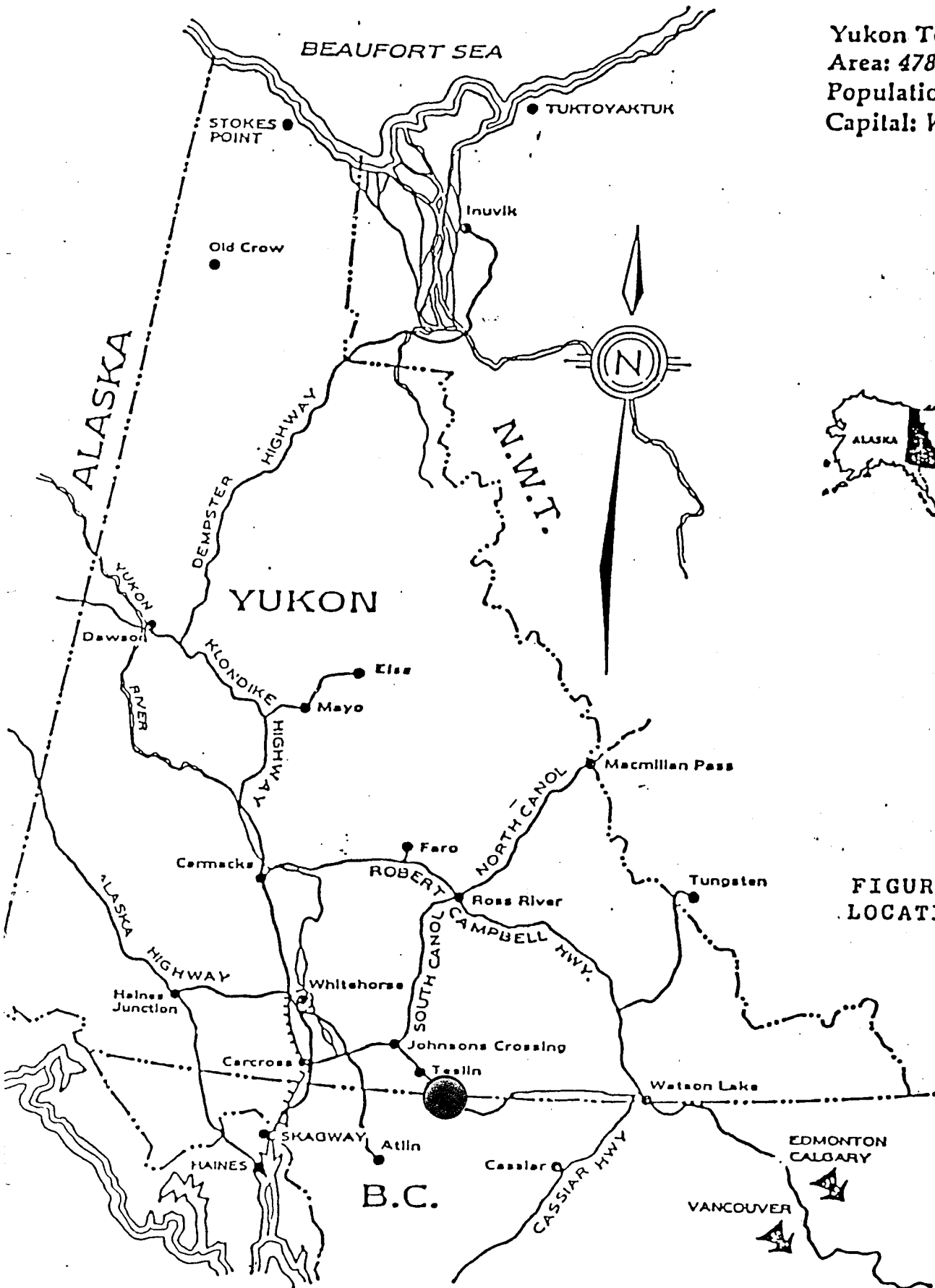


FIGURE 1
 LOCATION MAP

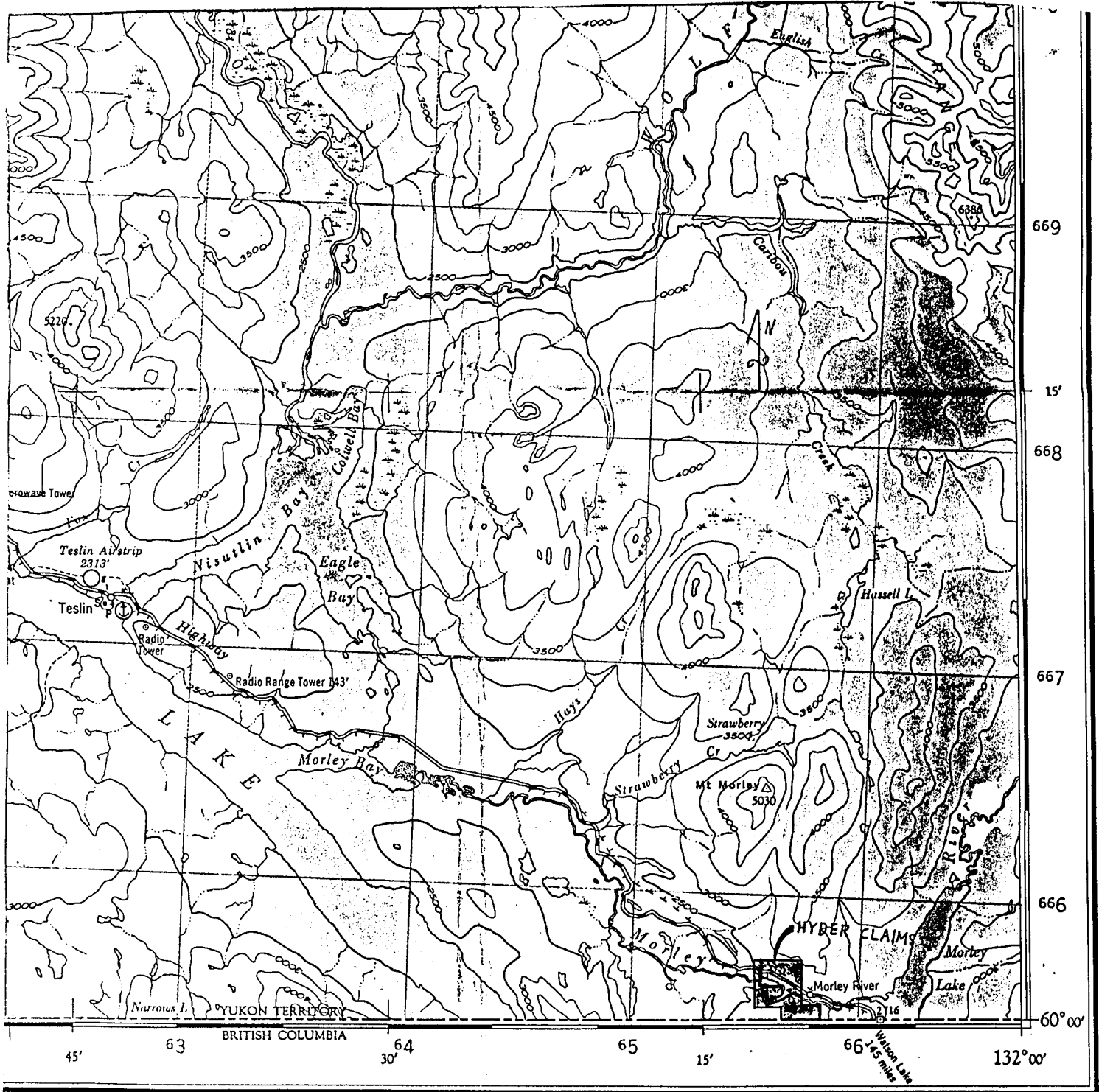


Figure 2 - REGIONAL MAP
 NTS 105 C Scale 1:250,000

North of the Morley River, vegetation consists of spruce and pine forest with thick buckbrush. Glacial benches on the south side of the river are fairly open with spruce and pine trees.

Annual precipitation in the Teslin area averages 40 cm and summer temperatures average 15 C. At low elevations exploration is possible on a year round basis.

