REPORT OF

GEOLOGICAL AND GEOCHEMICAL WORK PERFORMED ON THE MFJ GROUP OF MINERAL CLAIMS YUKONADIAN MINERAL EXPLORATIONS LIMITED LOCATED IMMEDIATELY NORTH OF EALUE LAKE 57° 45' N 129° 45' W

LIARD MINING DIVISION, B.C. 104 H //3 W

IN THE PERIODS

JULY 28-31, 1970 and AUGUST 17-27, 1970

by

ERIK A. OSTENSOE, CHIEF GEOLOGIST

and

KARL O. PALMER, GEOLOGIST GRANDUC MINES, LIMITED (N.P.L.) JUNE 18, 1971

Department of Mines and Petroleum Resources ASSESSMENT REPORT

NO. 3/28 MAP

SUMMARY

Erik Ostensoe, Chief Geologist, Granduc Mines, Limited (N.P.L.), examined parts of the MFJ Mineral Claims in the period July 27-31, 1970, and outlined a limited program of geological and geochemical work. From August 17-27, 1970, Karl Palmer, Geologist and Peter Neilans, Assistant, employees of Granduc Mines, Limited (N.P.L.) carried out geological mapping, detailed prospecting, and collected soil and stream sediment samples from parts of the claims.

The property is located immediately north of Ealue Lake, 225 miles north of Terrace, B.C. Elevations on the claims vary from 2820' at the waters edge to in excess of 5000' in the north-western part of the claim group. The western portion of the MFJ claim group is underlain by basic porphyritic volcanic rocks tentatively classified as trachyte porphyry; the eastern portion is underlain by a limestone-conglomerate-volcanic breccia sequence.

Extensive gossans are developed over outcrops of porphyritic andesite. Where unoxidized, the rock type contains a few percent of pyrite. Chalcopyrite occurs as grains in quartz and calcite veins and as veinlets within the andesite porphyry. Malachite and azurite are common and widespread in and near outcrops of that rock type.

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FIG. 1. LOCATION AND CLAIM MAP, SHOWING AREA REPORTED ON, SCALE 1" = 1 MILE.

FIG. 2. GEOLOGICAL SKETCH OF PART OF MFJ GROUP, SCALE

4" = 1 MILE.

