

PROSPECTING REPORT  
on the  
PABLO, RAE, ROD AND OWE  
PLACER PROSPECTING LEASES

120021

MOOSEHORN RANGE  
63° 05' N - 140° 35' W

SHEET 115-N-2

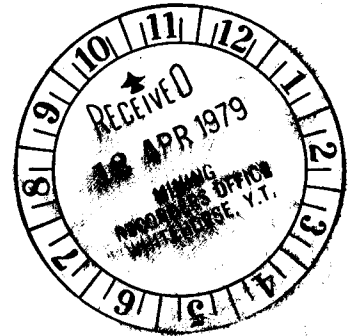
for

ARIES RESOURCES LTD. ETAL.

by

PAUL S. WHITE P. Eng. (Mining)

November 21, 1978



Recommend Approval  
*Paul Stewart*  
Resident Mining Engineer  
April 17/79

Approved  
*[Signature]*  
Supervising  
Mining Recorder

09B52

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## PLACER PROSPECTING REPORT

### INTRODUCTION:

Aries Resources Ltd., of Vancouver, B. C., is the beneficial owner of four placer prospecting leases under the provisions of the Yukon Placer Mining Act, staked in 1978, and located on the east slope of Moosehorn Mountain in the Whitehorse Mining District on Map Sheet 115-N-2 near Beaver Creek, Y. T. The leases cover 5 miles of watershed considered prospective for placer gold in economic quantities in the immediate vicinity of the Company's DEA quartz-gold mineral claims held under the Yukon Quartz Mining Act. Certain of the subject placer lease ground was tested in a preliminary manner by panning and pilot sluicing under the direction of D. Waugh, P. Eng., in 1975 and small amounts of placer gold were recovered from the leases then known as the DEA leases. Assay results of the 1975 testing are included in the appendix to this report.

### LOCATION AND ACCESS:

The current placer leases known as the PABLO (2 miles), the RAE, ROD and OWE (1 mile each), are located on the uppermost drainage of the easterly slope of Moosehorn Mountain in the Moosehorn Range, 48 air miles north of Beaver Creek, Y. T., Mile 1202, Alaska Highway.

Access to the leases is by winter road from the Alaska Highway or more practically, by air to a good quality gravel strip approximately 2,000 feet in length located on the westerly slope of Moosehorn Mountain. The air strip is approximately 1 mile from the Aries mineral prospect connected to it by a bulldozer or tracked vehicle trail.

### HISTORY OF MOOSEHORN DISTRICT:

The Dawson Range copper staking rush in 1969 resulted in the reported location of gold values in the south Moosehorn Range.

Gold bearing quartz veins were located in 1970 and 1971 and Great Bear Mining Ltd. commenced preliminary trenching, mapping and drilling evaluation work of the veins in 1974-1975 which precipitated a staking rush in the winter of 1974-75. During the summer of 1975 significant gold values were discovered by a young prospector on the westerly slope of Moosehorn Mountain (Kenyon Creek) and Claymore Resources Ltd. initiated a placer mining operation in that vicinity in 1976. Extensive stripping, thawing and placer mining operations were conducted by Claymore in joint ventures during 1976 and 1977 with recovery of some \$300,000. or more in fine gold values recovered each of those years. The 1977 results and the rise of gold prices stimulated Aries Resources to follow up a preliminary placer testing of the DEA leases of 1975, restaked in 1978 as noted, to determine the feasibility of gold placer mining under current prices and conditions.

REGIONAL GEOLOGY: (After Report of C. Ikona, P. Eng., 1976)

The subject area is underlain by the Yukon Metamorphic Complex of Klondike Schist, Pelly Gneiss, foliated hornblende-biotite Granodiorites and sheared Greenstones. The Schists and folded Granodiorite units have been intruded by younger porphyritic monzonite stocks of the Carmacks Group. The gold bearing quartz veins appear to be related to these intrusions. The area is considered to be unglaciated generally. Local erosion of climate and water runoff has developed talus, sand and gravel and boulders in the district containing gold from the quartz veins as placer gold in the near vicinity of the trench-exposed veins on Moosehorn Mountain.

METHOD OF SURVEY:

The leases were tested by hand digging prospect pits, drilling and blasting where necessary to overcome permafrost problems, to give a gravel and/or sand sample of 1.5 cu. ft. at 200-250 metre intervals along the creek axes of each lease. Attempts were made to spot test transversely across each creek valley for gravel potential but were abandoned due to the difficulty of obtaining samples in the

permafrost covered soil.

