



PLACER DEVELOPMENT LIMITED

Assessment Report
Trout Lake Project
CX, CX1 and CX2
FOX 2, FOX 4 and FOX 7 Claims

Atlin Mining Division, B.C.
(N.T.S. 104-N-10)
59°42'N; 132°45'W

BY:
D.M. JENKINS, M.S., F.G.A.C.

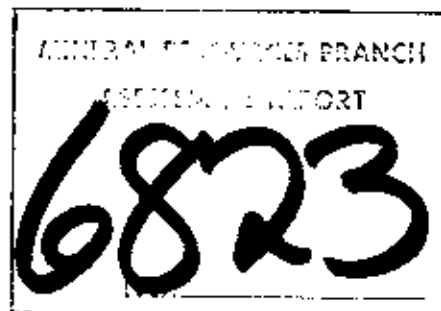


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Introduction:

A regional uranium exploration project conducted by Cordilleran Engineering Limited during 1976 resulted in the acquisition of 208 claim units. These claims were subsequently optioned to Canex Placer Limited.

This report records a test of the Track Etch technique which was performed on the subject claims during September of 1977, and a program of overburden drilling which was executed in April of 1978. Field crews were based in Teslin, Yukon Territory. A Bell 206 Jet Ranger Helicopter was utilized for transportation of personnel and supplies to the work site.

Location and Physiography:

The property is located 34 miles east of Atlin, B.C. (Figure I) at approximately $59^{\circ}42'N$; $132^{\circ}45'W$. The claims lie west of the Snowdon Range in the valley of the Gladys River (Figure II) and west of Trout Lake (Figures III and IV).

Trout Lake and its north flowing feeder and outlet streams comprise the topographically lowest (approximate elevation 2,700 feet) features on the property. The west bank of Trout Lake is a low bluff eroded into glacial till. The bluff rises between 30 and 50 meters above the lake to an undulating near horizontal surface. This surface extends westward for a distance between 1 and 2 kilometers. The westernmost 500 meters of this surface slopes away from Trout Lake. Portions of this area are underlain by swamps which are largely filled with organic sediments. Other portions of this area are Lake (Beaver, Sand and Boulder Lakes) covered.

Westward from the swamps and lakes the land surface rises steeply to elevations in excess of 6000 feet. The highest elevation on the property is approximately 5000 feet.

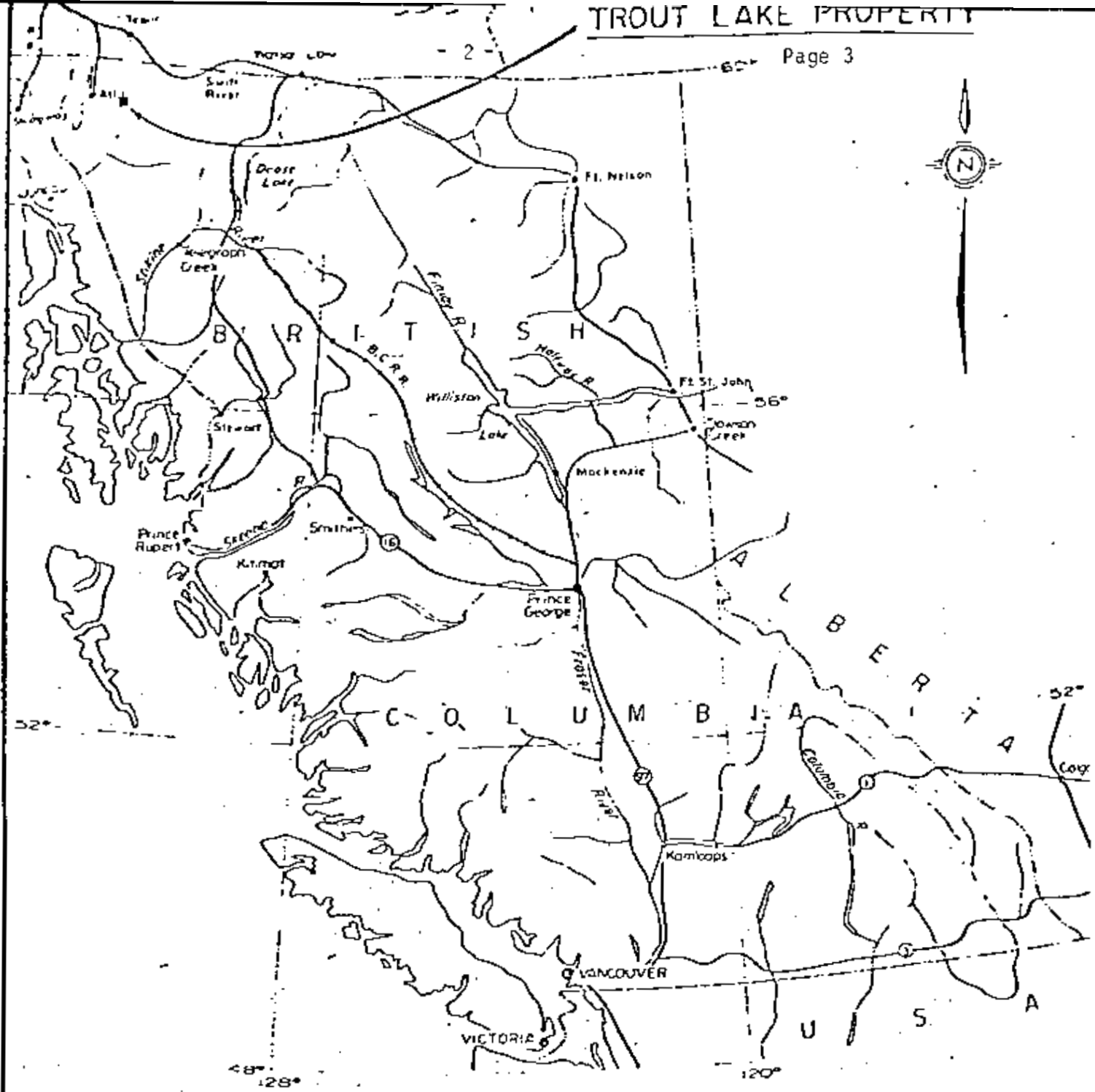
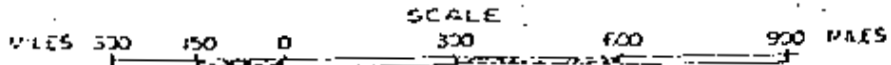