PROPERTY DATA

The Hyder 1-4, 9-36 mineral claims are registered with the district mining recorder in Watson Lake, Yukon. The claims were staked by R. MacIntyre on behalf of Mr. A.W. Hyde of Whitehorse. Figure 3 shows the claim plan and claim data is listed in Table 1.

TABLE 1

CLAIM DATA

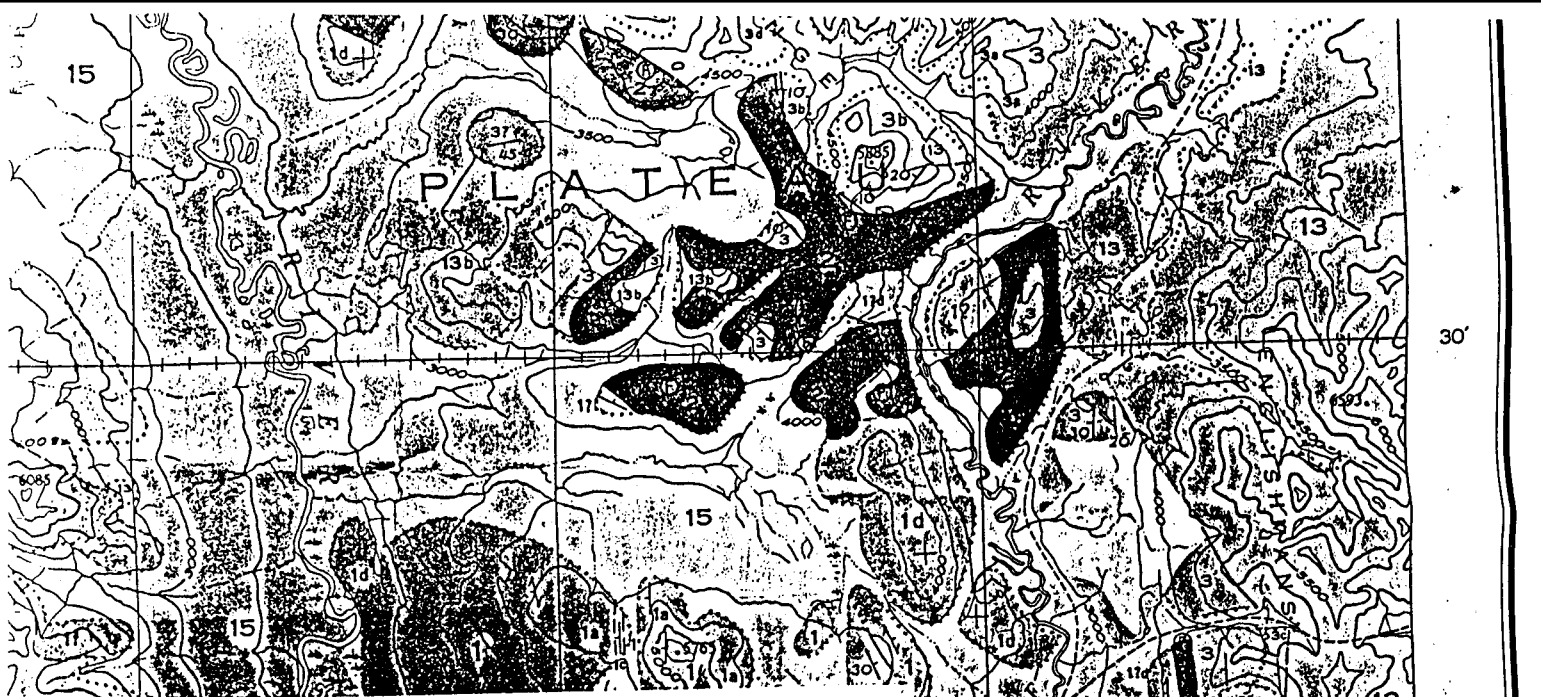
Claim Name	Grant Numbers	Recording Date	Expiry Date
Hyder 1-4		August 30, 1989	August 30, 1990
Hyder 9-36		August 30, 1989	August 30, 1990