7 FIG. 3. SKETCH SHOWING GEOCHEMICAL SAMPLE SITES AND COPPER AND ZINC ANALYSES. SCALE 4" = 1 MILE.

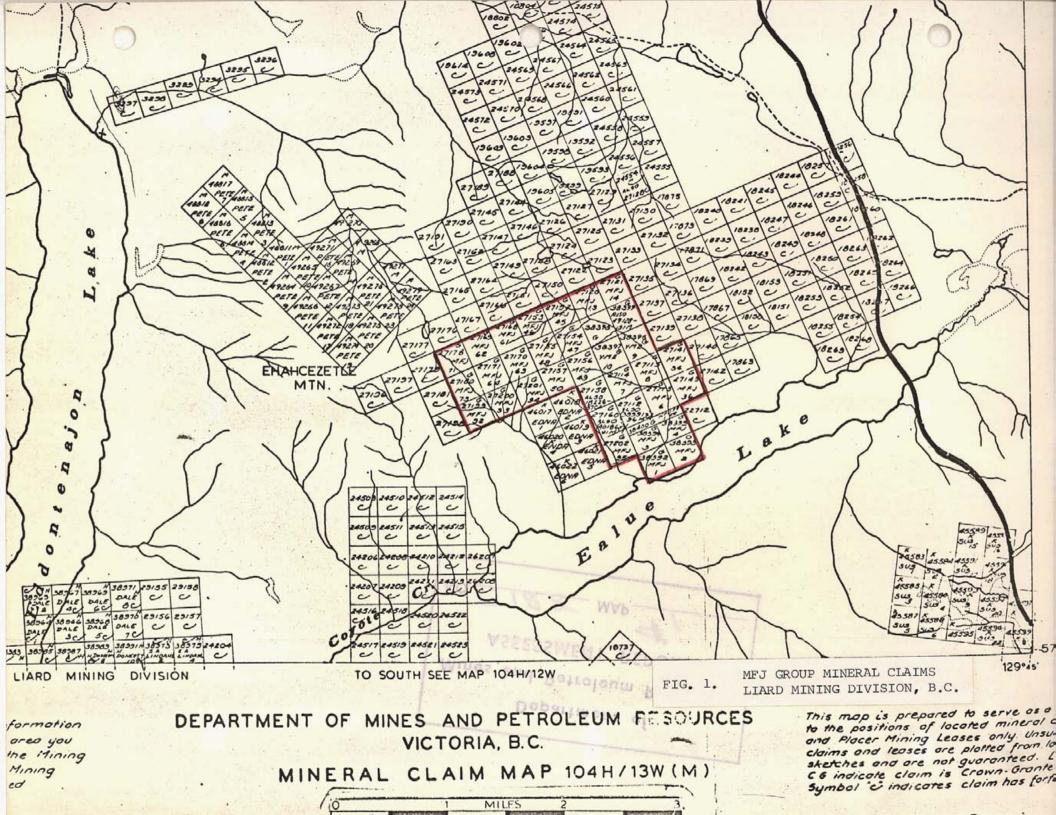
INTRODUCTION

A property examination and a limited program of follow-up work were performed on the MFJ property of Yukonadian Mineral Explorations Limited during parts of July and August, 1970 by personnel employed by Granduc Mines, Limited (N.P.L.). This report is based on company reports describing the property and work done thereon and is submitted in support of an Affidavit on Application for Certificates of Work.

The MFJ property (Fig. 1.) includes the following mineral claims:

MFJ	1 - 4	Record No.	38392 - 5
	5 - 8		27112-5
	13 - 14		27120-1
	34		27141
	36		27143
	45 - 51		27152-8
	53		27160
	61 - 64	•	27168-71
•	71		27178
	73		27180
	92 - 95		27199-27202
	Fr. #1		38400
YME	9 - 12		38396-9

The claims extend in a block north from the mid point of the north side of Ealue Lake on the east side of Ehahcezetle Mountain and are from three to five miles east of Eddontenajon Lake. The location is 225 miles north of Terrace, B.C. Title to the property is held by Yukonadian Mineral Explorations Ltd., 214-525 West Georgia Street, Vancouver, B.C., a public company incorporated in British Columbia.



FIELD WORK

Erik Ostensoe, on behalf of Granduc Mines, Limited (N.P.L.) examined the MFJ property in the period July 27-31, 1970. He was accompanied and guided on the property by Ron P. McBean, President of Yukonadian Mineral Explorations Limited. Access to the property was via non-scheduled aircraft from Stewart, B.C., to the landing field near the north end of Eddontenajon Lake and thence via chartered helicopter.

Work at that time included general reconnaissance of the property to establish the major rock types and to locate and examine mineralization in various trenches and pits and in an adit. Some efforts were required to gain access to the portal of the adit and some of the old trenches were caved.

Following the initial examination, a program of reconnaissance geological mapping, on the scale 4" = 1 mile, combined with a limited geochemical stream sediment and soil survey, was undertaken during August 1970 by Karl Palmer, Geologist, assisted by Peter Neilans.

GENERAL GEOLOGY

The MFJ group of mineral claims is located in an area of Mesozoic age sedimentary and basic volcanic rocks with many small igneous bodies that, although not dated, are presumed to be late Mesozoic or early Tertiary in age. Most of the intrusions are acidic in composition and are accompanied by alteration halos of sericite and pyrite. Copper mineralization is occasionally present.

Drift cover is extensive in and along main valleys but elsewhere good outcrops generally occur. Over most of the eastern part of the MFJ claims, unconsolidated cover consists of up to 30 feet of sandy and rocky deposits of the type characteristic of glacial outwash.

Insufficient work was done in the MFJ area to identify the major structural elements.

DETAILED GEOLOGY

The MFJ claims are underlain (see Fig. 2.) by several variations of a porphyritic andesite rock type. Conglomerate and limestone occur interbedded with the andesite. A dark grey coarsely porphyritic dacite rock type outcrops east of the main stream that crosses the property. Prominent white plagioclase phenocrysts up to 4 mm. in length may form as much as 60% of the rock. The matrix is fine to very fine grained and is somewhat sugary in texture. It occurs in outcrops that interupt a well exposed limestone band for approximately 1000' and although good evidence was not found, it may have been faulted into that present position.