FIGURE I
CANEX PLACER LIMITED
 LOCATION MAP
 TROUT LAKE PROPERTY

[Handwritten signature]



LEGEND

- QUATERNARY**
PLEISTOCENE AND RECENT
- 17 Glacial drift, alluvium
- TERTIARY AND QUATERNARY**
- 18 Olivine basalt and scoria, 18a, Tertiary; 18b, Pleistocene
- TERTIARY (T)**
- 15 15a, quartz monzonite; 15b, granophyre; 15c, gabbro and diorite
- CRETACEOUS OR TERTIARY**
BLOOD GROUP
- 14 Andesite, basalt, alkali trachyte, alkali rhyolite, dacite, and related pyroclastic rocks; conglomerate, sandstone
- CRETACEOUS**
- 13 13a, slate; 13b, quartz monzonite
- JURASSIC**
(May be in part older and younger)
- COAST INTRUSIONS**
- 12 Undifferentiated granitic rocks; 12a, Black Mountain body; 12b, Fourth of July Creek body; 12c, pool granite; 12d, Mount McMaster body; 12e, diorite; 12f, alkali granite
- JURASSIC**
- 11 LABERGE GROUP
Volcanic gneisses, siltstone, mudstone, shale, conglomerate, minor concretionary sandy limestone
- TRIASSIC (T)**
- 10 Gneys, chert, argillite, conglomerate, silt, slate, granitoids, impure limestone, Jasper
- PENNSYLVANIAN AND PERMIAN**
ATLIN INTRUSIONS
- 9a Diorite, meta-diorite and meta-gabbro; 9b, serpentinite; 9c, carbonized serpentinite; 9d, talc-bearing (metamorphosed) ultramafic rocks
- CACHE CREEK GROUP**
- 6a Chert, argillite, chert-puddles conglomerate and chert breccia, derived quartzite and schist; minor 7 and 8
7, Gneiss and volcanic gneisses; derived amphibolites; minor 6 and 8
8, Limestone and limestone breccia
- PENNSYLVANIAN AND/OR PERMIAN**
- 4a Andesite, basalt, and related pyroclastic rocks; conglomerate, sandstone, shale
5, Limestone
May be in part or wholly equivalent to 6, 7, 8
- MISSISSIPPIAN AND/OR EARLIER**
SYLVESTER GROUP
- 3a, granitoid, chlorite schist, gneys, quartzite, quartzite schist; 3b, impure crystalline limestone
- PRE-PERMIAN**
- 2 Quartz monzonite
- TURON GROUP**
- 1 Hornblende-quartz-feldspar schist and gneiss; quartzite, crystalline limestone. May be in part equivalent to 3
- A** Undifferentiated, mainly volcanic rocks of uncertain, possibly several, ages. Andesite, basalt, agglomerate, silt, breccia, diorite and quartz diorite porphyritic rhyolite. In part probably Triassic, probably equivalent to 10

- Building (horizontal, inclined, vertical, overturned) ↗ ↘ ↕
- Building (direction of dip known, upper side of bed unknown) ↗ ↘ ↕
- Schistosity or slaty cleavage (inclined, vertical) ↗ ↘ ↕
- Fault (defined, approximate, assumed) ↗ ↘ ↕
- Anticline (arrow indicates direction of plunge) ↗ ↘ ↕
- Syncline (arrow indicates direction of plunge) ↗ ↘ ↕
- Fossil locality ○
- Fossil locality (referred to in Table III) ⊙
- Mineral occurrence ■

MINERAL SYMBOLS
(Local occurrences only)

- | | |
|---------------------|------------------|
| Copper Cu | Silver Ag |
| Gold Au | Tungsten W |
| Lead Pb | Lithium Li |
| Molybdenum Mo | Zinc Zn |
| Nickel Ni | |

Geology by J. D. Aitken, 1951, 1952, 1953, 1954, 1955
To accompany G.S.C. Memoir 307, by J. D. Aitken
Cartography by the Geological Survey of Canada, 1959

