REPORT

on the

TENMILE CREEK PLACER GOLD PROPERTY

SIXTYMILE RIVER AREA

DAWSON MINING DISTRICT

YUKON TERRITORY, CANADA

on behalf of

CLEAR MINES LTD.
P.O.Box 279
Delta, B.C., V4K 3N7

BY:

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December 21, 1984
Vancouver, British Columbia

120660

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FIGURES

PLATES

1 INTRODUCTION

During September, 1984 a detailed bulk sampling program was undertaken on the Tenmile Creek Placer Gold property of Clear Mines Ltd. The program involved hand digging constant volume, bulk samples from a number of bulldozer trenches on the property. The sampling was performed by David P. Taylor of Vancouver, British Columbia with the assistance of James Spandier of Dawson City, Yukon Territory. The program was helicopter supported and the samples were taken to Dawson City, Yukon Territory for subsequent shipment by transport truck to Vancouver, British Columbia for further processing. A total of 39 samples, of two-bag size each, were taken.

This report is being prepared at the request of the Directors of Clear Mines Ltd. of Delta, B.C.

LOCATION AND ACCESS

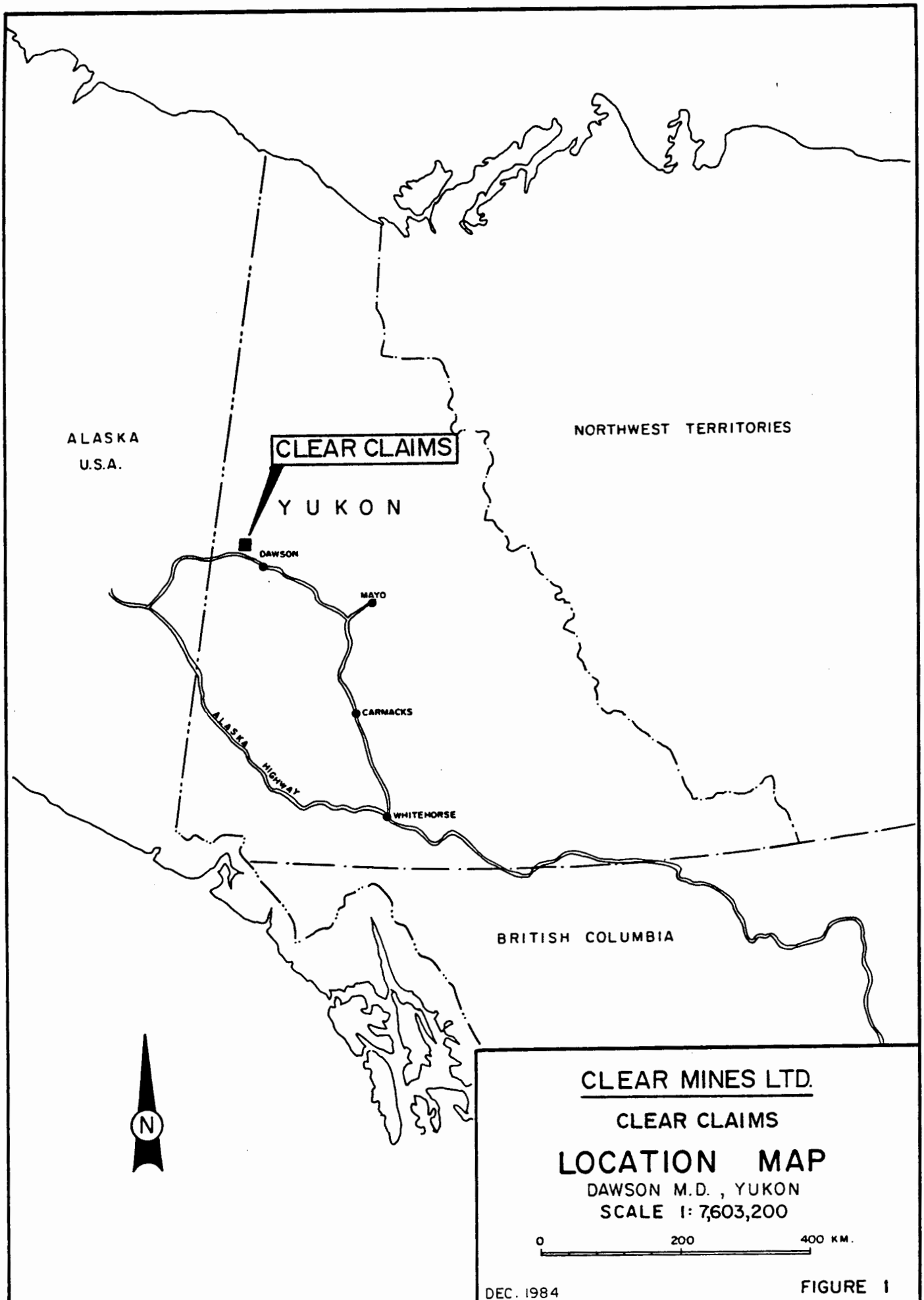
The Tenmile Creek property is situated approximately 35 airmiles southwest of Dawson City, center of the world famous Klondike gold rush of 1896, at longitude 139 degrees and 55 minutes west and latitude 63 degrees and 32 minutes north. The confluence of Tenmile creek and the Sixtymile river is 4 miles west of the junction of the Sixtymile and Yukon rivers.

Access to the property is provided, by a winter bulldozer route, from Dawson City by travelling 9 miles west on Highway #3 to the Matson creek cut-off hence 35 miles southerly to Mt. Tyrrell and then 15 miles south, crossing the Sixtymile river, to the mouth of the Tenmile. The northern-end of the property is approximately 1 mile south of the junction with the Sixtymile river. Near this junction is a summer-maintained airstrip. This strip is maintained by Oak Bay Mining of Vancouver, B.C. who operate a seasonal placer operation on Tenmile creek and through who's camp we pass to access Clear's property. When the Yukon river is ice-free access to the Tenmile is afforded by barge which is used to bring in heavy equipment and supplies. Quick access is available by helicopter from Dawson City.

TOPOGRAPHICAL AND PHYSICAL ENVIRONMENT

The property lies at 1500' above mean sea level on the east-facing bench immediately above Tenmile creek. The claims cover slightly north-sloping, gentle, hilly terrain.

The claim area is covered by abundant trees to 1' in diameter. These are approximately 50% conifers and 50% deciduous. The conifers are mainly spruce and the deciduous trees are a mixture of poplar (aspen) and birch. The abundance of deciduous trees is a good indicator of the lack of underlying permafrost and suggests fair to good drainage ie. sand and gravel. The claim area experiences long, cold winters with 2'- 5' of snow. The summers are typical of the middle to far north in that daylight is continuous for a long period


ALASKA
U.S.A.
CLEAR CLAIMS
YUKON
NORTHWEST TERRITORIES
DAWSON
MAYO
CARMACKS
ALASKA HIGHWAY
WHITEHORSE
BRITISH COLUMBIA
N
CLEAR MINES LTD.
CLEAR CLAIMS
LOCATION MAP
DAWSON M.D., YUKON
SCALE 1: 7,603,200
0
200
400 KM.
DEC. 1984
FIGURE 1

which affords a surface, placer mining season of approximately 140 days. The summers can be dry and hot and at some placer operations, water may be scarce making process-water return a necessity, although this is not a problem at the Tenmile property.

