MAP NO.:	**ASSESSMENT REPORT**	X	**DOCUMENT NO:** 092909
	PROSPECTUS		**MINING DISTRICT:** WATSON LAKE
105 H 7	**CONFIDENTIAL**	X	**TYPE OF WORK:** geological
	OPEN FILE		

REPORT FILED UNDER: FORT STEELE MINES LIMITED

DATE PERFORMED: 1968 **DATE FILED:** JAN 11, 1991

LOCATION: **LAT.:** 61°16'N **AREA:** TYERS RIVER

LONG.: 128°34'W **VALUE $:**

CLAIM NAME & NO.: ELSA 1-20

WORK DONE BY: W G TIMMINS; A C A HOWE INTERNATIONAL LIMITED

WORK DONE FOR: FORT STEELE MINES LIMITED

DATE TO GOOD STANDING:

REMARKS: Quartzites, argillites and limestones intruded by granodiorite underlie this property. Lead-zinc mineralization occurs in patches, fracture fillings and massive pods in skarn zones developed in some limestone bands. The best sample from the showing was a grab sample which returned 16.65% Pb, 11.95% Zn and 4.5 opt Ag. A chip sample across 4 feet assayed 3.16% Pb, 1.64% Zn and 0.90 opt Ag.

REVISED 1990

Occurrence No. 10

Property Name: Common STEELE Other Elsa

Location: Lat. 61°16' Long. 128°39' NTS 105H/7

Metals: Major Lead, Zinc, Silver Minor

Type of Mineral Deposit: Skarn

History and Previous Work:

Staked as Elsa cl (Y22659) in Feb/68 by Fort Steel ML, which explored with minor hand trenching and sampling later in the year. The adjacent ground to the southeast was staked as Ace cl (Y41933) in Jan/70 by Welland Cons Mg L, and restaked as Ace cl (Y71617) in Mar/73 by Dual Res L; and as ELC cl (Y74877) in June-July/74 by Denu M & Dev L and Tandem Res L.

The Elsa group was restaked as Mar cl (Y64411) in Mar/72 by Dusty Mac ML, which performed mapping and sampling. In Sept/72, the property was optioned to Pan Ocean OL, which added the Wo cl (Y70244) to the south and carried out geochem sampling and mapping in 1973. Restaked as Schee cl (YA27483) in Oct/77 by Cantung and transferred to Turner-Hindmarsh Tungsten L later in the year. The company changed its name to Tungco Res Corp in 1978 and added Inn cl (YA35899) to the south in Feb/79 and transferred the group to Majestic Mg Corp L, which
** performed trenching later in the year. The Schee cl were transferred to J.C. Turner in July/81 while a 10% interest in the Inn cl was transferred by Majestic to Vancliffe Res Corp in June/81.

Description:

Lead-zinc mineralization occurs as fracture fillings, patches and massive pads in skarn zones developed in limestone bands (unit 14- Dev-Miss) grab samples assayed as follows:

	Ag (oz/ton)	Pb(%)	Zn (%)	Cu(%)
West Showing	4.5	16.7	12.0	
West Showing	0.6	2.0	1.3	
East Showing	0.9	3.2	1.6	0.02
East Showing	4.7	23.6	16.6	

References:

ER, Dec/68 by W.G. Timmins in Fort Steel ML Prospectus
MIR, 1973, pp.81-82

REPORT ON
GEOLOGY OF THE
ELSA CLAIMS
FORT STEELE MINES LTD.
YUKON TERRITORIES

BY

A. C. A. HOWE INTERNATIONAL LIMITED

W. G. TIMMINS, GEOLOGIST

REPORT NO. 159

DECEMBER 3, 1968.

CONTENTS

SUMMARY

Fort Steele Mines Ltd. has acquired the Elsa group of 20 located mineral claims situated in the Watson Lake Mining Division, about 100 miles north of the town of Watson Lake.