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

Approximate magnetic declination 31° 51' East

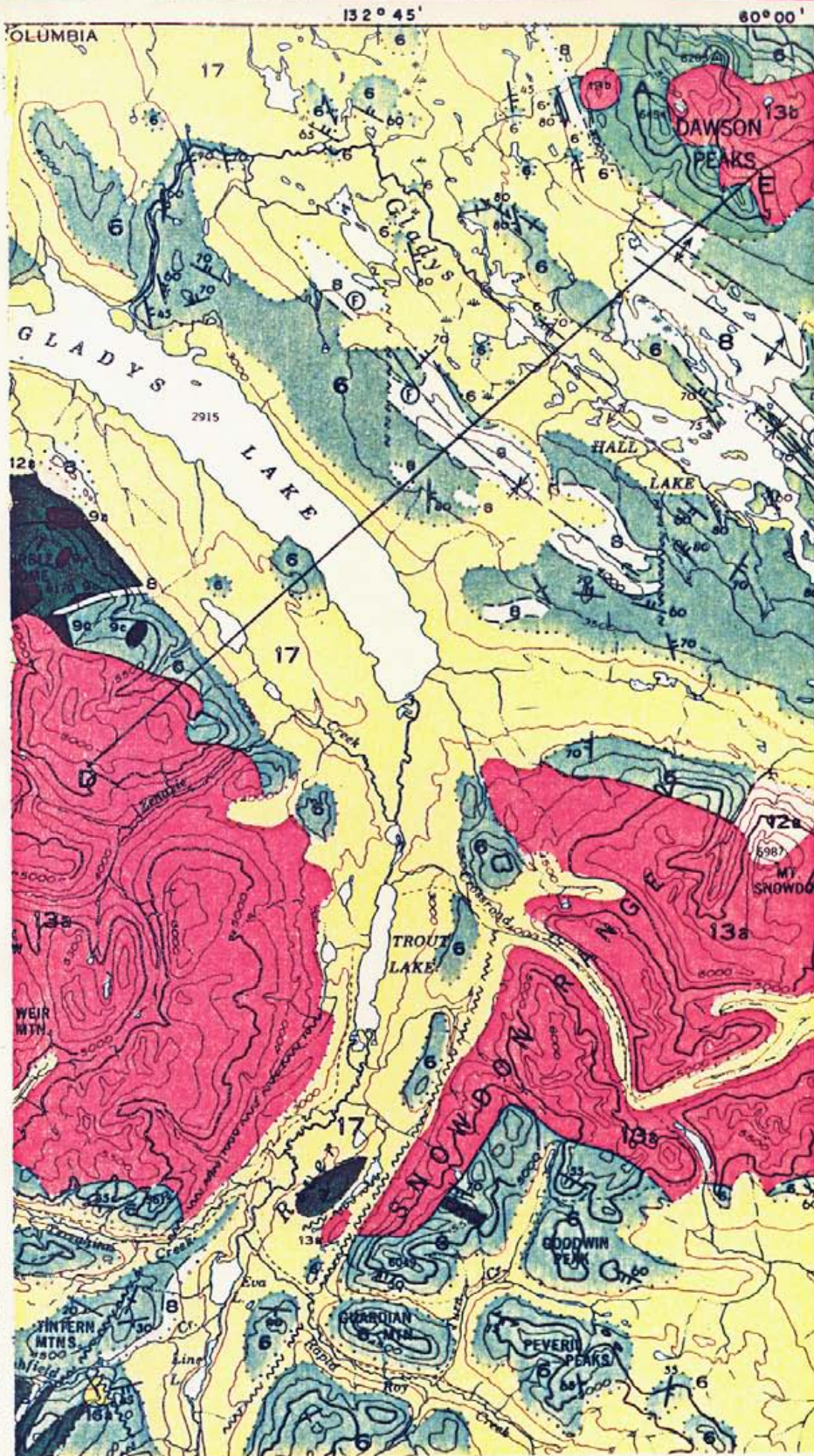


FIGURE II

REGIONAL GEOLOGY MAP
(AITKEN, J.D., 1959)

SCALE 1 : 253,440

OCT., 1977.

V-157

D.M.J.

