

PROSPECTING REPORT

on

STEEP CLAIMS
1008 (2)

ATLIN MINING DIVISION

Map Sheet 104 M/8 W
at 59° 26'N
134° 29'W

Owner: Karl Gruber

Operators: Silver Ice Mining

Consultants: John N. Fehler
Joey Grant

Report Authors: H. D. Foster, Phd.
I. H. Norie

May 5, 1981

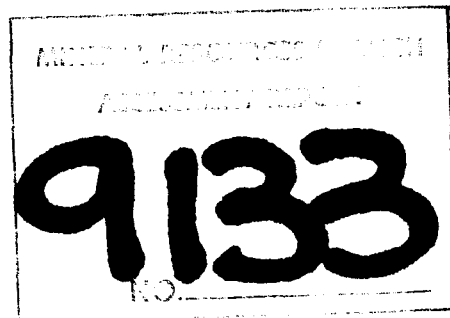


TABLE OF CONTENTS

I	Introduction	
	Figure 1	General location of Steep Claims 3
	Figure 2	Claims location map 5
	Plate 1	Distant location of reference post 6
	Plate 2	Site of original Ben My Chree camp 6
	Plate 3	Workings and sample sites 7
	Plate 4	New sample sites 7
	Table 1	Assays 8
	Figure 3	Photo location of claims and samples 9
II	Technical Data and Interpretation	10
III	Itemized Cost Statement	11
IV	Qualifications	12
V	Observations	13
VI	Appendix	
	(i)	Assays 14
	(ii)	John Fehler Certificate
	(iii)	Statement of Exploration and Development