REGIONAL GEOLOGY

East of Teslin Lake, the area is underlain by the Yukon Cataclastic Complex, an assemblage of mainly Paleozoic metasediments intruded by granitic Coast Intrusions of Cretaceous age. The metasediments consist of quart-mica schist and gneiss, and quartzite. Figure 4 shows the regional geology.

EXPLORATION HISTORY



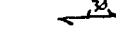
This part of the Yukon has seen little mineral exploration of record. Old claim posts and claim lines indicate that the area of the Hyder claims has been previously staked. The target appears to have been several massive magnetite lenses and copper stained rocks which outcrop in the canyon walls. Partially discernable writing on the old posts record the Otter claims, first staked in the 1950's and again in the 1960's. The old claim line runs along the north rim of the canyon. No physical evidence of previous work was seen and no assessment data was found.



LEGEND

- 15 Quaternary
Drift and alluvium
- 13 Cretaceous
Coast Intrusions
Granite, granodiorite
- 7 Permian &/or Triassic
Volcanic and metavolcanics
- Mississippian
Englishman Group
- 3 Argillaceous quartzite
- 2 Limestone
- Mississippian or Earlier
Big Salmon Complex
- 1 Schist, gneiss, quartzite,
greenstone, limestone

SYMBOLS

- Geological contact 
- Bedding 
- Schistosity 

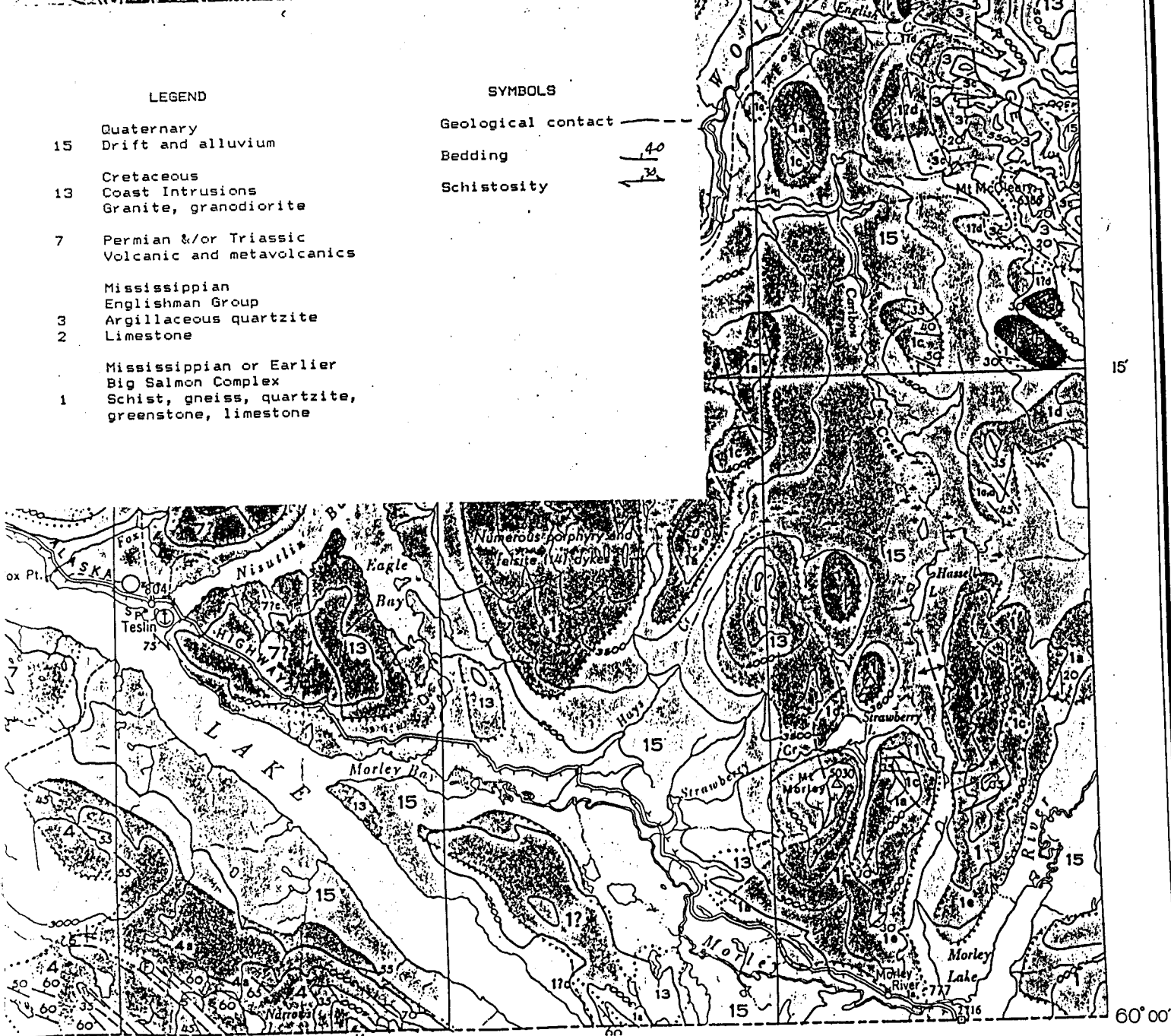


Figure 4 - GEOLOGY
NTS 105-C Scale 1:250,000

RECENT EXPLORATION

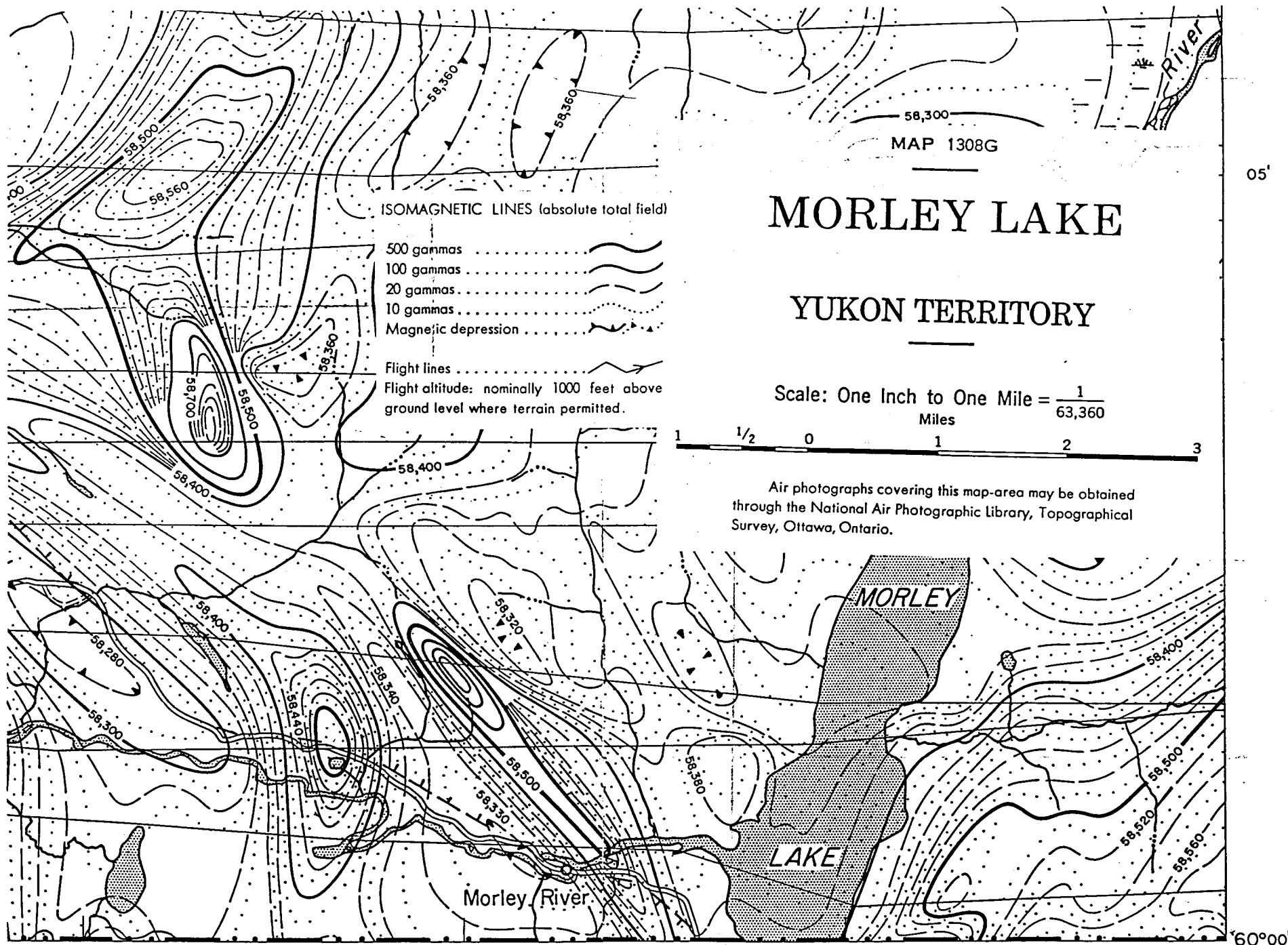
Exploration was undertaken on the claims from August 31 to September 10, 1989. Initially the magnetite and copper showings had to be relocated as Mr. Hyde had not visited the area in twenty years. Preliminary prospecting targeted aeromagnetic anomalies along the Morley River (see Figure 5). The magnetite occurrences were located on the second day of traverses. A 1 km cut baseline orientated north-south was established 100 m east of the canyon and 150 m east of the main magnetite lense. A total of 9.3 km of crosslines were run from 100 m centres on the baseline. The crosslines were slashed out as buckbrush was fairly thick in the grid area.