GRID I

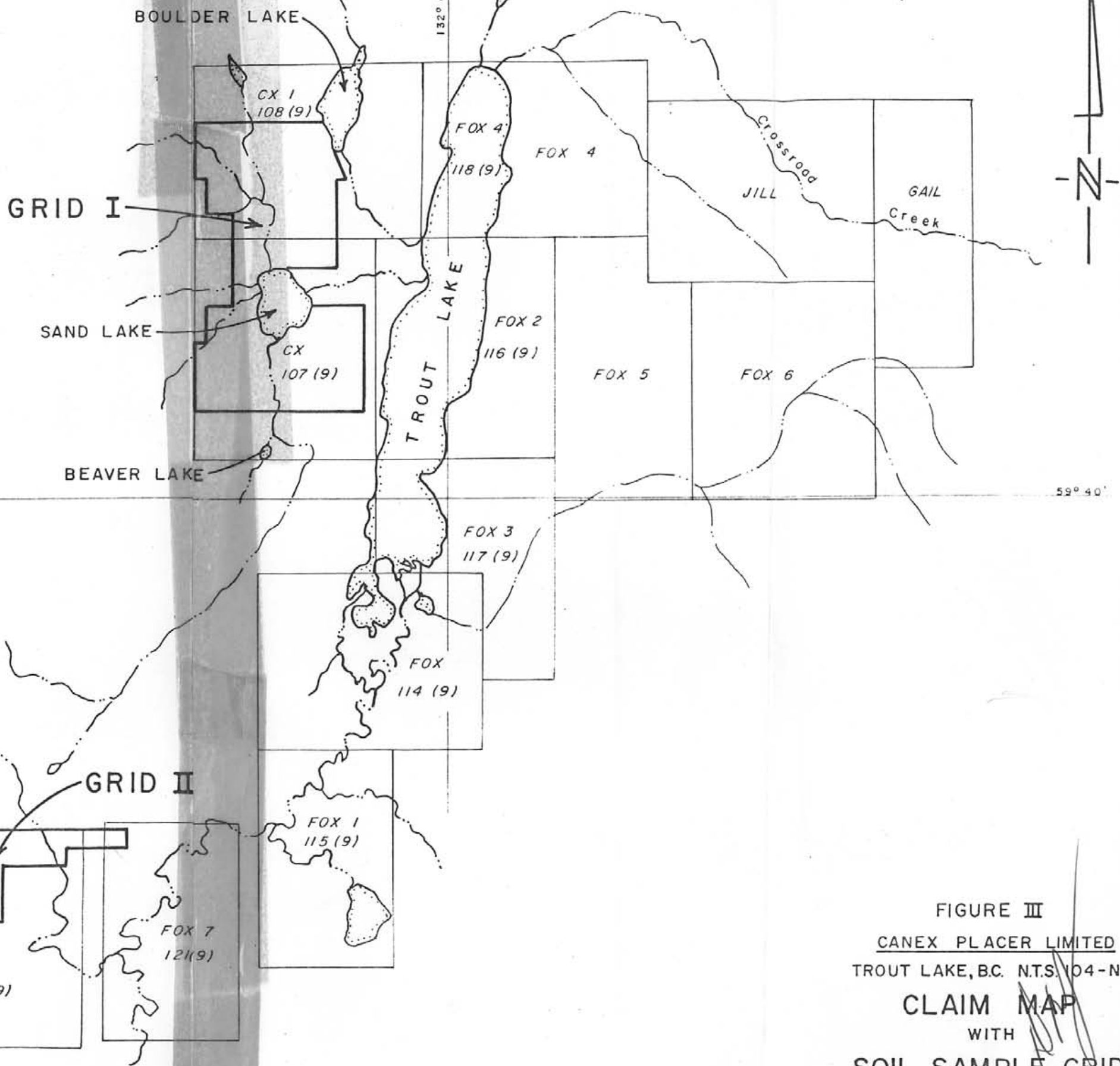


FIGURE III
CANEX PLACER LIMITED
TROUT LAKE, BC. N.T.S. 104-N 10
CLAIM MAP
WITH
SOIL SAMPLE GRID
LOCATIONS

OCT., 1977. SCALE 1:50 000 DMJ.

Surveying:

The base lines for the soil sampling grids were established using a "Hip Chain" measuring device and a Brunton compass. Grid lines were established at 200 meter intervals with stations every 30 meters. The grid maps were drafted at a 1:5,000 metric scale.

Track Etch Trial Survey:

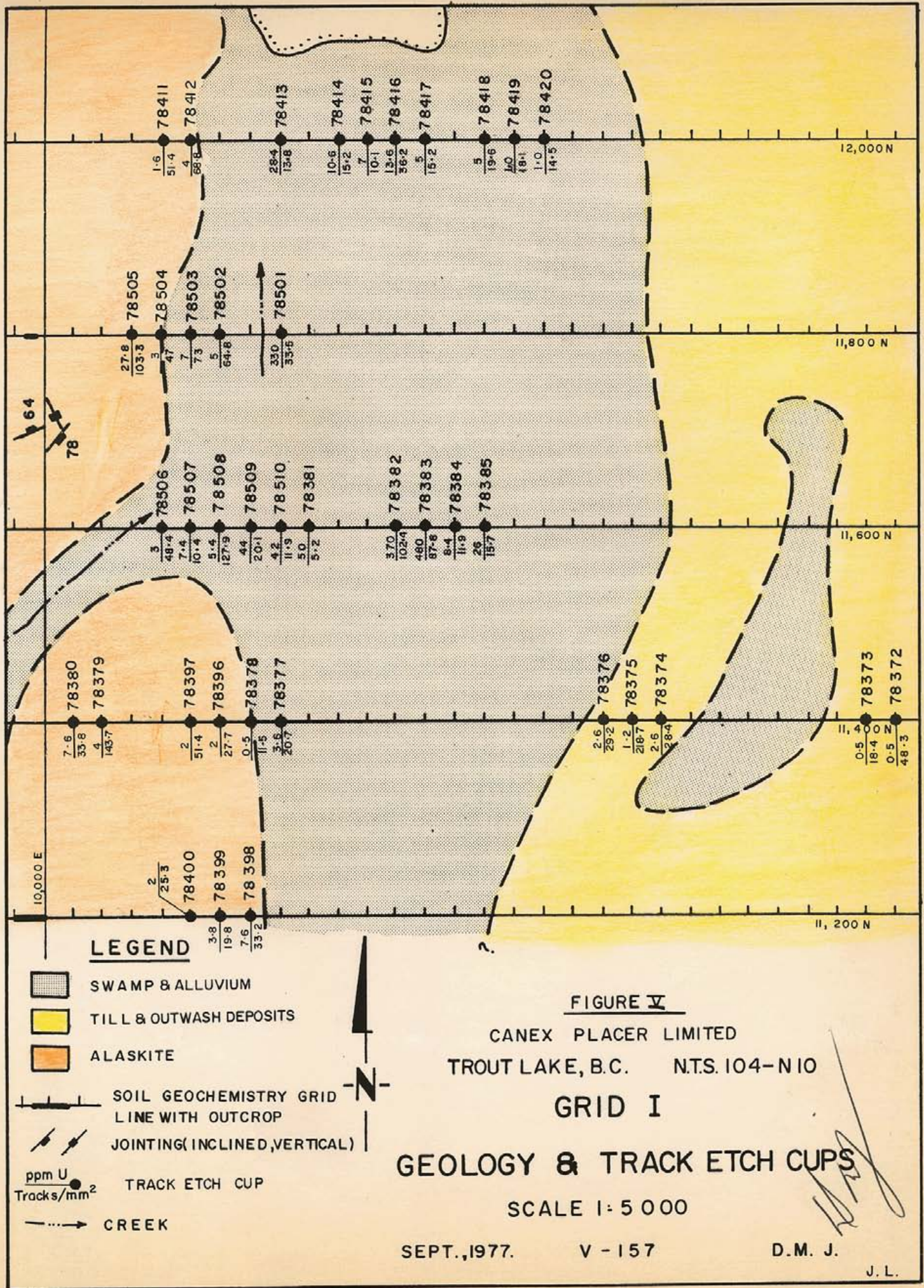
A small array consisting of 39 Track Etch cups were placed in the southern half of Grid I. The cups were placed to cover what was thought to be the subcrop of the west boundary fault of the Trout Lake graben. The distribution of cups was strongly influenced by the high water table in much of the area of interest. Cups were not typically placed in sites where they might be flooded by small changes in the water table.