PROPERTY AND OWNERSHIP

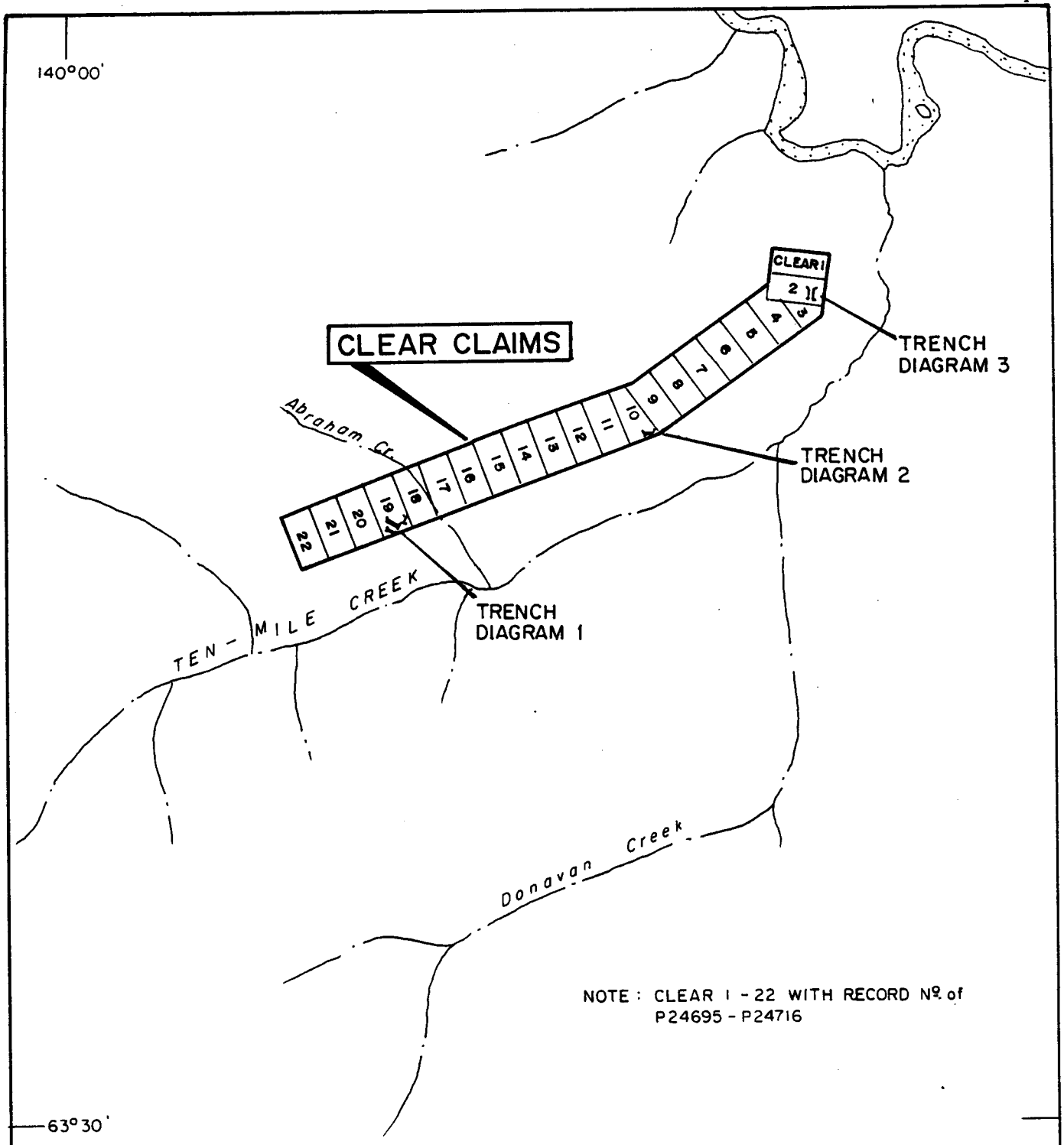
The property consists of 22 contiguous, placer mineral claims. The claims are called the Clear 1 - 22 (Grant numbers P24695 - P24716 respectively). The anniversary date of the claims is October 7. The property is called the left-limit, first-tier bench claims because the claims are positioned on the left-hand side of Tenmile Creek as you are looking downstream and first-tier because they are the first level of claims above, and adjacent to the claims on Tenmile creek.

The property is owned by Clear Mines Ltd. of P.O.Box 279, Delta, British Columbia, V4K 3N7. A nominal royalty is payable to the Federal government on gold produced from the property.

HISTORY

The following regional, historical resume is taken from a Company report on the Tenmile creek claim area entitled "Geological Report on the Tenmile Bench Property, Y.T.", by Antonio M. deQuadros, Ph.D., Geologist, dated March 20, 1981.

> "The property lies at the southern end of the Sixtymile Placer Gold Area. The first prospectors in the area appear to have been Harper and McQuesten who reportedly found "good prospects" on the bars of the Lower Sixtymile in 1877. During 1883, McQuesten and associates continued working the Sixtymile and Fortymile Rivers with mediocre results. By 1886 the Fortymile Placers were discovered and were being mined. In the 1887-88 season, the geologist, George M. Dawson, was predicting a gold rush. The Sixtymile Placers were finally found rich and rewarding in 1892. By 1894 when Henderson and his companions arrived, they found the area too crowded and left for the Indian River. The Fortymile and even the Sixtymile placers were temporarily abandoned in 1896 when Carmack and his party discovered Bonanza Creek in the Klondike. Prospecting the area resumed after the end of the Klondike Rush and the discovery of the Matson Creek placers was recorded in 1911. Subsequently some of the Sixtymile Placers were dredged; mining has been carried out intermittently to present day.
>
> Presently, many mining projects have been initiated in this area. The end of the Klondike Rush led to further prospecting in the Sixtymile area, and



NOTE : CLEAR 1 - 22 WITH RECORD Nº. of P24695 - P24716

N

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CLEAR CLAIMS

CLAIM MAP

DAWSON M.D., YUKON

SCALE 1:31,680

0 0.5 1 MILE

DEC. 1984

FIGURE 2

at this stage the "high level" terrace gravels were worked on, including the terrace in the Tenmile bench. Considerable work was carried out and the gravels were washed in situ; the washed gravel are prominent features at the top end of the bench. There is no record of the results of gold production and the dates of work are unknown but the amount of earth-moving would indicate at least two seasons."

The area presently covered by the Clear 1-22 placer claims was formerly Placer Lease 5889, length of 2 miles. In 1981 a hammer, refraction seismographic survey was undertaken which, mainly because of the field method employed, rendered results which were inconlusive except to indicate gravel depths of less than 100 feet. In 1982 a bulldozer trenching program was performed. In 1983 a bulldozer trenching program was performed, the lease was converted to placer claims and a number of "grab" samples were taken from the trenches. These were panned, revealing "colour" and subsequent fire assaying confirmed the presence of gold values in all of the samples. It should be emphasized that fire assaying of concentrates from placer samples will not reveal accurate "grade" values since gold particles tied-up in mineral particles in the concentrate could form a percentage of this value and yet not be recoverable by standard placer concentrating methods.