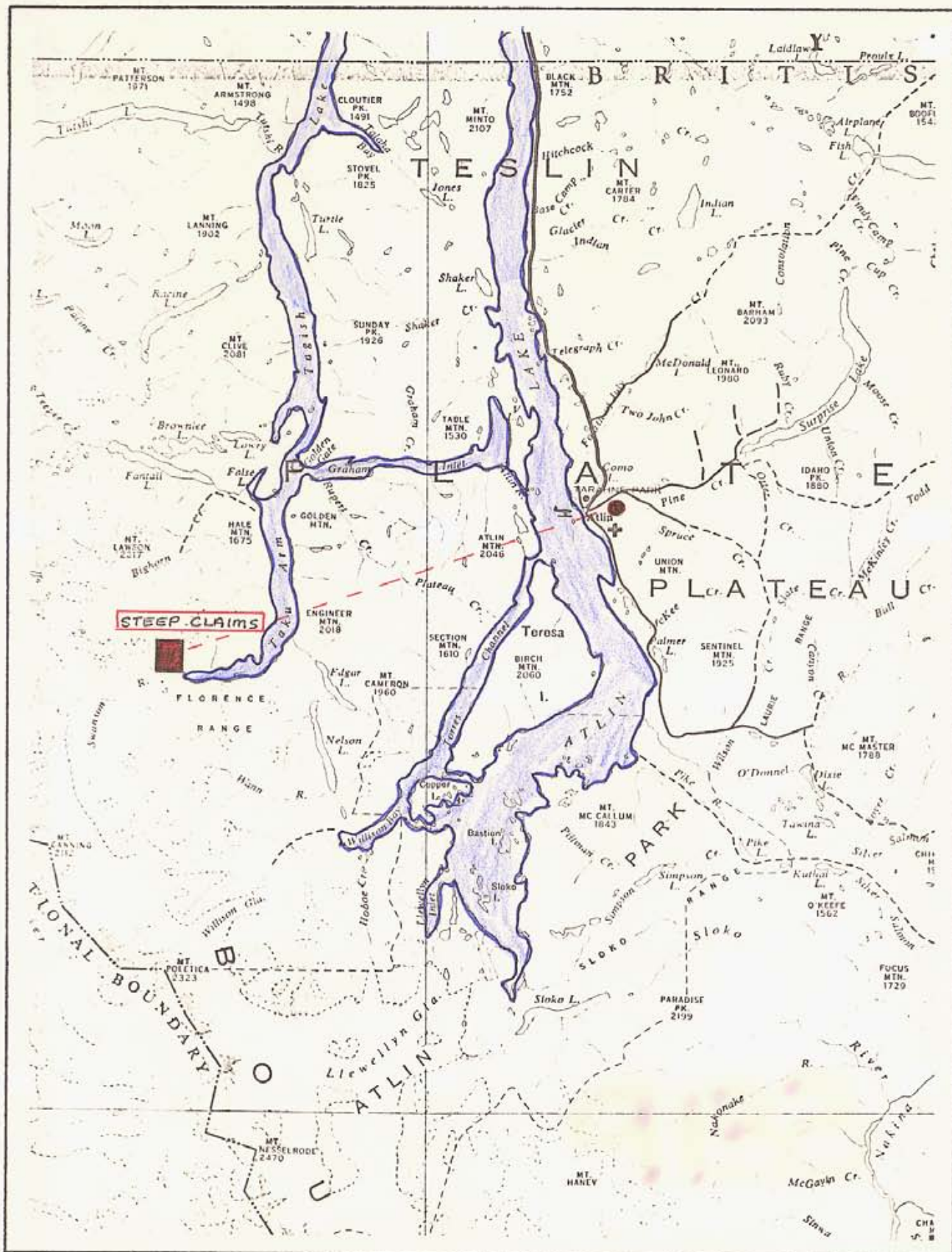


Figure 1 General Location of Steep Claims

I INTRODUCTION

The Steep Claims on the northern slopes of Ben My Chree are located on the north-western side of the southern end of Taku Arm in the Atlin mining division. As the name indicates, the topography is extremely rugged and the block of 20 claims extends through an altitude of several thousand feet on the southern face of a steep mountain. Access to these claims is very difficult except by helicopter. (See figures 1, 2 and plates 1 to 4).

The Steep Claims, 20 in number, are located in reference to location post #46289 at or near the north-east corner of lot 4684 Atlin District and from the aforementioned location post, the perimeter of these claims runs due west 2000 meters to the S.W. post, thence 2500 meters due north to the N.W. post, thence 2000 meters east to the N.E. post, thence 2500 meters due south to close on the reference post.

The general rock formation of the area covered by the property consists of members of the Mount Stevens group, mainly greenish amphibolites which are schistose, being sheared, folded, broken and highly metamorphosed.

At least five veins are known to outcrop at various locations on the north and west side of the southern end of Taku Arm, being situated approximately 6 miles south-west of Moose Mountain. These are known to contain silver, gold, galena and pyrite.

On or about 1900 extensive silver deposits were found in the area covered by the Steep Claims. A mining camp was built on lot 4684 and initial mining began. Unfortunately, blasting to open an upper adit triggered an avalanche which killed the influential members of the original company. As a result of this disaster, the property was abandoned as being inaccessible and too dangerous to work. The property has now again been recently staked by Karl Gruber of Whitehorse, B. C., and who has entered into an agreement with Silver Ice Mining Ltd. of Victoria, B. C. This Company is undertaking a re-evaluation and probable re-opening of the mine.

During the period of the 30th of September to the 4th of October, John Fehler and Joey Grant, being representatives of Silver Ice Mining Ltd., visited the Steep Claims with the aid of a helicopter. The purpose of this visit was to obtain ore samples for assay.