Where suitable material was encountered, samples of 10 Imperial gallons were bucketted and flown by helicopter to the Aries Camp where each sample was hand sluiced and/or panned using a specially designed "rocker" with screen, riffles and cocoa matting to produce concentrates of 500-5000 grams per sample. The concentrates were bagged and assayed after amalgamation at the Whitehorse Assay Office. The assay results are shown in the Appendix.

Permafrost was encountered at most pit locations and Atlas Copco rock drilling and blasting were used to obtain some samples.

SURVEY PERSONNEL:

MORLEY BARKER - CREW CHIEF  
MICHAEL WOODS - PROSPECTOR  
HOWARD DAMRON - PROSPECTOR  
PAUL WHITE - ENGINEER

The survey was conducted between August 27th and September 5th, 1978. During the survey the Aries camp was cleaned up as requested by removing empty fuel barrels by air and by gathering and burning all miscellaneous debris. The camp was left standing (5 tents and one equipment shed).

RESULTS OF SURVEY:

Thirty eight prospect pits were dug and tested as shown on the accompanying map and assay sheet. Significant gold values were returned from 10 of the 38 pits. Twenty eight pits returned nil values which are not considered definitive due to the small amount of sample material taken from each pit, and the non-representative nature of the samples taken where permafrost was extensive. Humus and frozen silt in some pits which did not reach gravel were impossible to pan or sluice due to fineness of material.

Attempts to determine gravel volume potential by hand were unsatisfactory due to soil conditions, and the creek valleys were generally very narrow, without great yardage potential and with near surface bedrock and/or talus in the upper portions of the creeks. Three visits were made to the Kenyon Creek joint venture placer operation in 1978 and observations of the difficulties encountered at that operation, which appears to have larger gravel availability potential than the Aries leases a mile distant therefrom, are not encouraging since the east slope of the Aries leases can be expected to thaw slower and as noted has less yardage potential than the Kenyon Creek westerly slope. The problems of thick moss, permafrost, large 2-3 feet diameter boulders, limited water availability and general access negate further hand method testing of the placer leases.

RECOMMENDATIONS AND CONCLUSIONS:

Significant gold values of up to \$6.00/cu. yd. were determined by elemental prospecting, pitting, panning and sluicing of small test pits at 38 locations on the Pablo, Rod, Rae and Owe placer prospecting leases. Limited yardage potential is indicated by observation, testing where possible, and by the topography of each lease's creek valley steepness and plan narrowness. Further hand labour prospecting is not recommended and any future testing should involve a two-year program of stripping extensive areas by bladed tractor, thawing over the balance of the stripping summer season and the early portion of the next summer season, followed by pilot production sluicing with the assistance of heavy equipment. It is believed that there are other locations in the district available for staking that have equal or better gold potential and much better gravel volume, such as the Seven Mile Creek area.

That area lends itself to conventional panning techniques of rough evaluation and the 1975 Great Bear River Program indicated encouraging gold values in that area (see Appendix Report 1976).

Respectfully submitted,

Paul S. White, P. Eng., (Mining)

DATE: OCTOBER 16, 1978

# ASSAY CERTIFICATE

FILE NO. 228-34WHITEHORSE ASSAY OFFICE LTD.  
BOX 4518 WHITEHORSE Y.T.  
PHONE 667 2694 Y1A 2R8

SAMPLE RECEIVED FROM

PAUL S. WHITE MANAGEMENT

SAMPLE NO.	GOLD Oz. Per Ton	SILVER Oz. Per Ton	SAMPLE WT. in grams	GOLD AMALGAMATED	GOLD gas/ton	GOLD oz/ton		
1			4810	N11	N11	N11		
2			3295	N11	N11	N11		
3			1295	.00032	.224	.007		
P- 1			685	N11	N11	N11		
P- 2			1125	N11	N11	N11		
P- 3			1065	N11	N11	N11		
P- 4			910	N11	N11	N11		
P- 5			695	N11	N11	N11		
P- 6			540	N11	N11	N11		
P- 7			565	N11	N11	N11		
P- 8			720	.00008	.101	.003		
P- 9			1215	N11	N11	N11		
P- 10			6610	.000055	.008	.0003		
P- 11 (1)			1810	N11	N11	N11		
P- 11 (2)			1490	N11	N11	N11		
OWE 1			960	N11	N11	N11		
OWE 2			445	N11	N11	N11		
OWE 4			1035	N11	N11	N11		
OWE 5			610	N11	N11	N11		
OWE 6			505	N11	N11	N11		
OWE 10			1050	.00011	.095	.003		
RAE 1			1275	N11	N11	N11		
RAE 2			1305	N11	N11	N11		
RAE C2A			1255	N11	N11	N11		
RAE 4			1525	.00061	.363	.012		
RAE 5			1050	.00011	.095	.003		
RAE 6			1585	N11	N11	N11		
RAE 7			1115	.00087	.09	.003		
RAE 8			820	N11	N11	N11		
RAE 9 (1)			2915	.000065	.02	.0006		
RAE 9 (2)			2925	N11	N11	N11		
RAE O			2110	.00165	.709	.023		
BOD 1			1875	N11	N11	N11		
BOD 2			3130	.00038	.110	.004		