During the passed season a detailed bulk sampling program was completed and the 22 placer mineral claims were tagged.

GEOLOGY

The following material is taken from Map 10-1973 (Stewart River), Yukon Territory by D.J. Tempelman-Kluit which describes the underlying geologic units in the general vicinity of Tenmile Creek:

a) CENOZOIC:	Carmacks Group Andesite, basalt and flow breccia. Occurs south of the Sixtymile and to the west of Tenmile Creek.
b) CENOZOIC:	Quartz Feldspar Porphyry Quartz feldspar porphyry, rhyolite, minor acid tuff breccia, crystal lithic tuff and ignimbrite. Found to occur to the north of Tenmile.
c) CRETACEOUS(?):	Quartz Monzonite Medium-grained, equigranular biotite quartz monzonite. Found occurring at the headwaters of Tenmile Creek.
d) PROTEROZOIC AND/OR	Schist Gneiss

PALEOZOIC:	Muscovite biotite quartzite, quartz mica schist, including Klondike Schist and Pelly Gneiss. Locally is observed to be the bedrock underlying the Clear 1-22 bench claims.

* **NOTE** - On Map 18-1973 Tenmile Creek is incorrectly marked and is shown approximately 6 miles northwest of where it actually is. Tenmile joins the Sixtymile River approximately 4 airmiles west of the confluence of the Sixtymile and Yukon Rivers.

SAMPLING PROCEDURE

Samples for analysis of gold and size distribution were collected from the trenches on the Clear claims during September, 1984.

A study of the trench was made in each case and a representative section of the trench was selected for sampling. Criteria of "representative" were 1) general conformity to overall stratification and 2) lack of local anomalous features or configurations.

The trench wall face was cleaned off to a depth of 6" into the face. In the cut a visual survey was made and each stratigraphic lineation was marked with spray paint, strata being distinguished by colour, size content or pebble, sand or clay comparison.

Once the sections were marked a consistent sample in terms of volume per length for each sample was taken over each sample length, regardless of the total individual sample length. Care was taken that each sample was volumetrically continuously representative.

A total of 0.70 cubic feet of sample was collected in each case, the sample being put into two large, pre-labelled, plastic sample bags.

During sample collection all rocks over one inch in diameter were removed from the sample after being cleaned off. An on site record of removed material size was maintained in each case and is to be found in the sample distribution section of this report. The resulting two bag samples average 0.65 cubic feet.

The samples were taken by helicopter to Dawson City where they were crated and shipped by truck to Vancouver, British Columbia for further treatment.

SAMPLE CONCENTRATING PROCEDURE

Each two bag sample was wet-screened (washed and cleaned) and the following splits were obtained: greater than 1/2", +1/4", +3/16" and less than 3/16". Each size fraction volume was determined by

displacement of a measured volume of water. All three of the larger than -3/16" fractions were examined very closely for the presence of gold particles.

The -3/16" fractions were put through a wet spiral concentrator. A random sample of -3/16" concentrate "tailings" were periodically taken and hand panned to check the effectiveness of the spiral concentrator.

The "blacksand" concentrates were subjected to wet magnetic separation or essential removal of the magnetic minerals. The magnetic splits were examined closely under the binocular microscope for residual or adhering gold particles. A number of samples of the magnetic and non-magnetic fractions were analyzed by ICP (inductively coupled plasma), see Appendix.

The non-magnetic concentrates were subjected to close examination and larger gold particles were removed prior to amalgamation with mercury. The samples were washed in a weak (1%) bleach solution to clean any rust from the gold particles, the samples were then rinsed in water and then washed with a weak (1%) solution of caustic soda (lye) and then rinsed thoroughly with water. The mercury was then applied to the samples and the respective amalgams and excess mercury mixes were placed in a small syringe on a small cotton wad and the excess mercury was squeezed-off. The remaining amalgam "buttons" were parted in concentrated (70%) nitric acid. The gold particles were thoroughly washed, dried and finally weighed.

RESULTS

The following descriptions are for groups of samples from a separate trench or of distinct sections within a trench where more than one section was sampled.

Samples 8170 - 8178 inclusive are taken from top to bottom of a trench (see Figure 3). The clay content in this case increased from practically none at the top to abundant clay at the bottom. The bottom sample also contained abundant, highly sericitized and altered, angular to sub-angular, medium grained, leucocratic intrusive rock particles.

Samples 8179 - 8185 inclusive are taken from the same trench (see Figure 3). The samples are taken from the same side of the trench and represent a continuous section from top to bottom moving laterally down through the section. The final sample was not from bedrock.

Samples 8186 - 8191 inclusive were taken from one trench (see Figure 3). The numbers increase from top to bottom and the several samples contained an abundance of clay at various places throughout the section. Distinct layering , sorting, etc., were observed through the trench section.

Samples 0192 - 0204 inclusive represent four groups of samples progressing laterally through the trench which is approximately 100 feet in length (see Figure 4). The trench exhibits a variety of material throughout the exposed section and the unconsolidated material is still encountered in the bottom of the trench.

Samples 0205 - 0214 inclusive are taken from one trench at the north-end of the claim group (see Figure 4). Samples 0205 - 0208 inclusive are from the westside of the trench from top to bottom. Samples 0209 - 0214 inclusive are from the eastside of the trench from top to bottom.

The main purpose of this sampling and size distribution study is to determine essentially three points:

1) Is placer gold present in a form and in amounts sufficient to encourage the initiation of either a very detailed bulk testing program or limited production with emphasis on determining the potential for larger scale production?

2) Is the placer gold recoverable by standard gravity separation methods?

3) Are there additional gold and /or other valuable minerals present that should be taken into consideration in subsequent studies?

These questions and others are answered in the following section of this report.

CONCLUSIONS

The sampling program and subsequent gold value separation and particle size analysis provided the answer to a number of questions which are quite common to a new piece of potential precious metal placer property:

1) Placer gold is present in the -3/16" particle size fraction as discrete metallic particles or attached to quartz grains. The gold is extremely fine or small in size and does occur in anomalous quantities.

2) The placer gold was found to be recoverable by standard, wet, gravity separation methods. Since the gold does not appear, by initial investigations, to be associated with coarse particle sizes, high volume screening or sizing can be done to obtain a rough concentrate.