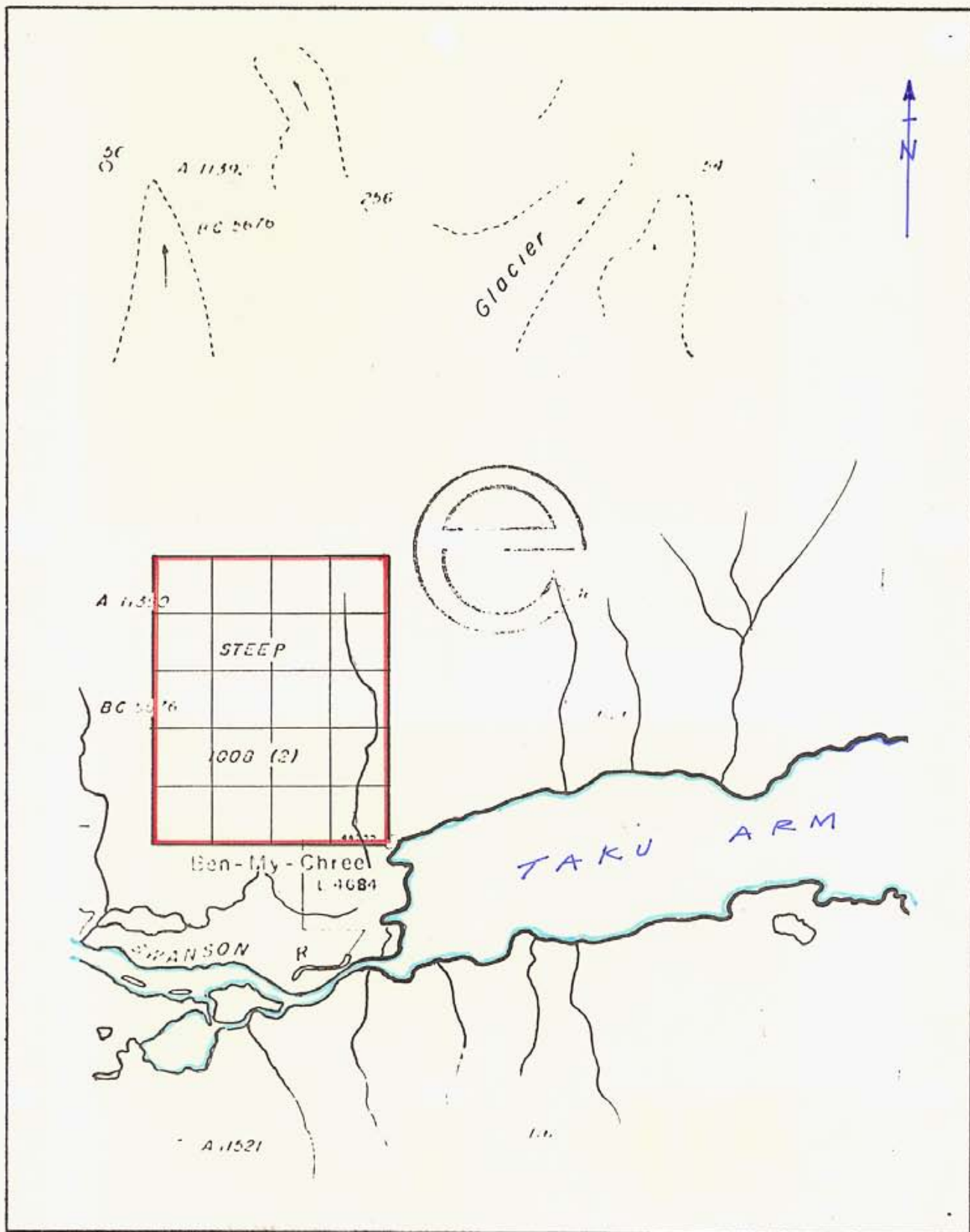


Figure 2 Claims Location Map



Plate 1 Distant location of the reference post in the south-east corner of the 20 claim block.



Plate 2 Site of the original Ben My Chree Camp



Plate 3 Old workings and sample sites looking north-west



Plate 4 Sample sites in vicinity of old workings looking north, north-west

Nine samples were taken from a series of sites near the previous workings being at claim no. 15 at the 5500 foot level (see figure 3). Results of these assays we give in Table I.

TABLE I - Assays (oz. per ton) (See Appendix 1)

<u>Sample No.</u>	<u>Claim No.</u>	<u>Gold</u>	<u>Silver</u>	<u>Laboratory</u>
1		0.005	1.04	Chemex
2		0.07	0.41	"
3		0.005	0.78	"
4		0.065	3.40	Colorado
5		0.055	1.60	"
6		0.05	19.10	"
7		0.02	1.80	"
8		0.04	12.20	"
9		trace	trace	"



Figure 3 Photo Location of Claim #15
and Samples Taken for Assay

II TECHNICAL DATA AND INTERPRETATION

The mine rock-chip samples taken from the Steep Claims varied in mineral content from .07 oz. per ton of gold and 19.10 oz. of silver at a maximum to traces of both minerals as a minimum. At the time of the assay, silver was valued at \$20 per ounce, although it has recently fallen in value.