A broad area of gossaning is developed on porphyritic andesite that contains 1 to 10% pyrite and which lies west of the coarse, apparently intrusive, dacite. Although the close relationship of the dacite and the gossan is strongly indicative of a link, it was not possible to prove a relationship. The limestone band varies in width from 20 to 60 feet and in colour from white to light blue. It is massive and forms the crest of a prominent northwesterly trending ridge east of the central part of the property.

Coarse conglomerate containing pebbles and cobbles of quartzite, siltstone and epidotized porphyry was mapped in several parts of the property. It is interbedded with the porphyritic andesite. Widths varying from 20 to 200 feet were mapped.

One reddish syenite occurrence, containing more than 70% orthoclase, with quartz and unidentified mafic minerals, forms a 50' outcrop in the creek bed. It appears to be a dike and contains no sulfide mineralization.

Meagre evidence, including trends of mapped rock units and a scattering of bedding attitudes indicate that the dominant geological trends are westerly to northwesterly and subordinate fractures are northerly. In the limestone bedding attitudes as well as the trace of outcrops indicate a steeply dipping unit but the adjacent and more abundant volcanic rocks yielded ambiguous observations. In the vicinity of the short adit tuffaceous bands in fragmental andesites strike northerly (358°) and dip 31° easterly.

GEOCHEMICAL SURVEY

54 geochemical samples were collected from the central portion of the MFJ claims, 18 were stream sediment samples and 36, soil samples. Stream sediment samples of one third to one half pound weight, gathered from the actively flowing portions of streams, were dried and screened at the field camp. About two tablespoons full of minus 80 mesh particles were submitted for analysis for copper and zinc. Where possible the "B" soil horizon was sampled but in many parts of the area the unusually well drained sandy soils had poorly defined profiles. As with the silts, soil samples were dried and screened in the field and analysed for copper and zinc.

Chemical analyses were done by Chemex Labs Ltd., North Vancouver, B.C., using standard techniques of digestion, followed by determination of copper and zinc concentrations by atomic absorption methods. The Varian Techtron A-A-5 Atomic Absorption Spectrophotometer in use achieves a detection limit of 1 ppm copper and 0.5 ppm zinc. Certificates of Analysis (Appendix I) form part of this report.

Results of the geochemical surveys are presented in Fig. 3. The limited number of samples analysed, precludes any comprehensive interpretation of the geochemical patterns prevailing at the MFJ property.

The background level of copper in soils may be 25-50 ppm. and in stream sediments, about 80 ppm. The background level of zinc both in soils and in stream sediments appears to be close to 100 ppm.

Geochemical values substantiate the information gained from mapping and prospecting, in particular the observation that a broad band favourable for locating copper occurrences extends obliquely northwesterly across the stream valley from MFJ #36 to YME #9, 10 and 11 claims. The entire length of the main stream is clearly anomalous in copper. The fact that anomalous copper values were obtained from stream sediments collected upstream from the gossanned area is significant.

CONCLUSIONS

The MFJ claims cover an area in which copper occurrences and anomalous copper geochemistry prevails. Insufficient work has been done on the property to demonstrate its potential. Despite the rather meagre amounts of copper sulfides that have been found to date, the favourable geology and location indicate that further exploration utilizing geological and geophysical methods is justified.



CHEMEX LABS LTD.

212 BROOKSBANK AVE. NORTH VANCOUVER, B.C. CANADA

TELEPHONE: 985-0648

• CHEMISTS

• GEOCHEMISTS

CERTIFICATE OF ANALYSIS

• ANALYSTS

• ASSAYERS

CERTIFICATE NO.

11768

TO:

Granduc Mines Ltd.,

Box 217

Stewart, B. C.

INVOICE NO.

3985

DATE RECEIVED Sept. 4/70

DATE ANALYSED Sept. 10/70

ATTN:

Mr. E. Ostensoe

cc: Mr. P. Conley

		M. D. OBCCIII		
SAMPI	LE NO.:	PPM	PPM	
0:3:	71- 1- 1	Coppe		
Silt I		1 500	123 104	
Silt	τ.	341 363	104	
	1 2 3	3 62 3 52	107	
		386	107	
	5	400	101	
	5 6 7	400	98	
	7	400	98	
	8	386	98	
	<u> </u>	400	98	
•	10	450	104	
	11	7 00 -	107	
	12	200	153	
	13	21 2	158	
	14	82	307	
	. 15	42	140	
	16	33	90	
Silt	17	42	145	
Soil	1	242	120	
		80	257	
	3 4 5 6	70 82	227 113	
	44 E	70	207	,
	5 6	60	120	
		213	<u> </u>	
	8	51	74	
	9	285	98	
	10	248	107	
	11	50	104	•
	-12-	54	163-	
	13	64	93	
	14	28	71	
I	15	56	113	
	16	21	104	
	17 18 19	46	117-	
	18	30,	90	
	19	34	110	
	20	106	82	
	21	74	68	•
Soil	22	34-	101	
Std.		92	40	



CHEMEX LABS LTD.