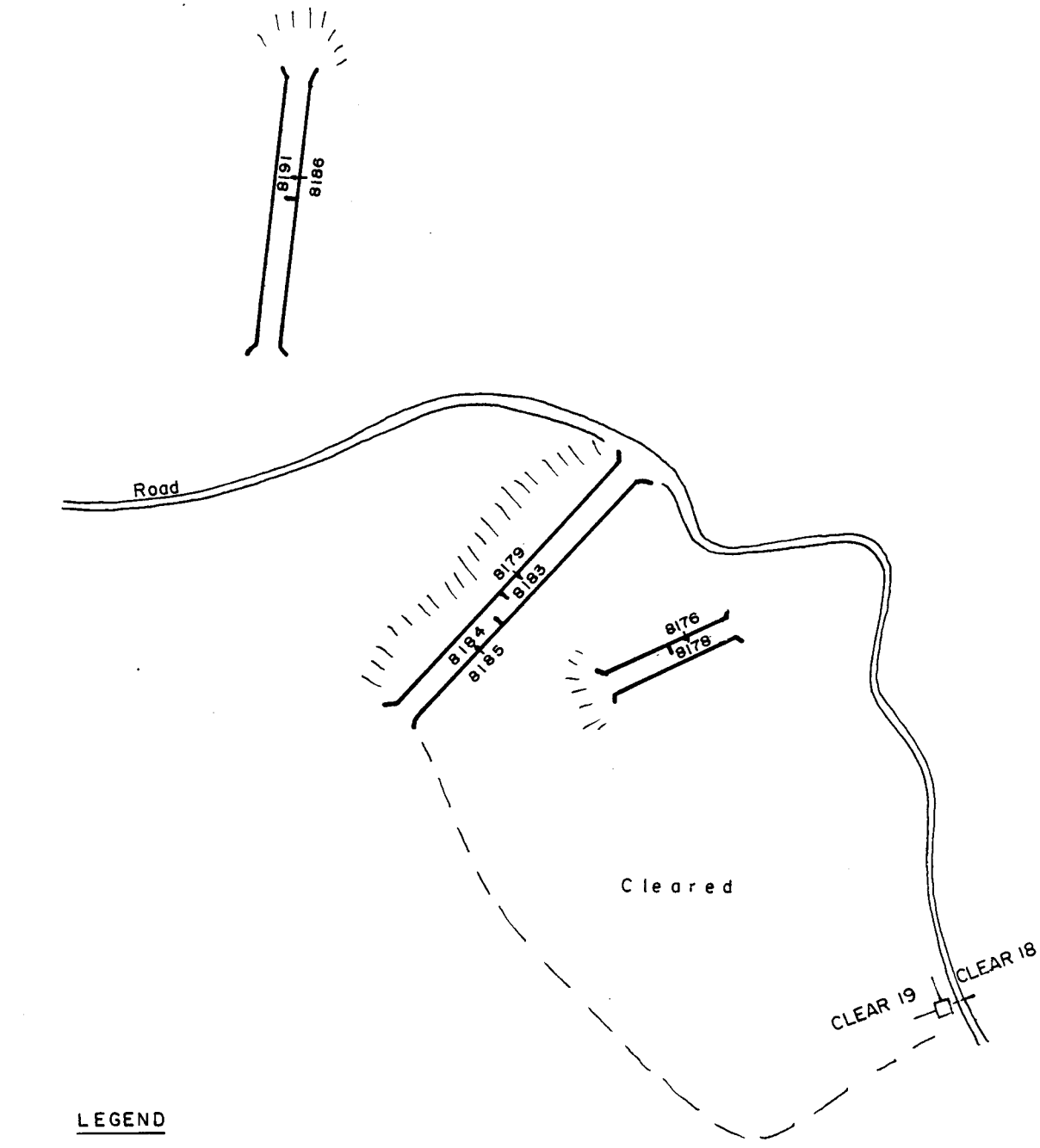
3) The unconsolidated material present on the Tennile bench claims exhibits varying degrees of sorting.

Looking south up the Tenmile, at the confluence with the Sixtymile.

Looking south up the Tenmile, Oakbay's camp is in the centre of the photo.

Sample locations 8176 - 8178 inclusive.

Sample locations 8179 - 8185 inclusive.



LEGEND

8185 SAMPLE Nº.

N

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TRENCH DIAGRAM 1

DAWSON M.D., YUKON

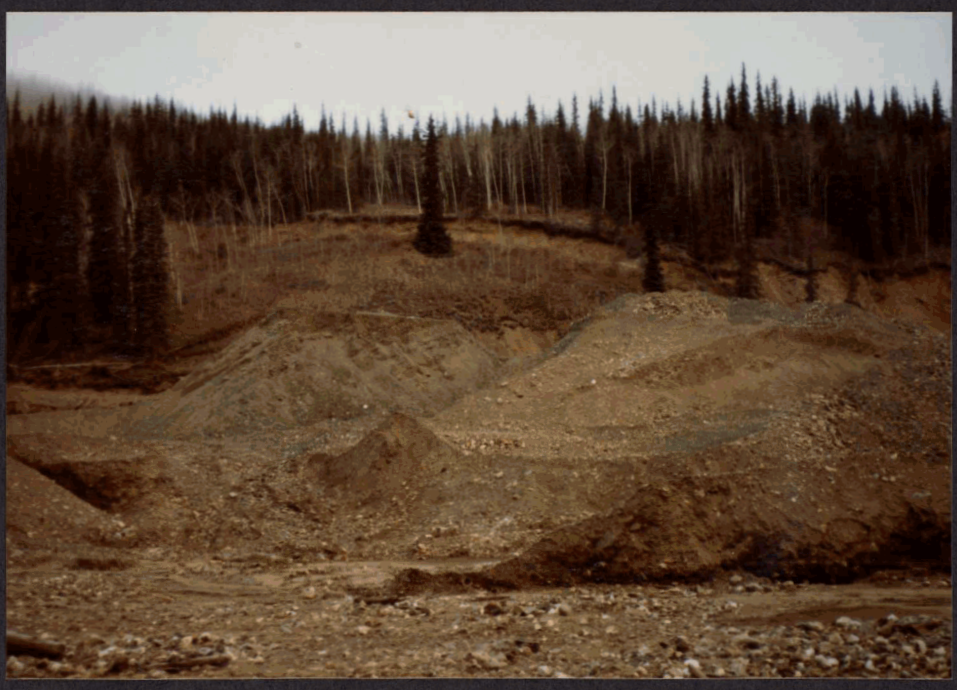
SCALE 1"=50'

0 50 100 FT.

DEC. 1984

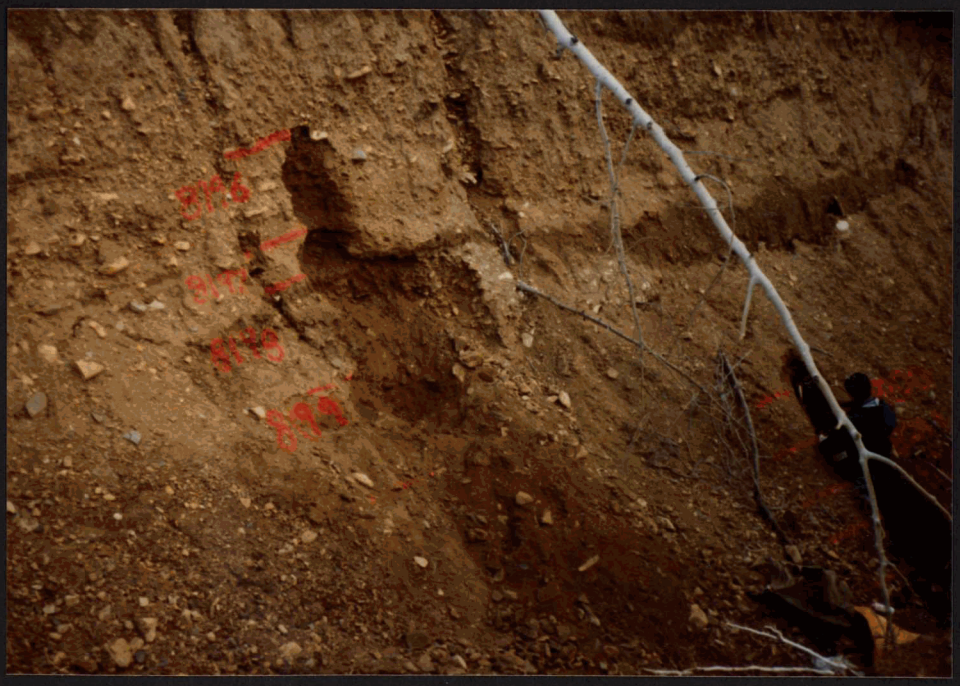
FIGURE 3

Sample pick-up location, with good, clean gravel exposed at the surface.