ASSAYER. *Phk*

PLACER LEASE TEST RESULTS  
 GREAT BEAR MINING LTD  
 MOOSEHORN RANGE 1975 - CLAIM SHEET 115N-2

<u>Sample #</u>	<u>Lease</u>	<u>Sample Size</u>	<u>Depth</u>	<u>Location</u>	<u>Gold Recovery in gms.</u>
P-601	TREE	1/3 yd.	5'	100' below main pit	.048225
P-602	"	"	15'	Main pit loc. 100' downstream from Post #2 TREE Lease	.01100
P-603	"	"	10'	300' W main pit	.008640
P-604	"	"	10'	"	.040337
P-605	Milburn	1/2 pan	creek bed	500' below #2 Post Milburn lease	TR
*P-606	BEE	1 pan	"	1000' upstream #1 Post	TR
*P-607	VEE	"	"	500' upstream #1 Post	TR
*P-608	"	"	"	just below #2 Post	TR
*P-609	JAY	"	"	center of lease (1/2 mi downstream)	TR
*P-610	BEE&VEE	1 - 2 yds.			.013857
P-611	AXE	1 pan	creek bed	From Post #1 to 2640' upstream	TR
P-612	"	"	"	at Post #1	TR
P-613	Coldham	2 pans	"	Centre of lease to 2640' upstream at Post #1	.004700

<u>Sample #</u>	<u>Lease</u>	<u>Sample Size</u>	<u>Depth</u>	<u>Location</u>	<u>Gold Recovery in gms.</u>
P-614	Coldham	2 pans	Creek bed	100' from #613 to north.	.000377
P-615	"	1 pan	"	100' from #614	TR
P-616	"	"	"	100' from #615	.000375
P-617	"	"	"	upstream from 616	.000080
P-618	"	"	"	"	.000025
P-619	ZEE	1 pan	"	Post #1 loc.	TR
P-620	"	"	"	100-200' upstream from Post #1	.000245
P-621	"	"	"	100 - 200 ft. upstream from #620	.000030
P-622	"	"	"	100-200 ft. upstream from #621	.00025
P-623	"	"	"	100-200 ft. upstream from #622	.000225
P-624	"	"	"	100-200 ft. upstream from #623	TR
P-625	"	"	"	100-200 ft. upstream from #624	.000085
P-626	"	"	"	100-200 ft. upstream from #625	.000125

<u>Sample #</u>	<u>Lease</u>	<u>Sample Size</u>	<u>Depth</u>	<u>Location</u>	<u>Gold Recovery in gms.</u>
P-627A	Coldham	1 pan		bench by east side creek of creek random distribution	.00010
P-627B	"	"	"	in cat trench & shovel	TR
P-627C	"	"	"	pits.	TR
P-627D	"	"	"		.000125
P-627E	"	"	"		.000200
P-628	TREE	1/2 yd.		main pit	.004880
P-629	D Zone	1-1/2, 5 gal.pails at camp	Vein wash	D Zone main trench @ bottom.	.235152