An EDA Omni Plus combination VLF and Magnetometer was utilized on the grid. Readings were taken at 25 m stations. Initially magnetometer readings were taken along a tie baseline and corrected for daily magnetic deviation. Then, crosslines were walked in sequence, starting and returning to the baseline in a loop pattern. The EDA instrument automatically corrects the magnetometer readings during the data printout.

The VLF-EM survey was performed using frequencies transmitted from Annapolis, Maryland (21.4 KHz) and Cutler, Maine (24.0 Khz). The orientation of these signals was best suited for the survey area.

A contour magnetometer map of the Hyder grid is presented in Figure 7 and profiles of each line are presented in Appendix 1. The total magnetic field ranges from 58,000 gammas to over 61,000 gammas. Four highly magnetic areas with a north-south orientation were outlined by the survey. The strongest anomaly is located at grid L16+00N, 9+50E. The anomalies outline massive magnetite lenses occurring in quartz muscovite schist and quartzite. The anomalies are concentrated around the canyon where overburden is minimal. Southern and northern parts of the grid show little magnetic variation, possibly due to thick glacial deposits.

The VLF-EM survey delineated north-south anomalies coincident with the magnetic highs. The data was difficult to interpret because of the effects of rugged topography on the readings.



58,300
MAP 1308G

MORLEY LAKE

YUKON TERRITORY

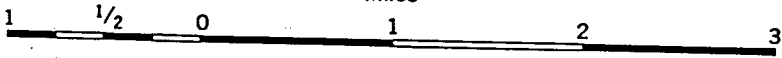
ISOMAGNETIC LINES (absolute total field)

- 500 gammas
- 100 gammas
- 20 gammas
- 10 gammas
- Magnetic depression

Flight lines

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

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



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

05'

60°00'

COLUMBIA

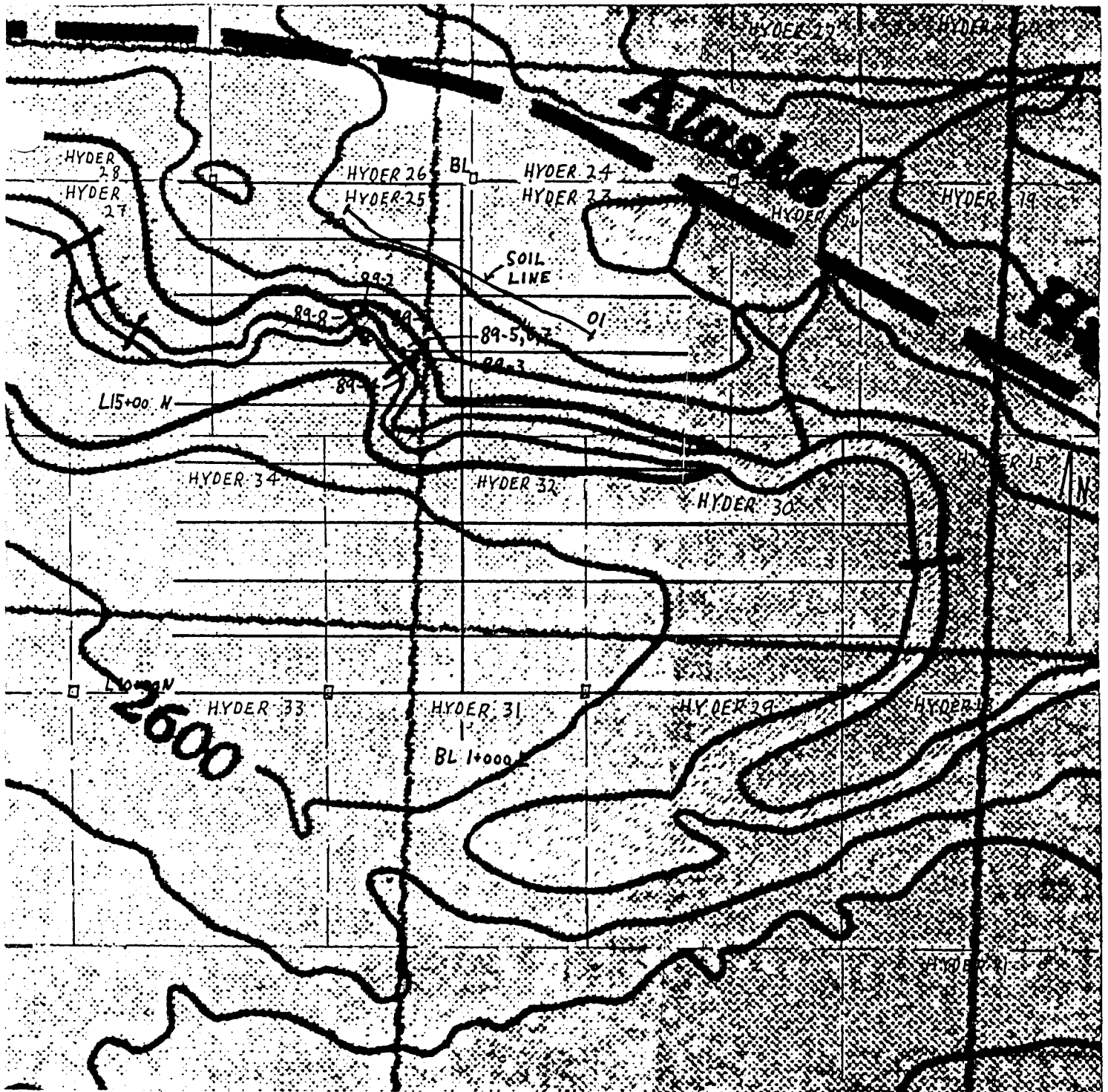
15'