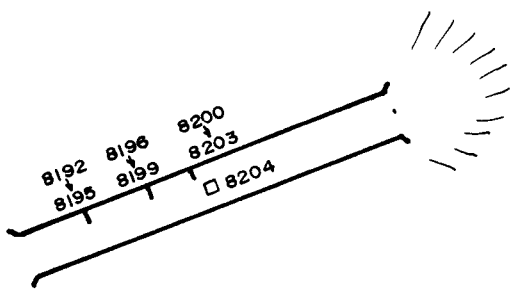


Sample trench, locations of 8205 - 8214 inclusive.

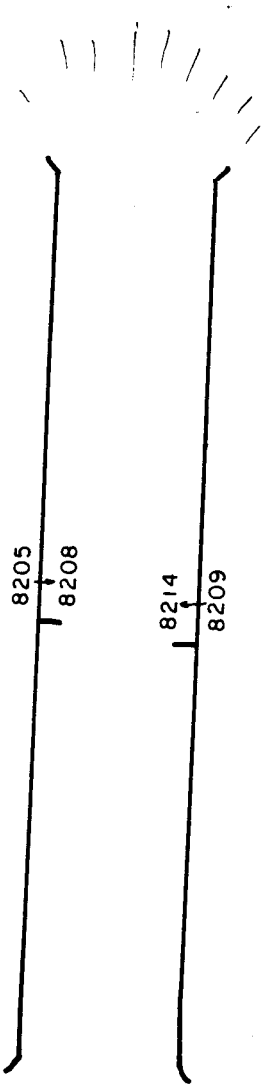
Sample locations 8186 - 8191 inclusive.



Sample locations 8196 - 8204 inclusive.



TRENCH DIAGRAM 2



TRENCH DIAGRAM 3

LEGEND

8192 SAMPLE Nº.

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CLEAR CLAIMS

TRENCH DIAGRAM 2 & 3

DAWSON M.D., YUKON

SCALE 1"= 50'

50 100 FT.

DEC. 1984 FIGURE 4

Clay layers although not pervasive are fairly widespread throughout some parts of the bench, but clay does not appear to be a problem if plenty of water is used during the primary sizing phase. Some of the clay layers appear to act as "false bedrock" (eg. Sample number 8191). Poor soil development is evident in all of the bulldozer trench exposures, but no permafrost is observed on the bench.

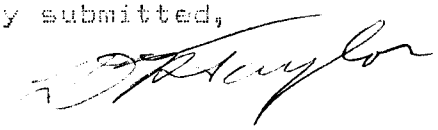
4) Although not all trenches appear to have encountered bedrock, this may in part be to "sluffing" of the trench sides, it is not thought to be further than 22 feet from the surface.

5) No values other than placer gold have been encountered, for instance the non-magnetic fraction was not fluorescent. For indications of other values see Appendix (ICP).

6) Table 2 gives the following weights for each sample: total weight of blacksand concentrate, weight of the magnetic fraction, weight of the non-magnetic fraction, weight of placer gold in the non-magnetic fraction and converted weight of placer gold recoverable by standard gravity concentration methods in a cubic yard of bank-run material.

Further work may be undertaken on the property and it is the writers opinion that data of the type reported herein can help a great deal in the future decision process.

Respectfully submitted,



David P. Taylor, P.Eng.

TABLE 1

* (P-)= pebble less than one inch in diameter; (P)= one inch in diameter; (P+)= pebble 1" to 3" in diameter; (C)= cobble 3" to 5"; (SB)= small boulder 6" to 12" in diameter; (B)= greater than 12" in diameter.

SAMPLE NO.	DESCRIPTION
8176	Earthy, pebbly sample. Bag 1 discarded 4(C), 12(P). Bag 2 discarded 2(C) and 15(P). Sample interval 2'3"
8177	Siliceous sand plus pebbles, minor earthy. Bag 1 discarded 4(C) and 8(P). Bag 2 discarded 3(C) and 13(P). Sample interval 4'9".
8178	Soily, gravelly (angular) sub-outcrop. Bag 1 discarded 3(C) and 5(P). Bag 2 discarded 6(C) and 6(P). Much (P) not removed from both bags. Sample interval 1'1".
8179	18" below humus, flattish rocks in sandy soil. Very slightly rusty, some roots. One (B) not taken. Bag 1 discarded 5(C+) and 9(P+). Bag 2 discarded 6(C) and 6(P). Sample interval 1'5".
8180	Fairly homogeneous, soily, sandy, brown earth with rounded gravel particles. Bag 1 discarded 1(C), 1(P+) and 1(P). Bag 2 discarded 1(C), 1(P+) and 3(P). Sample interval 1'7".
8181	Sandy, very minor soil, slightly more pebbly than 8180, rounded gravel. Bag 1 discarded 2(C), 5(P+) and 4(P). Bag 2 discarded 1(SB), 3(C), 5(P+) and 3(P). 10%(P) in Bag 2. Sample interval 1'10".
8182	Similar to 8181 except coarser average size. Cobble layer at top 2.5 feet, base of greasy looking gravel. Bag 1 discarded 1(SB), 3(C) and 10(P+). Bag 2 discarded 4(C) and 12(P+). Sample interval 2'7".
8183	Increase in quartz sand fraction. Bag 1 discarded 1(SB), 3(C) and 10(P+). 10%(P) included in bag. Bag 2 discarded 1(C) and 9(P+). 10%(P) included in bag. Sample interval

1'2".

0184 Lateral continuation of Sample No. 0183. Total thickness of 4'. Bag 1 discarded 1(B), 1(SB), 3(C) and 9(P+). 10%(P) included in sample which is sandy, sub-rounded gravel. Bag 2 discarded 2(P+) and 10(P). Included in sample is 10%(P). Sample interval from the 4' section is 2'10".

0185 Sandy, quartz-rich layer, very low in clay, fine, rounded gravel and minor (P-). Bag 1 discarded 4(C), 10(P+) and 10(P). Bag 2 discarded 1(SB), 3(C), 17(P+) and 17(P). 5' thick layer which does not bottom. The sample interval is 5' plus.

0186 First layer below humus, greyish-brown soil (leached 'B' horizon ?) with 15% total rock. Remainder of sample is loose soil and lumpy soil. Bags 1 and 2 are the same type of material. Sample interval is 0'10".