Due to the small number of cups that were available no effort was made to produce a definitive survey. The Track Etch program was a trial of the technique in an area of geological interest where all the important soil and rock types of the Trout Lake region were present.

The results of the Track Etch sampling program are illustrated in Figure V and are tabulated in Table I. The readings ranged from 5.2 to 218.7 tracks per square millimeter (T/sq. mm) and the mean of the background distribution was 24.9T/sq.mm. The standard deviation for the background mean was 13.6 T/sq. mm. Eight of the sample points gave readings in excess of three standard deviations above the mean. In one of its handouts Terradex Corporation states that background levels of 5 to 45T/sq. mm. have been related to soils containing 1 ppm U. At Trout Lake the higher uranium content of the soils does not appear to be adequately reflected in the Track Etch data. Samples containing 370, 480 and 330 ppm U gave readings of 102.4, 87.8 and 33.5T/sq. mm. respectively. The lowest track count obtained was from a cup buried in soil containing 50 ppm U. Conversely the highest readings were obtained from widely scattered sites where soils contained relatively minor amounts of uranium. The highest reading of 218.7T/sq. mm. was obtained

TABLE I
Summary Track Etch Data

<u>Cup Serial Number</u>	<u>Detector Reading (T/Sq. mm.)</u>	<u>PPM U in Soil</u>	<u>Location</u>
78372	48.3	0.5	11400N 10070E
78373	18.4	0.5	11400N 10840E
78374	28.4	2.6	11400N 10630E
78375	218.7	1.2	11400N 10600E
78376	29.2	2.6	11400N 10570E
78377	20.7	3.6	11400N 10240E
78378	11.5	0.5	11400N 10210E
78379	143.7	4	11400N 10060E
78380	33.8	7.6	11400N 10030E
78381	5.2	50	11600N 10270E
78382	102.4	370	11600N 10360E
78383	87.0	480	11600N 10390E
78384	11.0	8.4	11600N 10420E
78385	15.7	2.6	11600N 10450E
78396	27.7	2	11400N 10180E TILTED
78397	51.4	2	11400N 10150E
78398	33.2	7.6	11200N 10210E
78399	19.8	3.8	11200N 10180E
78400	25.3	2	11200N 10150E
78411	51.4	1.6	12000N 10120E
78412	68.8	4	12000N 10150E
78413	13.8	28.4	12000N 10240E
78414	15.2	10.6	12000N 10300E
78415	10.1	7	12000N 10330E
78416	36.2	13.6	12000N 10360E
78417	15.2		12000N 10390E
78418	19.6	5	12000N 10450E
78419	18.1	1	12000N 10480E
78420	14.5	1	12000N 10510E
78501	33.5	330	11800N 10240E
78502	64.8	5	11800N 10180E
78503	73.0	7	11800N 10150E
78504	47.0	3	11800N 10120E
78505	103.3	27.8	11800N 10090E
78506	48.4	3	11600N 10120E
78507	10.4	7.4	11600N 10150E
78508	127.9	5.4	11600N 10180E
78509	20.1	44	11600N 10210E
78510	11.9	42	11600N 10240E INWATER



10,000 E

12,000 N

11,800 N

11,600 N

11,200 N

6.4
78

78380
7.6
33.8
4
143.7

78397
2
51.4
2
27.7

78378
0.5
11.5
3.5
20.7

78382
3.70
102.4
480
87.8
8.4
11.9

78376
2.6
29.2
1.2
26.7
2.6
28.4

78375
1.2
26.7
2.6
28.4

78374
2.6
28.4

78373
0.5
18.4
0
0.5
2
48.3

78505
27.8
103.3
3
47

78504
7.4
10.4
7
73

78503
5.4
127.9
44
20.1

78502
5
64.8

78501
330
33.6

78411
1.6
51.4
4
68.8

78412
28.4
13.8

78413
10.6
15.2

78414
7
10.1

78415
3.6
36.2

78416
5
15.2

78417
5
19.6

78418
10
18.1

12,000 N

11,800 N

11,600 N

11,200 N

ppm U
Tracks/mm²



[Handwritten signature]

between two swamps from a soil containing 1.2 ppm U. It may be underlain at shallow depth by a uraniferous muck. The highest reading is however unsupported by the adjacent samples which gave readings closely approximating the background mean.