## APPENDIX


PLACER TEST RESULTS-PABLO, RAE, ROD AND OWE LEASES

<u>SAMPLE</u>	<u>LEASE</u>	<u>SAMPLE SIZE</u>	<u>DEPTH</u>	<u>DESCRIPTION</u>	<u>Au (gms)</u>
P1	PABLO	0.06 cu.yd.	2'	Talus, large boulders some water.	NIL
P2	"	"	1-2'	Permafrost, gravel	NIL
P3	"	"	1'	Sandy, gravel, perma frost	NIL
P4	"	"	1'	Gravel in trench	NIL
P5	"	"	1-2'	Permafrost, rock, silt	NIL
P6	"	"	4'	Permafrost, no gravel	NIL
P7	"	"	1-2'	Rock, gravel, water	NIL
P8	"	"	1-3'	Boulders, talus, silt, water	0.00008
P9	"	"	1-3'	Dry channel, gravel, boulders	NIL
P10	"	"	1-4'	Boulders. gravel, perma frost	0.000055
P11 (1)	"	"	2'	Permafrost, gravel, silt	NIL
P11 (2)	"	"	"	" " " "	NIL
-----					
RO	RAE	"	1-2'	Talus in trench	0.00165
RAE 1	"	"	6"	Permafrost (Road)	NIL
RAE 2	"	"	4'	Permafrost, gravel @3'	NIL
RAE C2A	"	"	1-2'	1" wide creek-flat area	NIL
RAE 3	"	"	3-4'	Talus over gravel seam	No test
RAE 4	"	"	3'	Gravel and boulders	0.00061
RAE 5	"	"	1-2'	Creek bed, gravel, bldrs	0.00011
RAE 6	"	"	1-3'	Dry creek, rock, gravel	NIL
RAE 7	"	"	1-3'	" " " "	0.00087
RAE 8	"	"	1-3'	Creek, water, bldrs, "	NIL
RAE 9 (1)	"	"	1-3'	Trench, gravel	0.000065

CERTIFICATE OF PROFESSIONAL QUALIFICATIONS

I, PAUL S. WHITE OF THE CITY OF WHITEHORSE IN THE YUKON TERRITORY, DO HEREBY CERTIFY:

- 1) THAT I AM A PROFESSIONAL MINING ENGINEER WITH OFFICE MAILING ADDRESS AT P.O. BOX 4550, WHITEHORSE Y.T., Y1A 2R8.
- 2) THAT I GRADUATED FROM THE UNIVERSITY OF BRITISH COLUMBIA WITH A BACHELOR OF APPLIED SCIENCE (MINING ENGINEERING) DEGREE IN 1956.
- 3) THAT I AM A REGISTERED PROFESSIONAL ENGINEER WITH THE ASSOCIATION OF PROFESSIONAL ENGINEERS OF THE YUKON TERRITORY AND OF THE ASSOCIATION OF PROFESSIONAL ENGINEERS OF THE PROVINCE OF ALBERTA.
- 4) THAT I HAVE BEEN PRACTICING MY PROFESSION AS A MINING ENGINEER IN RESOURCE EXPLORATION SINCE 1959, FOR 20 YEARS.
- 5) THAT I HAVE HAD CONSIDERABLE EXPERIENCE IN EXPLORATION PROSPECTING, GEOPHYSICS, GEOCHEMISTRY, GEOLOGY AND MINING IN THE YUKON TERRITORY SINCE JULY, 1964.
- 6) THAT I HAVE NO INTEREST, DIRECT OR INDIRECT IN THE COMPANY, PROPERTY OR SECURITIES OF ARIES RESOURCES LTD.
- 7) THAT I PERSONALLY PERFORMED AND SUPERVISED THE WORK DESCRIBED AS THE PROSPECTING REPORT ON THE PABLO, RAE, ROD AND OWE PLACER PROSPECTING LEASES MOOSEHORN RANGE, MAP SHEET 115-N-2, WHITEHORSE MINING DISTRICT, YUKON TERRITORY, DURING THE PERIOD AUGUST 5-OCTOBER 16 1978, WHICH REPORT ACCOMPANIES THIS CERTIFICATE.

CERTIFIED PAUL S. WHITE, WHITEHORSE, YUKON  
THIS 21st DAY OF NOVEMBER, 1978  
  
PAUL S. WHITE P. ENG. (MINING)  
21/11/78  
ENGINEER  
+  
Association of Professional Engineers of the Yukon Territory