0187 Larger pebble and cobble fraction, more angular. Sand and clay layers are segregated by a dark sticky layer. 15%(P-) included in both samples. Bag 1 discarded 7(C), 7(P+) and 10(P). Bag 2 discarded 5(C), 6(P+) and 6(P). Sample interval 1'7".

0188 Heavy, earthy, clayey mixture with sections of quartz sand. Bag 1 discarded 1(SB), 1(C) and 1(P+). Bag 2 discarded 1(C), 1(P+) and 2(P). Sample interval 1'0".

0189 10-15% of sample is soily, sub-rounded gravel. Bag 1 discarded 1(SB), 4(P+) and 5(P). Bag 2 discarded 2(C), 6(P+) and 10(P). Sample interval is 2'0".

0190 Sandy clay-free layer with mixed pebbles and rounded gravel. 10%(P) included in both samples. Bag 1 discarded 5(P+) and 12(P). Bag 2 discarded 2(C), 4(P+) and 10(P). Sample interval is 3'5".

0191 Fine sand and grey clay from the bottom of the trench which is a 1' layer of "false bedrock". Bag 1 discarded 1(B), 3(P+) and 6(P). Bag 2 discarded 2(C), 4(P+), 5(P) and a few (P-) included in sample. Sample interval is 0'10".

0192 Topsoil sub-layer. Earthy, moderately clayey soil. Bag 1 discarded 8(P+) and 2(P). Included in sample is 10% angular and sub-angular (P-).

Bag 2 discarded 1(C), 3(P+) and 4(P). Included in sample is 15% angular (P-). Sample interval is 1'0".

8193 Soil and clay layers mixed with minor sandy layers, minor (P-). Bag 1 discarded 4(P+) and 10(P). Bag 2 discarded 6(P). Sample interval is 1'5".

8194 Sandy, clay-free, angular and sub-rounded, earthy gravel. Bag 1 no coarse discarded. Bag 2 discarded 1(P+). Volume 10% reduced to put in bags. Sample interval is 0'10".

8195 Gravelly, cobbly and sandy sample, flat cobbles, sub-rounded (P-) gravel, siliceous sand. Bag 1 discarded 5(C), 4(P+) and 8(P). Included in Bag 1 is 15%(P-). Bag 2 discarded 2(C), 6(P+) and 16(P) which are estimated to be 40% quartz in composition. 12%(P-) is included in the sample. Sample interval is 2".

8196 Rounded and sub-rounded, sandy gravel. 12% coarse gravel. Bag 1 discarded 2(SB), 1(C), 6(P+) and 14(P). 10%(P-) included in the sample. Bag 2 discarded 4(C), 6(P+) and 10(P), some of which are elongate and angular. Sample interval is 2'4".

8197 20% clay in clumps with sand and fine gravel, minor (P-) and 5% mud. Bag 1 discarded 1(C), 2(P+) and 9(P) which were sub-rounded and flat. Bag 2 discarded 1(SB), 1(C), 3(P+) and 5(P). Sample interval is 0'11".

8198 Sandy gravel. Cobbly and pebbly at center (medium grained) and medium-coarse grained and fine-grained at the top with low clay. Bag 1 discarded 5(P+) and 4(P) including 5%(P-) which is sub-rounded. Bag 2 discarded 2(C), 8(P+) and 16(P) included in sample is 15%(P-). Sample interval is 2".

8199 Layered sand with minor medium grained sand at the top of the section. Bag 1 discarded 1(C), 2(P+) and 5(P). Included in Bag 1 is 5%(P-) and 40% fine-medium grained sand. Bag 2 discarded 1(SD), 3(C), 2(P+) and 12(P). 20%(P-) included in sample with the remainder medium-coarse grained sand. Sample interval is 1'2".

8200 Earthy, small pebbles, sandy gravel with 30% angular to sub-angular (P-) included in the sample. Bag 1 discarded 1(C), 3(P+) and 10(P)

which are moderately flattened. Bag 2 discarded 2(C), 3(P+) and 7(P). Sample interval is 1'5".

0201 Heavy, fine, sandy clay with about 5% fine (P-) fraction and minor sandy gravel. Bag 1 discarded 1(C), 2(P+) and 6(P). Bag 2, nothing discarded, but included 5%(P-). Sample interval 1'2".

0202 Sandy layer with 1" clay layer at the base. 7%(P-), sub-rounded. Bag 1 discarded 1(C), 4(P+) and 8(P). Bag 2 discarded 7(P+) and 6(P), included in sample is 15%(P-). Sample interval is 1'2".

0203 Soily, earthy, slightly clayey, fine gravel containing 15%(P-). Bag 1 discarded 1(C)-flat, 4(P+) and 10(P). Bag 2 discarded 2(C), 5(P+) and 20(P). 20%(P-) included, sample is very earthy. Sample interval 1'2".

0204 Bouldery, earthy gravel with 10% clay. Bag 1 discarded 2(SB), 3(C), 7(P+) and 15(P). Bag 2 discarded 2(SB), 6(C), 7(P+) and 12(P). Sample interval 2' and material continues into base of trench.

0205 Medium grained, sub-angular sand and gravel. Bag 1 discarded 1(B), 7(C) and 13(P+). Included in sample is 15%(P-). Bag 2 discarded 3(C), 7(P+) and 25(P). Included in sample is 20% sub-angular (P-). Sample interval is 3'.

0206 Bag 1 discarded 1(C), 4(P+) and 8(P), included in sample is 5%(P-) plus abundant, light, fine sand. Bag 2 discarded 1(B), 2(C) and 9(P+), included in sample is 10% sub-angular (P-). Sample interval is 1'4".

0207 Sample is medium grained sand and sub-angular gravel. Bag 1 discarded 4(B), 4(C) and 17(P+), included in sample is 5%(P-). Bag 2 discarded 1(B), 7(C) and 17(P+). Sample interval is 4'.

0208 Both samples are taken from the bottom of the trench and are composed of sub-angular gravels and coarse sand. Bag 1 discarded 7(C) and 16(P+), included in sample is 25%(P-). Bag 2 discarded 2(C) and 19(P+), included in the sample is 20%(P-). Bottom of trench, 2' sampled section continues below this level.

0209 South-facing side of trench. Material is generally earthy with little or no coarse.

Minor organic material present. Bag 1 discarded 3(P+) and included 10% fine sand. Bag 2 discarded 3(P+). Sample interval is 1'.

8210 Some organic matter, fine sand and sub-angular gravel. Bag 1 discarded 2(B), 5(C) and 7(P+) and included 15%(P-). Bag 2 discarded 4(C) and 9(P+), included in the sample is 15%(P-). Sample interval is 1'.

8211 Sub-angular, washed gravel with fine sand. Bag 1 discarded 1(B), 3(C) and 14(P+), included in sample is 10%(P-). Bag 2 discarded 1(B), 9(C) and 11(P+), included in sample is 15%(P-). Sample interval is 1'6".

8212 Sub-angular to sub-rounded washed gravel and medium grained sand. Bag 1 discarded 1(C) and 31(P+). Bag 2 discarded 4(C) and 24(P+). Both samples contain 20%(P-). Sample interval 3'.