The results of the Track Etch program are equivocal. The limited data base, the variability of the data, and its lack of correlation with the geochemical data preclude an adequate interpretation of the Track Etch data. Some of the variability may be related to the isotopic disequilibrium due to the youthfulness of the deposits. Alternatively in a geochemical environment as chemically active as this area, it is not difficult to imagine a translocation of the uranium or its daughter products during the decay process. This could produce an immediate radon source far removed from the parent uranium and would of course be contributant to the isotopic disequilibrium. Another alternative cause of the negative correlation could be the concentration of uranium into the fine grain size fractions of the organic soils. Analysing the finer size fractions of these soils would then indicate a uranium concentration which does not exist for the whole of the sample.

Overburden Drilling

Introduction:

Uranium analytical values obtained from soil samples taken at Trout Lake during earlier exploration efforts indicated a strong positive correlation between certain organic rich palustrine sediments and greater than normal uranium values. A preliminary appraisal of the geochemical data indicated the possible existance of a significant geological reserve of uranium in the paludal environments occurring in the region. A test of the hypothesis was designed to provide data relative to the thickness of palustrine sediments and the distribution of uranium in the sediments.

Overburden Drilling (continued)

Two sampling techniques were utilized. A hand held and gasoline motor powered drill machine was used to drive a 2.5 inch auger flight in obtaining relatively shallow samples. A cobra drill equipped with a retractable point, piston type sampling devise was used to acquire samples to depths of 15 meters. Samples were cut at nominal one meter intervals with the piston coring devise. Continuous samples were taken, where recovery permitted, with the auger drill.

Analytical Methods

Uranium analyses were carried out by the conventional fluorimetric method using a Turner Model III Fluorimeter. Dissolution was achieved with concentrated nitric acid.

Loss on ignition determinations were carried out by ashing in a furnace at 600°C. for 1-1/2 hours after air drying at 100°C.

Results and Conclusions

Sections of the Grid I drill holes illustrating sample locations and their uranium contents are shown on a plan drawn by W.S. Pentland. This plan comprises Figure VI of this report. Another plan, Figure VII, drawn by W.S. Pentland illustrated sample locations and analytical results for deep soil samples acquired in the Grid II area.

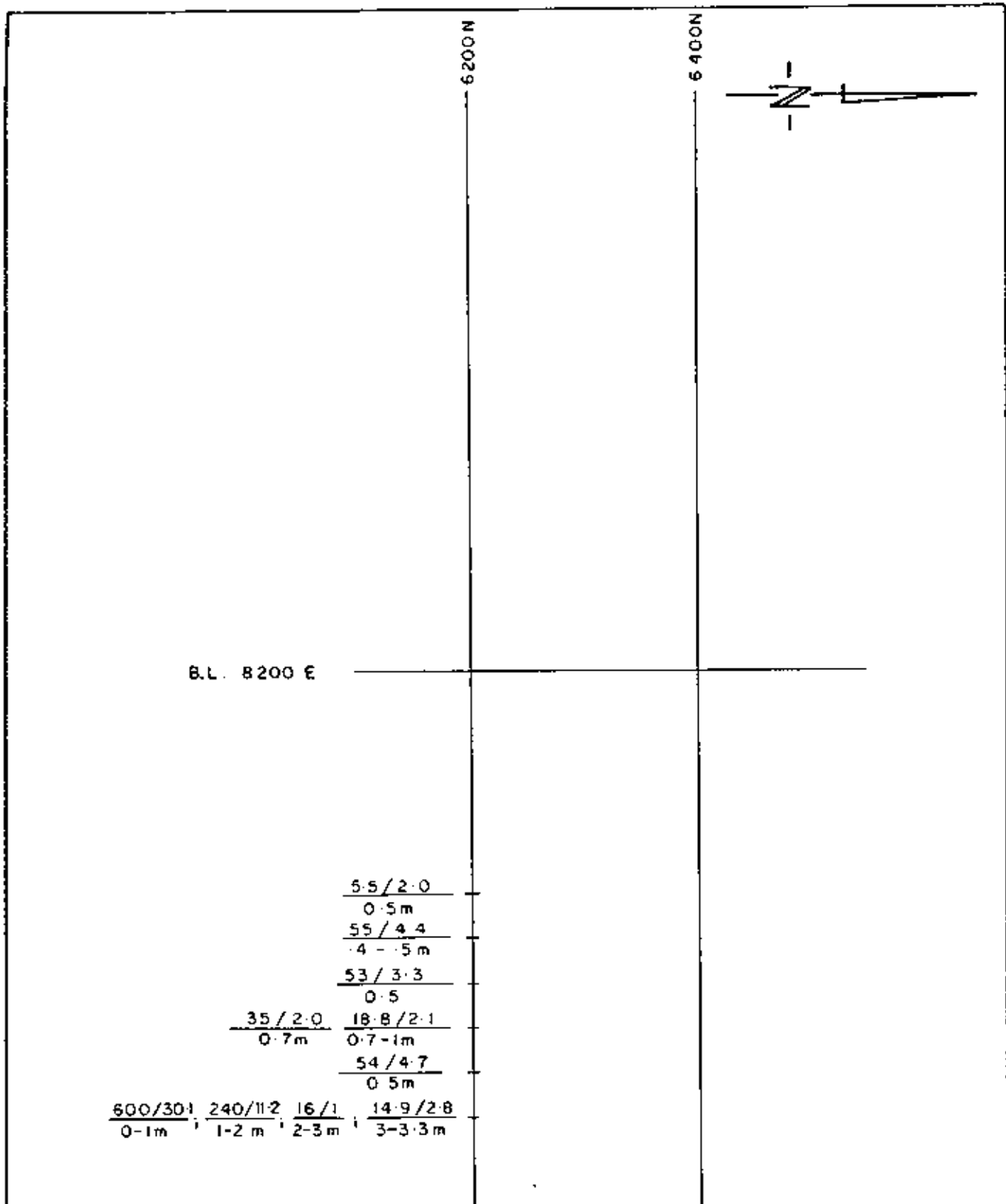
Overburden drilling on Grid I failed to define the base of the paludal-fluvial sediment section. Penetration was effected to depths as great as 15 meters where fluvial sand was encountered. The drilling did substantiate the original interpretation that potentially economic uranium grades are restricted in areal distribution. Large variations in uranium grades occur over short vertical intervals. These variations in grade demonstrate a strong correlation with variations in lithofacies.