10'

Figure 5 - AEROMAGNETIC MAP

132°00'

NTS 105 C-1 Scale 1:50,000



Sample	ppb Au	ppm Ag	ppm Cu	ppm Pb	ppm Zn
8923-01	24	<0.1	22	20	161
8923-02	13	0.6	13	12	76
8923-03	13	1.1	11	7	56
8923-04	13	0.2	8	<1	78
8923-05	19	0.5	5	11	59
8923-06	18	1.1	7	13	41
8923-07	20	0.5	10	4	58
8923-08	18	1.2	9	1	101
8923-09	21	1.9	12	5	55
8923-10	23	0.7	10	4	77
8923-11	21	1.4	7	11	78
8923-12	28	0.6	8	15	93
8923-13	26	0.6	9	3	71
8923-14	23	1.8	7	10	42
8923-15	13	1.7	4	15	77
8923-16	13	0.5	9	22	40
8923-17	20	0.6	2	32	86
8923-18	25	0.1	6	14	44
8923-19	17	0.4	6	<1	45
8923-20	19	<0.1	5	<1	52

ARRIÈRE DU

Figure 6 - PROPERTY MAP
Scale 1:10,000

Eight rock and twenty soil samples were collected on the north side of the Morley River. Soil samples were collected at 25 m intervals, on a contour line starting at grid coordinates 1225E 1635N. The location of the contour line and the soil sample numbers are shown in Figure 6. All samples were analyzed for Au-Ag-Cu-Pb-Zn-W by Northern Analytical Laboratories Ltd. in Whitehorse. Certificates of analyses are presented in Appendix 2. The rock sample locations and grid map are also shown in Figure 6. Table 2 lists rock sample descriptions and values.

Pyrite and chalcopyrite bearing gneiss and skarn carried significant copper values (1151-2111ppm). The mineralization appears to occur in gneissic bands in the quartz muscovite schist and in magnetite skarn. One, 1-2 m wide gneissic zone, heavily stained by limonite outcrops over a 20 m length. Sample 89-2, a grab sample from this zone contained 20 % pyrite and produced a copper value of 1151ppm.

Samples 89-5&6 were collected from pyritic magnetite skarn on the margin of a massive magnetite lense. They returned copper values of 1524 & 2111ppm respectively. Samples of massive magnetite produced background values. In outcrop the magnetite lenses are up to 3 m wide, have a northwesterly strike and dip 60-80 deg. southeast. Tetrahedral crystals of magnetite up to 5 mm in length are disseminated through massive fine-grained magnetite with accessory quartz and pyrite.

Areas of heavy malachite and azurite staining in the canyon were not accessible for sampling in the summer. These outcrops are fairly extensive and warrant investigation. Access may be possible in winter along the river ice.

CONCLUSIONS

Aeromagnetic anomalies on the Morley River are due to massive magnetite lenses in quartz muscovite schist.

The ground magnetometer survey has outlined four strong anomalies near the canyon. Elsewhere overburden is thick.

Copper mineralization occurs in quartz biotite gneiss and magnetite skarn. The potential for significant copper-skarn type mineralization in the Morley River area is fairly high. However the mineralization sampled to date is low grade and patchy.

The most promising showings were not sampled; malachite and azurite stained outcrop in the canyon were not accessible.