8213 Sub-angular, washed gravels with medium sands some of which is quartz. Bag 1 discarded 1(C), 24(P+), Bag 2 discarded 2(B), 5(C) and 22(P+). Both samples contain 25%(P-). Sample interval is 1'6".

8214 Sub-angular, washed gravels with medium to coarse grained sand, similar to 8213 with minor color change. Bag 1 discarded 1(B), 2(C) and 22(P+), included in sample is 25%(P-). Bag 2 discarded 2(C) and 22(P+), included in sample is 20%(P-). Sample interval is 1'6" and bottom of section extends below trench.

TABLE 2

SAMPLE NO.	TOTAL VOL.	VOLUME +1/2"	%	VOLUME +1/4"	%	VOLUME +3/16"	%	VOLUME -3/16"	%
	* NOTE -- All volumes in the table are reported in cubic feet and 0.33 cubic feet must be added to each sample to get the original "bank-run" volume because of the average oversize discarded in the field.								
8175	0.5608	0.1169	17.69	0.0835	12.64	0.0835	12.64	0.3769	57.04
8177	2.7889	0.1003	14.15	0.0585	8.25	0.0668	9.42	0.4833	68.18
8178	0.5168	0.1172	18.97	0.1003	16.26	0.0838	13.59	0.3157	51.18
8179	0.5686	0.1682	29.58	0.1161	20.42	0.0240	4.22	0.2603	45.78
8182	0.6884	0.0919	13.35	0.0585	8.50	0.0501	7.28	0.4879	70.87
8181	0.6888	0.1001	14.53	0.0521	7.56	0.0360	5.23	0.5006	72.68
8182	0.6218	0.1337	21.52	0.0668	10.75	0.0668	10.75	0.3539	56.97
8183	0.6889	0.1682	24.42	0.1130	16.40	0.0990	14.40	0.3085	44.78
8184	0.5507	0.1337	24.02	0.0838	15.05	0.0668	12.00	0.2724	48.93
8185	0.7189	0.0801	11.14	0.0320	4.45	0.0240	3.34	0.5828	81.07
8186	0.6846	0.0691	10.09	0.0441	7.06	0.0220	3.52	0.4906	78.52
8187	0.5846	0.1348	22.00	0.0320	5.67	0.0220	4.96	0.3804	67.38
8188	0.6960	0.0838	12.02	0.0501	7.19	0.0334	4.79	0.5295	76.00
8189	0.5507	0.1337	23.50	0.0752	12.69	0.0668	11.27	0.3178	53.40
8190	0.7189	0.1480	19.67	0.0601	8.43	0.0360	5.05	0.4766	66.85
8191	0.6068	0.1522	25.01	0.0521	8.23	0.0334	5.49	0.3729	61.27
8192	0.6759	0.2025	29.62	0.1303	14.02	0.0660	9.87	0.3093	45.69
8193	0.7368	0.2838	11.35	0.0521	6.80	0.1003	13.61	0.5028	68.24
8194	0.5488	0.0521	7.02	0.0521	7.02	0.0668	10.48	0.4738	73.94
8195	0.7189	0.1671	23.31	0.0838	12.83	0.0838	11.69	0.3740	52.17

8196	0.5000	0.1671	24.54	0.1003	14.73	0.0838	12.31	0.3297	48.42
8197	0.5338	0.1003	15.83	0.0501	7.92	0.0501	7.90	0.4333	68.36
8198	0.6400	0.1337	20.86	0.0668	10.42	0.0585	9.13	0.3819	59.50
8199	0.6566	0.1002	15.27	0.0585	8.91	0.0838	12.76	0.4148	63.06
8200	0.7498	0.1337	17.83	0.0752	10.04	0.0752	10.04	0.4649	62.07
8201	0.8211	0.1337	16.28	0.0668	8.14	0.0669	8.14	0.5538	67.45
8202	0.6303	0.0919	14.43	0.0836	13.13	0.0836	13.13	0.3777	59.31
8203	0.6002	0.1671	25.20	0.0668	10.11	0.0334	5.05	0.3935	59.55
8204	0.4333	0.0501	11.94	0.0240	5.52	0.0120	2.75	0.3104	70.82
8205	0.5557	0.1003	18.02	0.0501	9.00	0.0501	9.00	0.3562	63.98
8206	0.6499	0.0501	7.72	0.0334	5.15	0.0251	3.87	0.5403	83.26
8207	0.4646	0.1003	21.59	0.0501	10.79	0.0334	7.19	0.2808	60.44
8208	0.5407	0.1504	27.82	0.0668	12.35	0.0668	12.35	0.2567	47.48
8209	0.5608	0.0251	4.41	0.0251	4.41	0.0334	5.87	0.4952	85.30
8210	0.5240	0.1003	19.00	0.0585	11.59	0.0334	6.62	0.3124	61.91
8211	0.5006	0.0668	13.34	0.0501	10.01	0.0334	6.67	0.3503	69.90
8212	0.5607	0.1170	20.87	0.0668	11.91	0.0668	11.91	0.3101	55.31
8213	0.5046	0.1671	33.12	0.0668	13.24	0.0501	9.93	0.2206	43.72
8214	0.5448	0.1838	28.50	0.1003	15.56	0.0501	7.77	0.3106	48.17

TABLE 3

SAMPLE NO.	WT. OF MAG'N. CONC.	WT. OF NON-MAG'N CONC.	WT. OF AU IN GM.	WT. OF AU IN GMT PUBIC YD.
8171	2.51 gm.	2.35 gm.	1.02 mg.	39.59 mg.
8177	3.00 gm.	No Sa.	N.A.	N.A.
8179	2.27 gm.	2.03 gm.	2.02 mg.	8.77 mg.
8179	3.07 gm.	No Sa.	N.A.	N.A.
8183	11.02 gm.	5.40 gm.	1.08 mg.	41.59 mg.
8181	7.30 gm.	6.23 gm.	0.19 mg.	3.95 mg.
8182	4.72 gm.	8.33 gm.	0.11 mg.	4.25 mg.
8183	2.41 gm.	8.55 gm.	0.07 mg.	1.10 mg.
8184	6.38 gm.	10.66 gm.	0.11 mg.	4.27 mg.
8185	3.09 gm.	15.85 gm.	1.19 mg.	46.46 mg.
8186	2.47 gm.	1.33 gm.	0.26 mg.	8.32 mg.
8187	3.71 gm.	7.89 gm.	0.47 mg.	18.14 mg.
7188	1.51 gm.	1.33 gm.	0.26 mg.	9.77 mg.
8189	2.64 gm.	2.10 gm.	0.12 mg.	4.65 mg.
8190	2.83 gm.	3.37 gm.	0.23 mg.	4.15 mg.
8191	6.70 gm.	6.60 gm.	0.19 mg.	5.70 mg.
8192	3.31 gm.	No Sa.	N.A.	N.A.
8193	11.72 gm.	7.05 gm.	0.42 mg.	17.70 mg.
8194	2.35 gm.	3.13 gm.	0.13 mg.	5.22 mg.
8195	7.51 gm.	7.16 gm.	0.56 mg.	21.62 mg.
8196	2.28 gm.	4.44 gm.	0.13 mg.	3.77 mg.
8197	1.37 gm.	1.59 gm.	0.05 mg.	2.77 mg.
8198	3.52 gm.	3.74 gm.	0.13 mg.	5.72 mg.