Specifically organic matter and uranium are in large part covariable. Evidence to date indicates that uranium concentrations of potentially economic grade are essentially surficial features.

Deeper soil sampling on Grid II has demonstrated that the higher uranium concentrations are relatively thin surficial features.

Recommendation

Further work on the paludal deposits is not recommended.



35 / 2.0 → URANIUM CONTENT IN PPM
 0.7m → LOSS ON IGNITION IN %
 0.7m → DEPTH IN METRES

FIGURE VII
 PLACER DEVELOPMENT LIMITED
 TROUT LAKE, B.C. N.T.S. 104-N 10
GRID II
 RESULTS OF AUGER DRILLING
 SCALE 1:5000
 MAY, 1978. V-157 WS.P.(J.L.)

Statement of Expenditures

1. <u>CX1 & Fox 4</u> (require \$1,500 assessment)	
(1) Cobra Drilling - Bema Industries (35% of \$2,856)	\$1,000
(2) Auger Drilling - PDL (3 men - 2 days @ \$125/man/day) W. Pentland, L. Kiss, D. Brown)	550
(3) Helicopter - April 14-15 - 3:40 @ \$330/hour	1,210
(4) Assaying - 27 samples @ \$4.00/sample	108
	<u>\$2,868.00</u>
2. <u>CX & Fox 2</u> (no assessment required)	
(1) Cobra Drilling - Bema Industries (65% of \$2,856)	\$1,856
(2) Auger Drilling - P.D.L. (3 men - 3 days @ \$125/man/day) W. Pentland, L. Kiss, D. Brown	825
(3) Track Etch 1 man - 3 days @ \$125/day (L. Kiss)	375
(4) Helicopter - April 16-17 - 8 hrs. @ \$330/hr. \$2,640 Sept. 24 - 3 hrs. @ \$330/hr. - 990	3,630
(5) Assaying - 37 samples @ \$4.00/sample	148
(6) Track Etch Cups	601
	<u>\$7,435.00</u>
3. <u>CX2 & Fox 7</u> (require \$3,500 assessment)	
(1) Auger Drilling - P.D.L. (3 men - 2 days @ \$125/man/day) W. Pentland, L. Kiss, D. Brown	550
(2) Helicopter - 11:35 hrs. @ \$330./hr. (includes transit W.L. -- Teslin -return)	3,822
(3) Transportation - Vancouver -- W.L.-return (W. Pentland, D. Brown, return CPA fare L. Kiss W.L. --- Vancouver, C.P.A.)	620
(4) Assaying - 10 samples @ \$4.00/sample	40
	<u>\$5,032.00</u>

B. A INDUSTRIES LTD. 19790-88 AVENUE RR 4 LANGLEY, BC V3A 4P7 (604)530-7772

April 20, 1978

Mr. W. S. Pentland
Placer Development Ltd.
700-1030 West Georgia St.
Vancouver, B.C.

RE: OVERBURDEN SAMPLING
TESLIN AREA V-157

16 hours mobilization and demobilization @ \$30.00	\$	480.00
28 hours overburden drilling @ \$40.00		\$1,120.00

Disbursements:

C.P. Air Vancouver to Whitehorse return		
M.J. Beley	\$232.00	
R. J. Barclay	232.00	
C.P. Air excess baggage	182.90	
M. J. BELEY expenses	37.50	
R. J. BARCLAY expenses	125.04	
Bowmack truck rentals	189.72	
Yukon Inn Meal	27.40	
Total	\$1,027.56	
Service Charge @ 15%	154.13	
Total	\$1,181.69	\$1,181.69

Equipment Supplied

1 Toboggan 5 days @ \$3.00	\$	15.00
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Equipment Lost

3 rods @ \$20.00 each	\$	60.00
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Total		\$2,856.69
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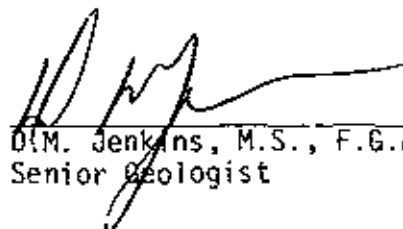
This is our account
Bens Industries Ltd.
per:

STATEMENT OF QUALIFICATIONS

I, D.M. Jenkins, with business address at 700 Burrard Building, Vancouver, B.C., V6E-3A8, do hereby certify that I have supervised the field work and have assessed and interpreted the data resulting from this work on the CX, CX1, and CX2 claims and Fox 2, Fox 4 and Fox 7 claims.

I also certify that: -

1. I am a graduate of the University of South Florida (B.A. Geology, 1963).
2. I am a graduate of the University of Florida (M.S. Geology, 1966).
3. I was a graduate student at the University of Cincinnati from 1966 to 1970.
4. I have engaged in mineral exploration since 1970.
5. I am a fellow of the Geological Association of Canada.