The most promising assay taken at that time would therefore have been worth \$380 per ton. Because of the extreme inaccessible nature of the site, it is unlikely that this mine would be a viable proposition at this time. It is thought, however, that future investigation under more favourable conditions may lead to further discoveries and, with new technology, prove profitable.

III ITEMIZED COST STATEMENT

The survey of the Steep Claims was part of a larger review of the other hardrock claims in the Atlin Mining Division. Details of the cost of this survey are shown below.

Hardrock Claims:

Bighorn - Tonya 1, 2, 3
Oppen
Ka
Jessi
Ben - My - Chree (Steep)

Per: Mr. Karl Gruber F.M.C. #_____, Claimholder

By Mr. John N. Fehler F.M.C. #196971, 1403 Arm St., Victoria,
B. C., V9A 4G8

Mr. Joey Grant, ATARQUE ENERGY CO., P. O. Box 746, St. John's,
Arizona, 85936, U.S.A.

Mr. Grant acted as technical and geological advisor.

Summary:

All above listed claims visited and mineral samples taken from each for further examination. Over half of the time and helicopter expenses were required for a more detailed survey on Ben - My - Chree, including tracing the original trail and tramlines into the area. The possibility of using a pipeline system to bring crushed minerals down to a barge on the lake was investigated. We will continue to work on this aspect next year.

Expenses for total survey are as follows:

Transportation: to and from Atlin, B. C. plane, taxi, etc.	\$ 732.45
Hotel: Vancouver and Whitehorse	150.20
Food:	334.75
Helicopter rentals	1,526.40
Labour expenses: Mr. Fehler 4 days @ \$150/\$600	
Mr. Grant 4 days @ \$250/\$1000	<u>1,600.00</u>
	<u>\$4,343.80</u>

Mr. Ian Norie has also spent considerable time and expense in photogrammetric interpretation and mapping of these sites on behalf of Silver Ice Mining. Although no charges will be assessed, the value of his work on the claims would be in excess of \$600.00.

IV QUALIFICATIONS

Investigations and sample collection was undertaken by Mr. John Fehler (F.M.L. 207822), and assistants. Mr. Fehler successfully completed the Camosun College prospecting geology course of 1981 (certificate attached as Appendix II).

Dr. Harold D. Foster, with degrees in geology and geography from the University of London, examined the samples and with Mr. Ian Norie of the University of Victoria, assisted in the writing and preparation of this report.

V OBSERVATIONS

Due to thick snow and poor weather, it was not possible to carry out detailed examination of the site, in particular the bedrock geology. Plans are now being made to examine this site in detail. This will probably be early this summer or as conditions become favourable.



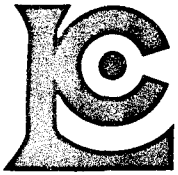
May 5, 1981

John N. Fehler

F.M.L. 207822

VI APPENDIX

1. Assays
2. John Fehler Certificate
3. Statement of Exploration and Development



CHEMEX LABS LTD.

212 BROOKSBANK AVE.
NORTH VANCOUVER, B.C.
CANADA V7J 2C1
TELEPHONE: 984-0221
AREA CODE: 604
TELEX: 04-352597

• ANALYTICAL CHEMISTS • GEOCHEMISTS • REGISTERED ASSAYERS

CERTIFICATE OF ASSAY

CERTIFICATE NO. 70384

TO: Dr. H. D. Foster
2625 Burdick
Victoria, B.C.
V8R 3L8

INVOICE NO. 40247

RECEIVED Oct. 9/80

ANALYSED Nov. 3/80

SAMPLE NO. :	%	oz/ton	oz/ton
	Sb	Ag	Au
#1	0.212	0.09	0.032
2		0.12	0.128
3 - STEEP #1		1.04	0.005
4 - STEEP #2		0.41	0.070
5 - STEEP #3		0.78	0.005
6		0.12	< 0.003
7		0.08	< 0.003
8		0.02	< 0.003
9		0.04	< 0.003
10		0.10	< 0.003