## APPENDIX

## PLACER TEST RESULTS-PABLO, RAE, ROD AND OWE LEASES

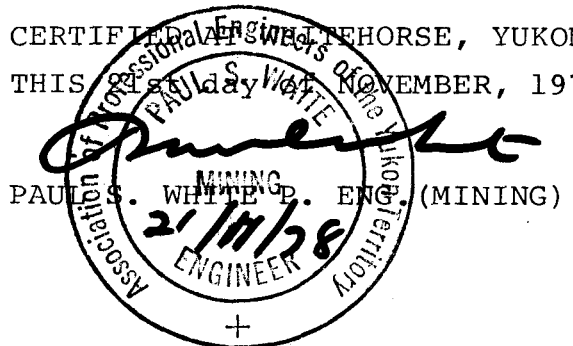
SAMPLE	LEASE	SAMPLE SIZE	DEPTH	DESCRIPTION	Au (gms)
P1	PABLO	0.06 cu.yd.	2'	Talus, large boulders some water.	NIL
P2	"	"	1-2'	Permafrost, gravel	NIL
P3	"	"	1'	Sandy, gravel, perma frost	NIL
P4	"	"	1'	Gravel in trench	NIL
P5	"	"	1-2'	Permafrost, rock, silt	NIL
P6	"	"	4'	Permafrost, no gravel	NIL
P7	"	"	1-2'	Rock, gravel, water	NIL
P8	"	"	1-3'	Boulders, talus, silt, water	0.00008
P9	"	"	1-3'	Dry channel, gravel, boulders	NIL
P10	"	"	1-4'	Boulders. gravel, perma frost	0.000055
P11 (1)	"	"	2'	Permafrost, gravel, silt	NIL
P11 (2)	"	"	"	" " "	NIL
-----					
RO	RAE	"	1-2'	Talus in trench	0.00165
RAE 1	"	"	6"	Permafrost (Road)	NIL
RAE 2	"	"	4'	Permafrost, gravel @3'	NIL
RAE C2A	"	"	1-2'	1" wide creek-flat area	NIL
RAE 3	"	"	3-4'	Talus over gravel seam	No test
RAE 4	"	"	3'	Gravel and boulders	0.00061
RAE 5	"	"	1-2'	Creek bed, gravel, bldrs	0.00011
RAE 6	"	"	1-3'	Dry creek, rock, gravel	NIL
RAE 7	"	"	1-3'	" " " "	0.00087
RAE 8	"	"	1-3'	Creek, water, bldrs, "	NIL
RAE 9 (1)	"	"	1-3'	Trench, gravel	0.000065
RAE 9 (2)	"	"	"	" " " boulders	NIL
-----					
OWE 1	OWE	"	1-2'	Sand and permafrost	NIL
OWE 2	"	"	1-2'	Silt, permafrost, water	NIL
OWE 3	"	"	1-2'	Talus, boulders	No test
OWE 4	"	"	1-2'	Some silt, boulders	NIL
OWE 5	"	"	1-2'	Talus slide, silt, bldrs	NIL
OWE 7	"	"	---	Talus, bldrs., no gravel	No test
OWE 8	"	"	---	" " " "	No test
OWE 9	"	"	---	" " " "	No test
OWE 10	"	"	1-5'	Boulders, Perma frost	0.00011
-----					
ROD 1	ROD	"	1-2'	Sandy gravel in trench	NIL
ROD 2	"	"	1-5'	gravel- not bottomed	0.00038
-----					
1	Open ground	"	1-3'	gravel and boulders	NIL
2	" "	"	"	" " "	NIL
3	" "	"	"	" " "	0.00032

CERTIFICATE OF PROFESSIONAL QUALIFICATIONS

I, PAUL S. WHITE OF THE CITY OF WHITEHORSE IN THE YUKON TERRITORY, DO HEREBY CERTIFY:

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- 6) THAT I HAVE NO INTEREST, DIRECT OR INDIRECT IN THE COMPANY, PROPERTY OR SECURITIES OF ARIES RESOURCES LTD.
- 7) THAT I PERSONALLY PERFORMED AND SUPERVISED THE WORK DESCRIBED AS THE PROSPECTING REPORT ON THE PABLO, RAE, ROD AND OWE PLACER PROSPECTING LEASES MOOSEHORN RANGE, MAP SHEET 115-N-2, WHITEHORSE MINING DISTRICT, YUKON TERRITORY, DURING THE PERIOD AUGUST 5-OCTOBER 16 1978, WHICH REPORT ACCOMPANIES THIS CERTIFICATE.