TABLE 2

ROCK SAMPLE DESCRIPTIONS AND VALUES

Sample Number	Type	Description	Au PPB	Ag PPM	Cu PPM	Pb PPM	Zn PPM
89-1	grab	Massive fine-grained steel grey-blue magnetite, minor pyrite, quartz and limonite	18	0.3	22	<1	24
89-2	grab	Quartz-feldspar-biotite gneiss, 10% pyrite, limonite	25	0.5	1151	4	40
89-3	grab	Massive fine-grained magnetite, some quartz minor pyrite	19	<0.1	7	1	2
89-4	grab	Banded quartz-feldspar-biotite gneiss and calc-silicate skarn, 10% pyrite	15	<0.1	37	3	38
89-5	grab	Fine-grained, siliceous magnetite skarn, 2% pyrite, minor chalcopyrite	28	0.9	1524	9	8
89-6	grab	Banded, fine-grained magnetite skarn, minor pyrite and chalcopyrite	17	2.5	2111	9	40
89-7	grab	Massive, fine-grained magnetite skarn, dissem. 5mm long magnetite crystals	<5	0.7	123	16	26
89-8	grab	Fine-grained steel blue magnetite, limonite	<5	0.1	317	10	26

RECOMMENDATIONS

More intensive prospecting, geological mapping and rock sampling are necessary along the canyon walls to properly evaluate potential copper mineralization. Detailed sampling of this area may be possible in winter.

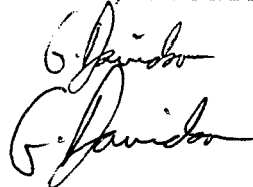
CERTIFICATE

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

1. That I am a consulting geologist and that I performed the work program described in this report.
2. That I am a graduate of the University of Western Ontario (H. BSc., Geology, 1981).
3. That I am registered as a Professional Geologist by the Association of Professional Engineers, Geologists & Geophysicists of Alberta (No. 42038).
4. That I have been engaged in mineral exploration on a full time basis for nine years in the Yukon and Northwest Territories, and British Columbia.

SIGNED at Whitehorse, Yukon this 30th day of October, 1989.

G.S. DAVIDSON, P.Geol.

Handwritten signature of G.S. Davidson in cursive script, appearing as two overlapping lines of text.

COST STATEMENT

Morley River Exploration

A. Yukon Engineering Services Job # 8923

For: Mr. A.W. Hyde
Hyder 1-4; 9-36 105 C
August 31 to September 17, 1989

1.	Sub contract geologist - G. Davidson 14.5 days @ \$300.00/day	\$ 4,350.00
2.	Yukon Engineering Services - line cutting, magnetometer and VLF geophysical survey, prospecting and soil/rock sampling 2.1 Fees: 17 days @ \$350.00/day	5,950.00
	2.2 Disbursement (boat rental, food, etc.)	1,786.00
3.	Northern Analytical Laboratory - assay costs	587.00
	Sub Total:	<u>\$12,673.00</u>

B. Yukon Engineering Services Job # 90-04

Hyder No. 30 105 C1

May 1, 1990

1.	Prospecting and sampling R. Slade & R. McIntyre 1 day	638.90
	Total	<u>\$13,311.00</u>

REFERENCES

Mulligan, R. (1963), Geology of the Teslin Map Area,
Geological Survey of Canada

APPENDIX 2-Certificates of Analyses

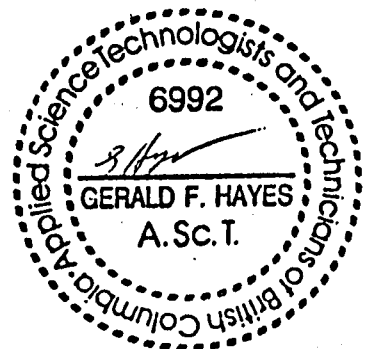
August 31, 1989

Rob McIntyre
Yukon Engineering Services
204C Main St.
Whitehorse, Yukon

ASSAY CERTIFICATE FOR SAMPLES PROVIDED

WORK ORDER # 29149A

Sample	ppb Au	ppm Ag	ppm Cu	ppm Pb	ppm Zn
89-1	18	0.3	22	<1	24
89-2	25	0.5	1151	4	40
3-3	19	<0.1	7	1	2
89-4	15	<0.1	37	3	38
89-5	28	0.9	1524	9	8
89-6	17	2.5	2111	9	40
89-7	<5	0.7	123	16	26
89-8	<5	0.1	317	10	26



August 31, 1989

Rob McIntyre
Yukon Engineering Services
204C Main St.
Whitehorse, Yukon

ASSAY CERTIFICATE FOR SAMPLES PROVIDED

WORK ORDER # 29149A

Sample	ppb Au	ppm Ag	ppm Cu	ppm Pb	ppm Zn
8923-01	24	<0.1	22	20	161
8923-02	13	0.6	13	12	76
8923-03	13	1.1	11	7	56
8923-04	13	0.2	8	<1	78
8923-05	19	0.5	5	11	59
8923-06	18	1.1	7	13	41
8923-07	20	0.5	10	4	58
8923-08	18	1.2	9	1	101
8923-09	21	1.9	12	5	55
8923-10	23	0.7	10	4	77
8923-11	21	1.4	7	11	78
8923-12	28	0.6	8	15	93
8923-13	26	0.6	9	3	71
8923-14	23	1.8	7	10	42
8923-15	13	1.7	4	15	77
8923-16	13	0.5	9	22	40
8923-17	20	0.6	2	32	86
8923-18	25	0.1	6	14	44
8923-19	17	0.4	6	<1	45
8923-20	19	<0.1	5	<1	52



INDISH ANALYTICAL LABORATORY LTD.