0177	1.07 km.	5.42 km.	0.84 mg.	1.56 mg.
0230	10.61 km.	3.01 km.	3.31 mg.	8.53 mg.
0301	7.44 km.	8.84 km.	1.97 mg.	77.24 mg.
0382	6.41 km.	5.33 km.	3.40 mg.	133.25 mg.
0417	1.37 km.	1.73 km.	0.80 mg.	33.97 mg.
0424	4.55 km.	3.92 km.	0.82 mg.	8.43 mg.
0535	8.39 km.	7.16 km.	2.10 mg.	3.82 mg.
0626	2.30 km.	0.52 km.	0.40 mg.	10.53 mg.
0707	4.63 km.	4.54 km.	0.30 mg.	10.73 mg.
0818	2.52 km.	0.57 km.	0.15 mg.	0.10 mg.
0903	1.05 km.	3.06 km.	1.02 mg.	18.07 mg.
0913	5.12 km.	3.68 km.	1.34 mg.	91.72 mg.
0914	0.70 km.	1.54 km.	0.07 mg.	0.78 mg.
0918	2.14 km.	1.52 km.	0.10 mg.	10.53 mg.
0919	2.21 km.	7.07 km.	0.53 mg.	95.70 mg.
0924	2.21 km.	3.71 km.	0.10 mg.	5.70 mg.

CERTIFICATE

I, **DAVID P. TAYLOR,** maintaining offices at Suite 403, 625 Howe Street, Vancouver, British Columbia, do hereby certify that:

1. I am a consulting geologist, conducting business from the above address.

2. I have practiced as an exploration geologist for the past sixteen years.

3. I am a graduate, (M.Sc.) of the Royal School of Mines, University of London, England, 1971.

4. I am a member, in good standing, of the Association of Professional Engineers of British Columbia.

5. I have no interest, either direct or indirect, nor do I expect to receive any interest, in the property, subject of this report, nor in the securities of Clear Mines Ltd.

6. This report is based on government maps, private reports and fieldwork performed by myself and others working under my supervision on the property during September and October, 1984.

Dated at Vancouver, British Columbia, this 24th day of December, 1984.

David P. Taylor, P.Eng.,
Consulting Geologist

General Testing Laboratories
A Division of SGS Supervision Services Inc.

1001 EAST PENDER ST., VANCOUVER, B.C., CANADA, V6A 1W2
PHONE (604) 254-1647 TELEX 04-507514 CABLE: SUPERVISE

TO:
CLEAR MINES LTD.
P.O. Box 279
Delta, B.C.
V4K 3N7

CERTIFICATE OF ASSAY

No.: 8502-0654 | DATE: Feb. 20/85

We hereby certify that the following are the results of ~~assays~~ ICP analysis on submitted black sand samples

MARKED	GOLD (ppm)	SILVER (ppm)	Mo (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)	Ni (ppm)	Co (ppm)
8194	ND	< 2	4.8	57	60	38	7	5
8210	ND	< 2	2.2	78	80	268	3	5
8211	ND	< 2	0.2	68	60	234	7	3
8282	ND	< 2	7.6	146	140	220	7	4
8191	ND	< 2	2.2	146	20	202	5	5
8196	ND	< 2	0.2	86	80	178	6	6

	Mn (ppm)	Fe (%)	As (ppm)	U (ppm)	Th (ppm)	Sr (ppm)	Cd (ppm)	Sb (ppm)
8194	184	> 10	26	ND	ND	34	ND	2
8210	1374	> 10	26	ND	ND	54	ND	2
8211	1014	> 10	20	ND	ND	60	ND	2
8282	3844	> 10	360	ND	ND	116	ND	3
8191	5432	> 10	100	ND	ND	158	ND	2
8196	3522	> 10	140	ND	ND	92	ND	2

	Bi (ppm)	V (ppm)	Ca (ppm)	La (ppm)	Cr (ppm)	Mg (ppm)	Ba (ppm)	Ti (ppm)
8194	2	142	2370	2	36	820	42	1040
8210	2	930	3840	2	420	2570	122	5120
8211	2	736	4480	2	744	2690	174	5660
8282	2	204	9080	36	50	4710	384	9760
8191	2	266	15380	2	44	7120	210	74560
8196	2	250	10690	26	56	4770	220	9000

	P (ppm)	B (ppm)	Al (%)	Na (%)	K (%)	W (%)
8194	310	1	0.8	0.30	0.13	< 0.001
8210	290	1	0.8	0.32	0.14	< 0.001
8211	290	1	1.3	0.52	0.14	< 0.001
8282	720	1	3.2	0.40	0.52	< 0.001
8191	690	1	3.1	0.40	0.20	< 0.001
8196	900	1	2.5	0.33	0.06	< 0.001

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REJECTS RETAINED ONE MONTH. PULPS RETAINED THREE MONTHS. ON REQUEST PULPS AND REJECTS WILL BE STORE FOR A MAXIMUM OF ONE YEAR.

L. Wong
PROVINCIAL ASSAYER

COST OF PROGRAM

TRANSPORTATION:		
	Fixed wing (invoice)	$855.00
	Helicopter (invoice and cheques)	5854.10
LABOUR: (cheques)		3243.51
	Breakdown Spandier & Taylor	
	$1893.51	
	Steiner & McLeod	
	$1350.00	
	Sub-total $3243.51	
SHIPPING SAMPLES: (invoice)		713.70
EQUIPMENT: (invoices)		833.92
ASSAYING: (estimate)		200.00
DRAUGHTING: (invoices)		100.00
	TOTAL	$11220.23

Indian and Northern Affairs Canada | Affairs indiennes et du Nord Canada

TRANSMITTAL FORM

M.R. File No. _____

R.M.M.R. File No. _____

Date Fwd. 15 MAR 85

FROM: Mining Recorder at ..... DAWSON .....

TO: Regional Manager, Mineral Rights at Whitehorse, Y.T.

FOR ACTION ARE: 120060

- [ ] NEW APPL'N for PLACER LEASE to PROSPECT : Name:
- [ ] RENEWAL APPL'N PLACER LEASE to PROSPECT: Name: Lease No. .....
- [ ] AFFIDAVIT of EXPENDITURE on PLACER LEASE. Name: Lease No. .....
- [ ] SECURITY DEPOSIT
- [ ] FINANCIAL ABILITY
- [ ] ASSIGNMENT of PLACER LEASE No. .....
  From: To:
- [ ] GROUPING APPL'N UNDER SEC. 52(2) PLACER MINING ACT.
  Owner:
- [ ] DIAMOND DRILL LOGS:
  Claims: Placer Claim sheet no.:
- [XX] ~~QUARTZ~~ ASSESSMENT REPORT:
  Claims: Claim sheet no.:
  Clear #1-22 115 O 12

Type of report: Submitted by:

Additional information to be attached to report allready submitted and approved. Placer renewal grant A 27178. Report No. 120060

Cls. work performed on $ Req. for ren. application

Marion C. Lepeine
Signature

REPLY ACTION. Date Ret.

Microfilmer, please add these 3 sheets to report.

Canada

_____
Signature