CERTIFIED BY PAUL S. WHITE, WHITEHORSE, YUKON  
THIS 21st DAY OF NOVEMBER, 1978  
PAUL S. WHITE P. ENG. (MINING)



SKETCH PLAN OF  
**PABLO, ROD, RAE AND OWE**  
 PLACER PROSPECTING LEASES  
 MOOSEHORN RANGE  
 YUKON TERRITORY  
 SHEET 115N2

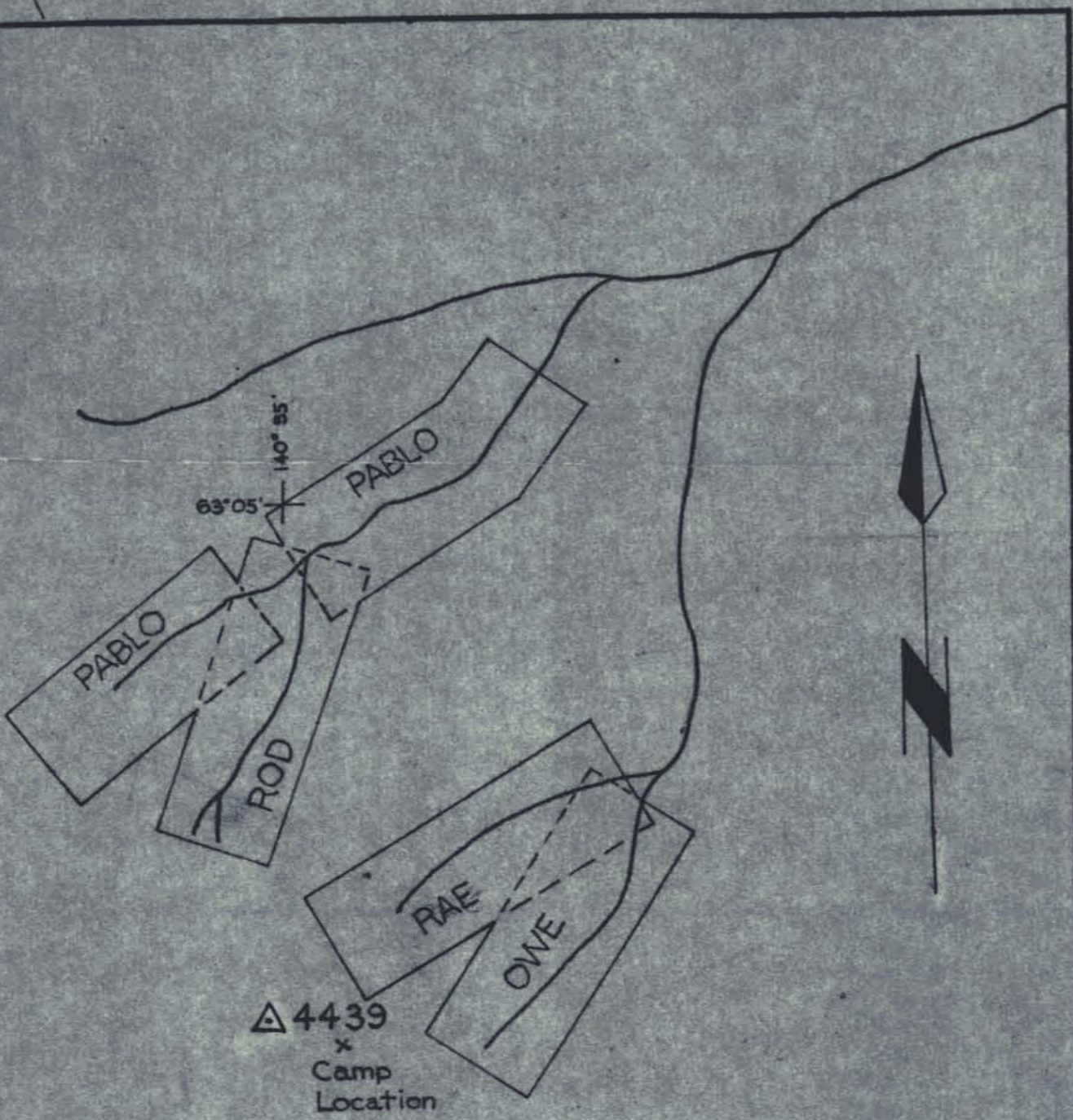
SHOWING  
 PROSPECT PIT LOCATIONS  
 1978  
 ARIES RESOURCES LTD

SCALE: 1 INCH = 1/8 MILE

LEGEND

Pit Location  Pablo 10  
 Values  grams concentrate  
 ounces Au per ton

Note: Original Samples measured 0.06 cu.yard before concentration.



**KEY MAP**  
 SCALE: 1 INCH = 1/2 MILE

PAUL S WHITE P. Eng.  
 Box 4550, Whitehorse Y.T.

MAP # 115-N-2 Doc # 120021 (332)