The claim group was examined on July 1, 1968, and found to be underlain by sediments consisting of quartzite, argillites and limestones intruded by granodiorite.

Lead-zinc mineralization occurs as patches, fracture fillings and massive pods in skarn zones developed in some limestone bands.

A preliminary exploration programme of prospecting, mapping and trenching along with some geophysics is recommended at an estimated cost of $56,375.00.

INTRODUCTION

An examination of the Elsa Claim group held by Fort Steele Mines Ltd. was made by the writer accompanied by J. C. Turner, prospector, on July 1, 1968. Two small test pits along the banks of a creek were examined and found to contain mineralized skarn.

PROPERTY

The property consists of 20 claims listed below: -

CLAIM NAME	RECORD NUMBERS
Elsa 1 - 20	Y 22659 - Y 22678

LOCATION AND ACCESS

Approximate co-ordinates: - 61° 16' N
128° 34' W

The property is located approximately 100 miles north of the town of Watson Lake, Yukon Territory, and lies about 12 miles west of the Canada-Tungsten road, which is an all-weather gravel road connecting the Canada-Tungsten mine with Watson Lake.

It is understood that Monarch Metal Mines Ltd. is intending to build a road from the Canada-Tungsten road to their property, which adjoins Fort Steele Mines to the east. An extension of this road for about 5 miles would provide good access to the claims.

The easiest means of access at present is by helicopter charter from Watson Lake.

Watson Lake is serviced daily by Canadian Pacific Airlines from Vancouver and Edmonton and is on the Alaska Highway.

HISTORY

Skarn mineralization was discovered on adjacent ground in 1964, however only a minor amount of work, consisting mainly of trenching, testpitting and sampling has been carried out.

The only work completed on the Elsa claims has been a minimum amount of trenching and the blasting of two small test pits.

GENERAL GEOLOGY

The claims overlie an east-westerly intrusive-sedimentary contact. Property held by Monarch Metal Mines Ltd. on the east and Silver Duke Mines Ltd. on the west straddle on the same contact.

The sediments consisting of Paleozoic quartzites, argillites and limestones are intruded by Mesozoic granodiortie. A good cross-section of the geology may be obtained by traversing a southerly flowing creek along a cirque in the west-central portion of the group.

Rock types encountered during the traverse, include granodiorite, quartzite, argillites, limestones, chert and argillaceous limestones.

The sediments in general appear to strike north-westerly with steep dips to the east.

ECONOMIC GEOLOGY

The only known showing on the property is located on a creek about 200 feet below the junction with another creek (see location sketch).

Skarn zones have been developed in some limestone bands and are mineralized with galena and sphalerite.

Mineralization noted in the pit on the west side of the creek consisting of galena and sphalerite occurs in skarn as fracture fillings, seams, patches and massive pods. Scattered disseminations were observed in outcrop on the south up to 30 feet away from the pit.

A 4 to 5 foot wide bed of argillaceous sediments occurs on the east side of the creek and is mineralized erratically with lead-zinc sulphides.

Character samples from both showings are listed below: -

SAMPLE NO.	Ag. oz./ton	Pb. %	Zn. %	Cu. %	REMARKS
36515	4.50	16.65	11.95		West showing Select grab Massive Pb-Zn mineralization.
36516	0.60	2.01	1.31		West Showing Select grab
36517	0.90	3.16	1.64	0.02	East showing Chip across 4.0' Arg. zone
36518	4.70	23.56	16.55		East showing Select grab High grade massive mineralization.

CONCLUSIONS AND RECOMMENDATIONS

The property is located along an intrusive-sedimentary contact. Lead-zinc sulphide mineralization occurs in skarn zones in limestone beds near the contact.

Monarch Metal Mines Ltd. anticipate construction of a road this season and an extension of this road would provide access to the claims. It is understood that their intentions are to carry out a programme of trenching, mapping, electromagnetic and magnetometer surveys, and diamond drilling.