2225 S. Springer Ave., Burnaby,
British Columbia, Can. V5B 3N1
Ph:(604)299-2560 Fax:299-6252

CERTIFICATE OF ANALYSIS

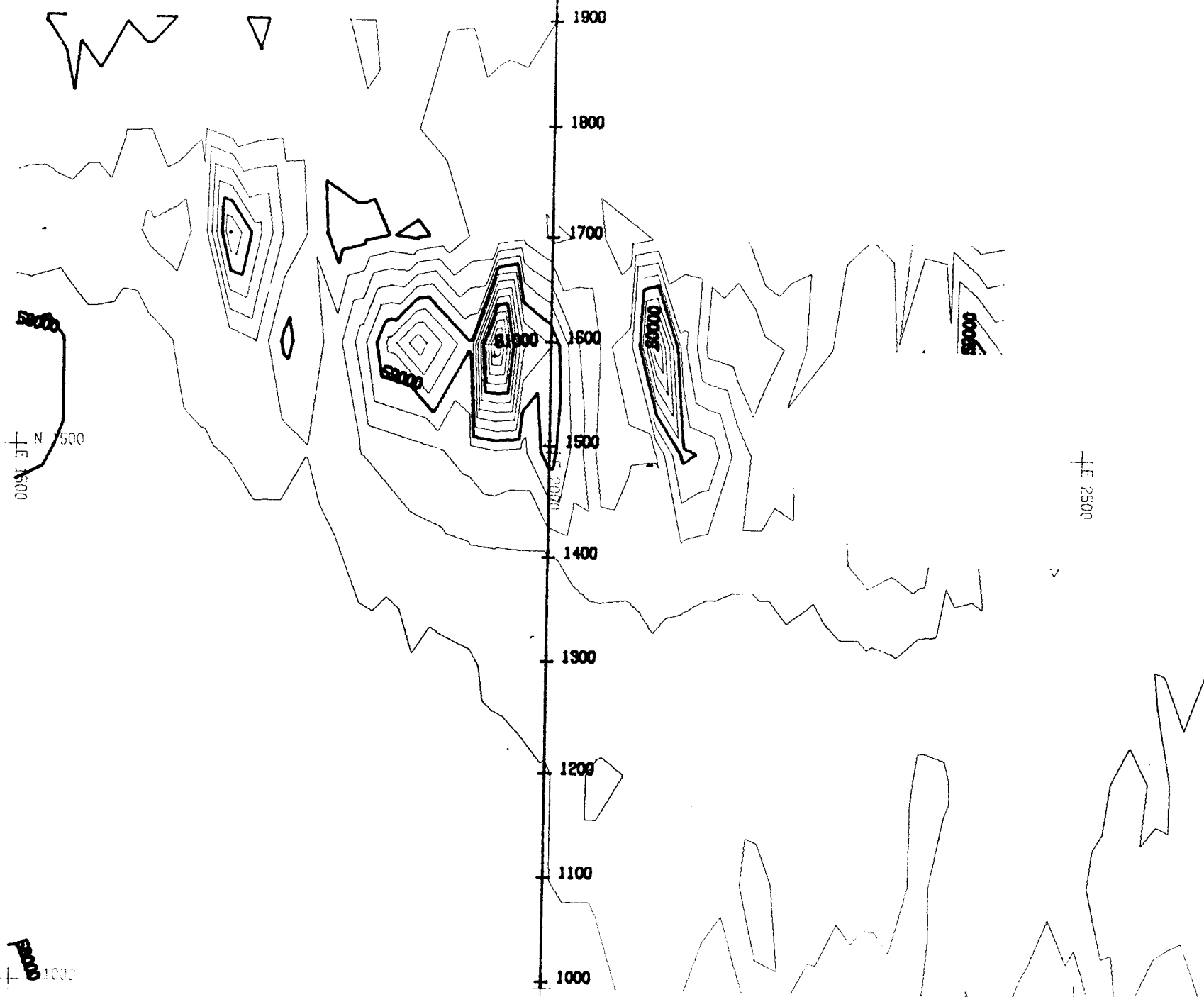
NORTHERN ANALYTICAL LAB LTD
105 COPPER ROAD
WHITEHORSE, YT
CONTACT : 29149
TYPE OF ANALYSIS : ICP

CERTIFICATE # : 890901B2
INVOICE # : SEP89
DATE ENTERED : 89\09\07
FILE NAME : ICP901B2
PAGE # : 1

SAMPLE NAME	PPM W
89-1	1
2	1
3	1
4	1
5	1
6	1
7	10
8	1
8923-1	1
2	5
3	10
4	1
5	1
6	1
7	1
8	1
9	1
10	2
11	5
12	5
13	1
14	5
15	1
16	1
17	10
18	2
19	15
20	1

CERTIFIED BY : Wang

+ N 2000



+ N 1500
+ E 1500

+ 1000

+ E 2500

+ E 3000

MORLEY RIVER PROJECT		
SCALE: 1:1,000	APPR. BY:	DRAWN BY: RLM
DATE: 09/08/25	R.L. MCINTYRE, C.E.T.	REV:
TOTAL FIELD MAGNETOMETER SURVEY		
YUKON ENGINEERING SERVICES	DRAWING NO. 1	