212 BROOKSBANK AVE. NORTH VANCOUVER. B.C.

TELEPHONE: 985-0648

• CHEMISTS • GEOCHEMISTS

· ANALYSTS

• ASSAYERS

CERTIFICATE OF ANALYSIS

CERTIFICATE NO. 11769

TO: Granduc Mines Ltd.,

INVOICE NO. 3985.

Box 217

Stewart, B. C.

DATE RECEIVED Sept. 4/70

DATE ANALYSED Sent 10/70

ATTNMr. E.	Ostensoe	Mr.	P. Conley	DATE ANALYSED	Sept.	10/70
SAMPLE NO.:	PPM Copper	PPM Zinc				
Soil 23	44	101				
24	26	76				
25	26	173				
26	40	117				
27	21	7i				
28	16	71				
29	52	87				
30	24	82				
31	92	110				
34	72	9.8				
35	92	101				
36	70	101				
37	102	.98				
Soil 38	68	87				
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Certified by Dominico

APPENDIX B

STATEMENT OF QUALIFICATIONS

The field work for this report was done by Erik Ostensoe, Karl Palmer and Peter Neilans, whose qualifications are outlined below:

Erik Ostensoe, Chief Geologist for Granduc Mines,
Limited (N.P.L.), Vancouver, B.C., completed B.Sc. (Honours Geology)
at University of B.C. in 1960, completed course requirements for
M.Sc. (Geology) at Queen's University, Kingston in 1966; employed
by Newmont Mining Company of Canada from May 1970 through August
1964 as field and mine geologist in Granduc area of northwestern
B.C., under supervision of D.M. Cannon and G.W.H. Norman; employed
by Mount Billings Venture from May through September 1965 as
syndicate geologist in southern Yukon; employed by Asarco and
assigned to Scud Venture, from May through October 1966 as field
geologist in northern B.C. under supervision of R.H. Seraphin and W.
St. C. Dunn; employed by Granduc Mines, Limited (N.P.L.) from
October 1966 to present as geologist and chief geologist under
supervision of P.I. Conley.

Karl O. Palmer, geologist for Granduc Mines, Limited (N.P.L.)
Vancouver, B.C., completed B. Sc. (Geology) at University of Western
Washington in 1969; employed by Granduc Mines, Limited (N.P.L.) as
field geologist from June through September 1970 in geological field
work in Stewart area of northwestern British Columbia, under
supervision of Erik Ostensoe.

J. Peter Neilans, field assistant for Granduc Mines,
Limited (N.P.L.), Vancouver, B.C., completed first year Applied
Science at University of B.C. in 1970; employed by Noranda
Explorations as assistant during the summers of 1966 and 1967 in
southern B.C., under supervision of Tom Walker; employed by
International Nickel from January through May 1969 in Kalgoolie
district of Western Australia as geophysical and geological technician;

employed by Granduc Mines, Limited (N.P.L.) as field assistant during summers of 1969 and 1970, under supervision of Erik Ostensoe and Peter Brown.

STATEMENT OF COSTS	\$	\$
Salaries (30 working days per month)		
Erik Ostensoe 6 days at \$1,150 per month	230.00	
4 days in field: July 28-31, 2 days in office: June 17-18,		
Karl Palmer 11 days at \$600 per month	220.00	
August 17-27, 1970		
J. Peter Neilans 11 days at \$500 per month	183.00	
August 17-27, 1970		633.00
Transportation (Via Cessna 180 aircraft)		
Palmer and Neilans - Stewart to Ealue Lake August 17, 1970	165.00	
Ealue Lake to Stewart August 27, 1970	165.00	330.00
Field Expenses 22 man-days at \$7.50 per day		165.00
Analysis of Stream Sediment and Soil Samples		
54 at \$1.50		81.00
Miscellaneous Maps, Secretarial and etc.)		30.00
·	TOTAL COSTS	1,239.00

ERIK OSTENSOE