Extent of mineralization on the Elsa group is undetermined and the following two-stage programme with the second stage dependant on results of the first stage is recommended: -

1.	Line cutting - overburden and accessible areas est. 10 miles @ $125.00/mile	1,250.00
2.	Geological mapping and prospecting (4 weeks)	4,000.00
3.	Magnetometer Survey est. 10 miles @ $100.00/mile	1,000.00
4.	Electromagnetic Survey est. 10 miles @ $100.00/mile	1,000.00
5.	Stripping, trenching (plugger work) etc. in showing area	1,000.00
6.	Extension of Monarch road est. 5 miles	10,000.00
7.	Mobilization, local transport, camps, food, communication, etc.	3,000.00
8.	Contingency @ 10%	2,125.00
	Total estimated cost - Stage 1	$23,375.00

Stage 2

1.	Diamond drilling, minimum 2,000 feet est. cost	20,000.00
2.	Supervision, engineering, sampling etc. est. cost	5,000.00
3.	Camp maintenance, communication, etc. est.	5,000.00
4.	Contingency @ 10%	3,000.00
	Total estimated cost - Stage 2	$33,000.00
	TOTAL ESTIMATED COST - BOTH STAGES	$56,375.00

Results of the above programme would determine further work.

Respectfully submitted,

A. C. A. HOWE INTERNATIONAL LIMITED,

W. G. TIMMINS, GEOLOGIST.

CERTIFICATE

I, W. G. Timmins, of No. 17, 2554 Whiteley Court, of the City of North Vancouver, Province of British Columbia, hereby certify that: -

1. I am employed as geologist by A. C. A. Howe International Limited, Mining and Geological Consultants, with offices at 826-159 Bay Street, Toronto 1, Ontario and 401-543 Granville Street, Vancouver 2, B. C.

2. I am a graduate of the Provincial Institute of Mining, Haileybury, Ontario and have attended Michigan Technological University, Houghton, Michigan.

3. I have successfully completed examinations for admission to the Association of Professional Engineers of British Columbia and application for membership in that body is currently pending.

4. I have no interest, direct or indirect, in the property or securities of Fort Steele Mines Ltd., nor do I expect to receive any such interest.

5. This report is based upon government and other reports and a personal examination of the property involved.

6. The staking of some of the mineral claims was examined and the staking appears to be in accordance with the Mining Act of the Yukon Territories.

W. G. Timmins, Geologist.

DATED AT VANCOUVER, BRITISH COLUMBIA, THIS 3rd DAY OF DECEMBER, 1968.

A. C. A. HOWE INTERNATIONAL LIMITED

CERTIFICATE

I, A. C. A. Howe, of the City of Toronto, in the County of York, Province of Ontario, hereby certify that: -

1. I am a Mining Engineer with offices at 826-159 Bay Street, Toronto 1, Ontario and 401-543 Granville Street, Vancouver 2, B. C.

2. I am a graduate of London University, England, B. Sc., in 1949.

3. I am a non-resident member of the Association of Professional Engineers of British Columbia and a member of the Association of Professional Engineers of Ontario.

4. I have no interest, direct or indirect, in either the property or securities of Fort Steele Mines Ltd. nor do I expect to receive any such interest.