MEMBER
CANADIAN TESTING
ASSOCIATION

[Signature]
REGISTERED ASSAYER, PROVINCE OF BRITISH COLUMBIA

THE COLORADO ASSAYING COMPANY

(INCORPORATED)

ASSAYERS AND CHEMISTS

2244 BROADWAY

DENVER, COLORADO 80201 October 25, 1980

REPORT ON DETERMINATIONS MADE FOR —

Mr. Carr C. Krueger

Box #730

Mountain Home, Idaho 83647

SAMPLE MARKS	METALS	Amount per Ton		PER CENT	Value per Ton	
		Ozs.	Hds.		Dollars	Cents
#1 Ben McChree, Carl's Sample	Gold Silver	0.065 3.40				
#2 " "	Gold Silver	0.055 1.60				
#3 " "	Gold Silver	0.05 19.10				
#4 Joey Mystic	Gold Silver	0.09 0.15				
#5 Big Horn Cr., So. Side, Opposite Tonya, J & K Sample	Gold Silver	0.015 0.10				
#6 Ben McChree, Krueger Sample	Gold Silver	trace trace				
#7 Big Horn, 256' Adit, 4' Vein Krueger Sample	Gold Silver	0.025 0.20				
#8 Ben McChree, 1912 Ore from Adit Krueger Sample	Gold Silver	0.04 12.20				
#9 Openhoff	Gold Silver	0.065 0.35				
#10 Big Horn Vein Walls	Gold Silver	trace 0.10				
#11 Ben McChree - Krueger Sample	Gold Silver	0.02 1.80				
#12 Big Horn, Tonya #4	Gold Silver	3.76 4.00				
#13 Aunt Grace #7, Oct. 2, -80	Gold Silver Antimony	0.14 2.70		17.20%		
Darryl NP#1, Oct. 14th, (C.Krueger)	Gold Silver	0.005 trace				

GOLD AT \$700. PER OUNCE
LEAD AT PER UNIT

SILVER AT \$20. PER OUNCE
COPPER AT PER UNIT

THE COLORADO ASSAYING COMPANY

By *Ed. Phillips*



CAMOSUN COLLEGE
VICTORIA BRITISH COLUMBIA
COMMUNITY EDUCATION SERVICES

CERTIFICATE

This is to certify that

JOHN FENNER

successfully completed a course of 53 hours duration in

PROSPECTING GEOLOGY

FEBRUARY 28, 1981

Date


INSTRUCTOR


DIRECTOR OF COMMUNITY EDUCATION SERVICES

C. DRILLING <small>(Details in report submitted as per section 8 of regulations.) (The itemized cost statement must be part of the report.)</small>	COST
D. GEOLOGICAL, GEOPHYSICAL, GEOCHEMICAL <small>(Details in report submitted as per section 5, 6, or 7 of regulations.) (The itemized cost statement must be part of the report.) (State type of work in space below.)</small> Further work to be done this spring when snow gone, and report completed.	 \$ 2,000.00
TOTAL OF C AND D	\$ 2,000.00

Who was the operator (provided the financing)? Name **Karl Gruber**
 Address **Box 5090**
Whitehorse, Y.T.

Portable Assessment Credits (PAC) Withdrawal Request		AMOUNT
Amount to be withdrawn from owner(s) account(s):		
<small>(May be no more than 30 per cent of value of the approved work submitted as assessment work in C and (or) D.)</small> Name of Owner 1. 2. 3. 4.		
TOTAL WITHDRAWAL		
TOTAL OF C AND (OR) D PLUS PAC WITHDRAWAL		

I wish to apply \$ **2,000.00** of this work to the claims listed below.

- (State number of years to be applied to each claim, its month of record, and identify each claim by name and record no.)
- STEEP 1008 - FEBRUARY**

Value of work to be credited to portable assessment credit (PAC) account(s).
(May only be credited from the approved value of C and (or) D not applied to claims.)

Name	AMOUNT
In owner(s) name. 1. 2. 3.	
In operator(s) name (party providing the financing). 1. 2. 3.	

Karl Gruber
 (Signature of Applicant)