D.M. Jenkins, M.S., F.G.A.C.
Senior Geologist



- LEGEND**
- SWAMP
 - 2. TILL
 - 1. ALASKITE
 - SOIL GEOCHEMISTRY GRID LINE WITH OUTCROP
 - JOINTING (INCLINED, VERTICAL)
 - CREEK

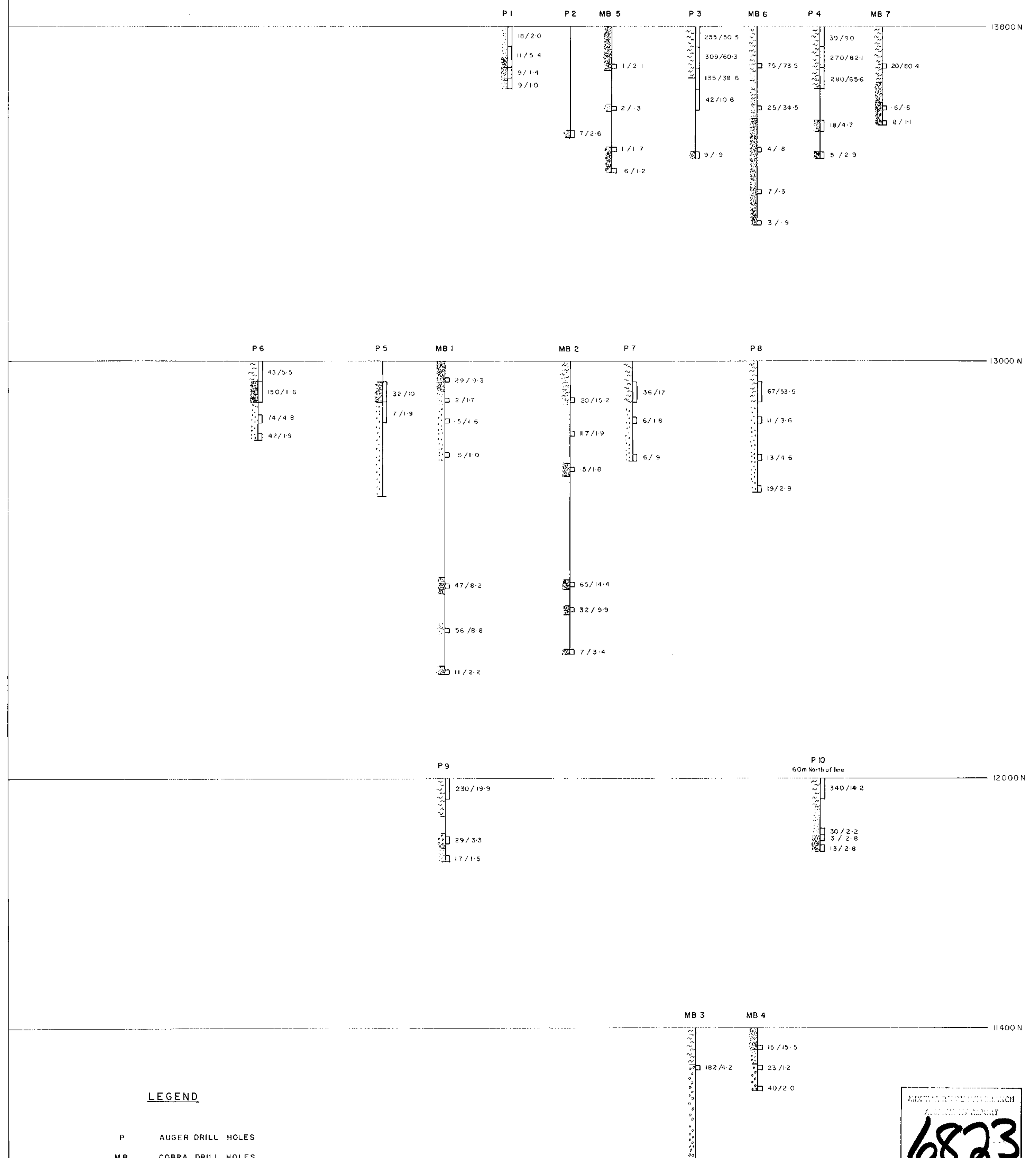
FIGURE IV
CANEX PLACER LIMITED
TROUT LAKE, B.C. N.T.S. 104-N10

GRID I
GEOLOGY

MINERAL RESOURCES BRANCH
ASSESSMENT REPORT
6823
NO.

0 100 200 300 400 500
METRES
SEPT, 1977. SCALE 1:5000 V-157 D.M.J.
TRACED J.L.

10000 E 10100 E 10200 E 10300 E 10400 E 10500 E



LEGEND

- P AUGER DRILL HOLES
- MB COBRA DRILL HOLES
- 19/21.3 ← LOSS ON IGNITION IN %
- ↑ URANIUM CONTENT IN PPM
- CLAY
- FINE SAND
- COARSE SAND
- GRAVEL
- ORGANIC MATERIAL

MINERAL DEVELOPMENT
 TRUST OF BRITISH
 COLUMBIA
6823
 NO.

FIGURE VI

PLACER DEVELOPMENT LIMITED
 TROUT LAKE, B.C. N.T.S. 104-N10

GRID I

RESULTS OF AUGER DRILLING
 AND COBRA DRILL SAMPLING

SCALE FOR GRID LINES 1:5000
 SCALE FOR DRILL HOLES: HORIZONTAL 1:1000
 VERTICAL 1:100
 MAY, 1978. V-157 W.S.P., (J.L.)