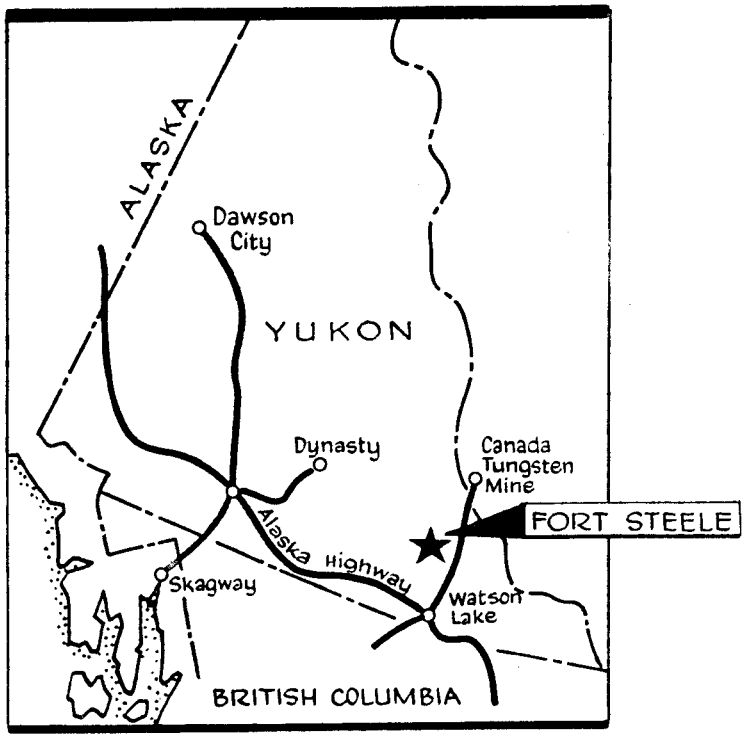
5. This report is written by W. G. Timmins, Geologist and is based upon government and other reports as well as a personal examination of the property by Mr. Timmins himself. Mr. Timmins is employed by A. C. A. Howe International Limited, 401-543 Granville Street, Vancouver 2, B. C. and his work is well known to me.

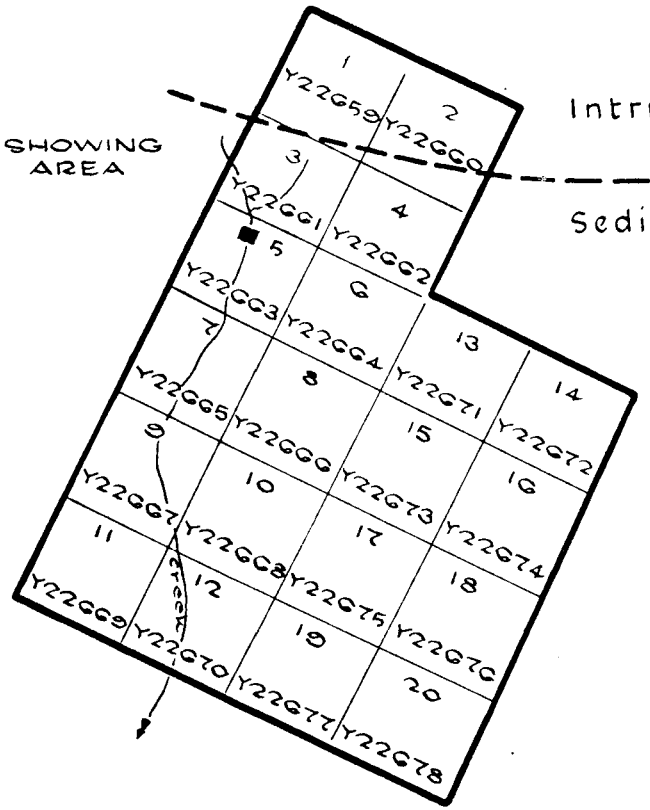
PROFESSIONAL ENGINEER PROVINCE OF BRITISH COLUMBIA A. C. A. HOWE

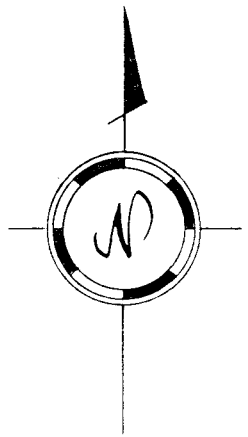
A. C. A. Howe, P. Eng.

Expiry Date October 20, 1969

DATED AT TORONTO, ONTARIO THIS 4th DAY OF DECEMBER, 1968.







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Location map

FORT STEELE MINES LTD

ELSA CLAIMS ~ YUKON TERRITORY

Scale : 1 in to ½ mile